



MODULE 15C: PAY STUB AND DEDUCTIONS

Choose from the Suggested Activities below to find activities to help your students meet the outcome for this module from the Saskatchewan Financial Literacy 20/30 curriculum.

All resources for this module's activities can be found on saskmoney.ca.

OUTCOME

Examine the components of a pay stub.

INDICATORS

- Identify the common components of a pay stub including pay period, gross pay, deductions, net pay, employer contributions, hours worked or projects completed.
- Explain the purpose of each component of a pay stub.
- Differentiate between required and voluntary deductions on a pay stub.
- Explain the purpose of deductions including Canada Pension Plan (CPP), Employment Insurance (EI), income tax, medical insurance, union dues and contributions to company pension plans.
- Calculate and verify accurate values for gross pay, deductions and net pay on a variety of pay stubs.
- Discuss ways to deal with discrepancies in calculations on a pay stub which result in an inaccurate net pay.

OVERVIEW

Students will develop an understanding of why there are deductions from their pay, how the deductions are calculated, and how to verify the accuracy of their pay stubs.

PREREQUISITE

Module 14A

SUGGESTED TIME

2-4 hours

RESOURCES

- Textbook (online or text):**
 - Money and Youth* (2018). Module 5: Sources of Income, pp. 59-60.
- Online Tools:**
 - Vancity*: What are all those deductions and taxes on my paycheque? (video)
 - Zine*: Assembly- How to make a zine from one piece of printer paper (*YouTube*)
 - Understanding Your Pay Stub Canada (*YouTube*)
- Assignments and Activities:**
 - Reading a pay stub (*Canadian Centre for Financial Literacy*)
 - Understanding pay stub deductions handout (and key)
 - John's Pay Stub (*Financial Consumer Agency of Canada*)
 - Deductions handout

ASSESSMENT

- Review completed handouts and monitor discussions (formative assessment)
- For summative assessment:
 - Determine ability of student to apply concepts to their current employment or study calendars
 - Students could be asked to reflect on questions 2-5 by applying the information to their own lives

SUGGESTED ACTIVITIES

1. Watch the lecture video, "[Understanding Your Pay Stub Canada.](#)"
2. View and discuss the **Vancity** video, "[What are all those deductions and taxes on my paycheque?](#)"
3. **What are the components of a pay stub?**
 - a. Assign the readings "Understanding Deductions from your Pay-cheque" section of the **Money and Youth** textbook on pages 59–60, and the handout **Reading a Pay Stub**. Students will refer to these to complete the handout **Understanding Pay Stub Deductions: Vocabulary checkpoint**.
4. **How are deductions applied to pay:**
 - a. Individually or in small groups, students will apply their knowledge of pay stub deductions by completing the activities Reading Jemma's Pay Stub and Reading David's Pay Stub (**Reading a Pay Stub**). Once they have completed these, each student should demonstrate their understanding of the activity by answering the same questions on the sample pay stub on the Government of Canada site (**John's Pay Stub**).
5. **What do specific deductions represent, and why are some of these not universally deducted?**
 - a. Provide students with the **Deductions** zine handout. Present the **Zine: Assembly video** on how to assemble the single-sheet zine, then have them assemble their zine handout.
 - b. Students will complete an internet search for the terms presented in the handout and represent what they learn by completing the handout.
5. **How can employees make sure that their pay and deductions are correctly administered?**
 - a. Provide each student with a simple calendar and instruct them to keep a written record of any hours that they work at a part-time job during their next pay period. Students who don't have a job might track hours spent on an extracurricular pursuit (lessons, sports, practices) or even school work. At the end of the period, students will tally their hours. Those with a job should be encouraged to check it against their pay stub for that period. *Students shouldn't be required or encouraged to share the actual information with either the teacher or their classmates, but should reflect on the importance of monitoring their working hours to protect themselves from being shorted by an employer.*
 - b. Students should research current rates for each deduction as well as the maximum deduction for each (CPP, EI, etc.) and monitor those on their pay stubs.

For more curriculum information, please visit the Government of Saskatchewan curriculum website.