

CHAPTER 1 - The Canadian Way

Important terms:

demand, economic resources, employee, employer, factors of production, financially independent, goods, interdependent, obsolete, prices, private sector, profit, public sector, services, supply, unemployed

Review Questions:

1. What are the two basic questions facing all nations?
2. Define the term: democracy and identify some of the freedoms enjoyed in a democracy.
3. Identify and briefly describe FOUR important characteristics of private enterprise in Canada.
4. Define the term: competition. How does a consumer benefit from competition?
5. What are the FOUR benefits of the modified, free enterprise system of Government?
6. Define the term: business cycle. Identify the stages in the business cycle and describe what happens in each stage.
7. Explain what is meant by the statement: the consumer is king.