Canadian Economy and Government — Practice Test

Prince Edward Island Introductory Economics 12 • 25 questions

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1 **In the Canadian economy and government, what does fiscal policy Canada mean?**

- A central bank actions affecting money and interest rates
- B government taxing and spending to affect the economy
- C money governments collect from people and businesses
- D government money spent on services and programs

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2 **In the Canadian economy and government, which term matches this description? government taxing and spending to affect the economy**

A monetary policy Canada

B fiscal policy Canada

C taxation Canada

D public spending Canada

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3 **In the Canadian economy and government, which phrase is most closely linked to fiscal policy Canada?**

A money and rates policy

B government collection

C tax and spend policy

D government service spending

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4 **In the Canadian economy and government, what does monetary policy Canada mean?**

A money governments collect from people and businesses

B government money spent on services and programs

C spending more than revenue in a year

D central bank actions affecting money and interest rates

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5 **In the Canadian economy and government, which term matches this description? central bank actions affecting money and interest rates**

A monetary policy Canada

B taxation Canada

C public spending Canada

D budget deficit Canada

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6 **In the Canadian economy and government, which phrase is most closely linked to monetary policy Canada?**

- A government collection
- B money and rates policy
- C government service spending
- D overspending year

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7 **In the Canadian economy and government, what does taxation Canada mean?**

- A government money spent on services and programs
- B spending more than revenue in a year
- C money governments collect from people and businesses
- D total money a country government owes

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8 **In the Canadian economy and government, which term matches this description? money governments collect from people and businesses**

- A public spending Canada
- B budget deficit Canada
- C national debt Canada
- D taxation Canada

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9 **In the Canadian economy and government, which phrase is most closely linked to taxation Canada?**

- A government collection
- B government service spending
- C overspending year
- D total government owing

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10 **In the Canadian economy and government, what does public spending Canada mean?**

- A spending more than revenue in a year
- B government money spent on services and programs
- C total money a country government owes
- D money from one government to another or to people

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11 **In the Canadian economy and government, which term matches this description? government money spent on services and programs**

- A budget deficit Canada
- B national debt Canada
- C public spending Canada
- D transfer payment Canada

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12 **In the Canadian economy and government, which phrase is most closely linked to public spending Canada?**

A overspending year

B total government owing

C government money transfer

D government service spending

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13 **In the Canadian economy and government, what does budget deficit Canada mean?**

A spending more than revenue in a year

B total money a country government owes

C money from one government to another or to people

D a company owned by the government

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14 **In the Canadian economy and government, which term matches this description? spending more than revenue in a year**

A national debt Canada

B budget deficit Canada

C transfer payment Canada

D Crown corporation

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15 **In the Canadian economy and government, which phrase is most closely linked to budget deficit Canada?**

A total government owing

B government money transfer

C overspending year

D government owned company

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16 **In the Canadian economy and government, what does national debt Canada mean?**

- A money from one government to another or to people
- B a company owned by the government
- C the yearly spending and revenue plan of a federal government
- D total money a country government owes

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17 **In the Canadian economy and government, which term matches this description? total money a country government owes**

- A national debt Canada
- B transfer payment Canada
- C Crown corporation
- D federal budget

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18 **In the Canadian economy and government, which phrase is most closely linked to national debt Canada?**

A government money transfer

B total government owing

C government owned company

D yearly federal plan

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19 **In the Canadian economy and government, what does transfer payment Canada mean?**

A a company owned by the government

B the yearly spending and revenue plan of a federal government

C money from one government to another or to people

D money a province collects from taxes and transfers

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20 **In the Canadian economy and government, which term matches this description? money from one government to another or to people**

- A Crown corporation
- B federal budget
- C provincial revenue
- D transfer payment Canada

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21 **In the Canadian economy and government, which phrase is most closely linked to transfer payment Canada?**

- A government money transfer
- B government owned company
- C yearly federal plan
- D province money collection

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22 **In the Canadian economy and government, what does Crown corporation mean?**

- A the yearly spending and revenue plan of a federal government
- B a company owned by the government
- C money a province collects from taxes and transfers
- D government workers delivering programs and services

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23 **In the Canadian economy and government, which term matches this description? a company owned by the government**

- A federal budget
- B provincial revenue
- C Crown corporation
- D public service Canada

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24 **In the Canadian economy and government, which phrase is most closely linked to Crown corporation?**

A yearly federal plan

B province money collection

C government program workers

D government owned company

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25 **In the Canadian economy and government, what does federal budget mean?**

A the yearly spending and revenue plan of a federal government

B money a province collects from taxes and transfers

C government workers delivering programs and services

D a program that softens ups and downs in the economy

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ANSWER KEY

1. B
2. B
3. C
4. D
5. A
6. B
7. C
8. D
9. A
10. B
11. C
12. D
13. A
14. B
15. C
16. D
17. A
18. B
19. C
20. D
21. A
22. B
23. C
24. D
25. A

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