

Activity 1.4: Budget Basics

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1. In your own words, write a definition for the term: budget .
2. Would you rather have a surplus or a deficit ? Why?
3. Explain the terms deficit and debt, and how they relate to each other.
4. Why can borrowing be necessary? Provide an example.
5. Why do you think it is important to budget money?



PART B: THE GOVERNMENT OF CANADA'S REVENUES AND EXPENDITURES

1. Describe the different types of transfer payments and provide examples for each.
2. Select three government departments or programs and explain how they relate or directly affect your life.
3. Identify two ways in which the federal government collects revenue and draw connections to you or your family.
 4. If you were Canada's Minister of Finance, and you realized you did not have enough revenue, which response would you choose? Why? a) Decreasing expenses b) Increasing revenue c) Borrowing money, and paying it back at a later date