SASKATCHEWAN HISTORY 10 · UNIT B

Economic Decision Making — Practice Test

Saskatchewan History 10 • 10 questions

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 **A monopoly is a market with a single seller, which can lead to higher prices and**

- A more choice always
- B lower prices always
- C less choice for consumers
- D free goods always

Understand It with Pulse | Flag a mistake

2 **Competition in a market generally benefits consumers by encouraging lower prices, better quality, and**

A higher prices only

B less choice only

C no new products

D innovation

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3 **A price ceiling is a legal maximum price, which can cause shortages if set below**

A the market equilibrium price

B the cost of production only

C the wage rate only

D the tax rate only

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4 **A price floor is a legal minimum price, which can cause surpluses if set above**

A the cost of production only

B the market equilibrium price

C the wage rate only

D the tax rate only

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5 **Gross domestic product per capita is total output divided by**

A imports only

B exports only

C population, giving an average output per person

D government spending only

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6 **The consumer price index measures changes in the price of a basket of goods and services bought by**

A only governments

B only farmers

C only exporters

D typical households

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7 **Fiscal policy refers to government decisions about spending and**

A taxation

B interest rates set by banks only

C weather forecasting

D school names

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8 **Monetary policy in Canada is set mainly by the Bank of Canada through interest rates and**

A federal taxes

B the money supply

C provincial budgets

D trade tariffs only

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9 **A deficit occurs when a government spends more than it receives in revenue in a**

A given decade only

B single day only

C given year

D foreign country only

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10 **Public debt is the total amount owed by a government as a result of past**

A surpluses only

B tax cuts only

C trade deals only

D deficits

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ANSWER KEY

1.	C	**5.**	C	**9.**	C
2.	D	**6.**	D	**10.**	D
3.	A	**7.**	A		
4.	B	**8.**	B		

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