NEWFOUNDLAND AND LABRADOR CANADIAN ECONOMY 2203 · UNIT C · 10 QUESTIONS

Government and the Canadian Economy — Practice Test

This practice test was made by AI and there may be mistakes. If a question or answer looks wrong, use the Flag a mistake button to let Brett know so he can fix it.

1 **What is the main meaning of sales tax?**



A income tax

B tax on goods sold

C public debt service

D fiscal policy

Understand It with Pulse | Flag a mistake

2 **Which term matches this description: tax on earnings?**

A paying interest on government debt

B government spending and tax choices

C income tax

D central bank control of money

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3 **What is the main meaning of public debt service?**



A fiscal policy

B monetary policy

C Bank of Canada

D paying interest on government debt

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4 **Rules limit how much a factory may pollute. What are these?**

- A Regulation controlling business activity
- B A budget
- C A deficit
- D A public good

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5 **Economic activity falls for two quarters in a row. What is this?**

- A Inflation
- B A recession with falling activity
- C A budget surplus
- D Equalization

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6 **Payments go to seniors and to provinces for health care. What are these?**

A Sales taxes

B Crown corporations

C Transfer payments to people or provinces

D Public goods

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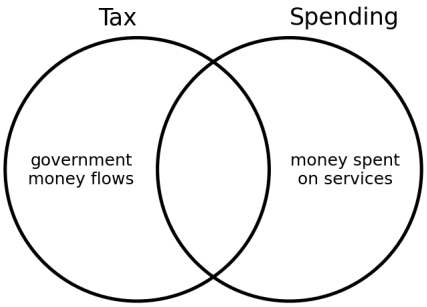
7 **According to the diagram, which idea belongs in the middle region shared by both forms?**



- **A** government money flows
- **B** money collected by government
- **C** money spent on services
- **D** listed steps in the order to follow

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8 **A survey counts 1200 taxpayers surveyed. 25 percent of them are new. The number that are new is**

ANSWER _____

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9 **One event happened in 1935 and a later event happened in 1965. The gap between them in years is**

ANSWER _____

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10 **Two counts are 700 and 1100. Their average is**

ANSWER _____

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ANSWER KEY

1. B
2. C
3. D
4. A
5. B
6. C
7. B
8. 300
9. 30
10. 900

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