

## ACTIVITY 2.3: 'Budget Basics' Video Assignments

1. Watch the "The Government of Canada's Budget" video and respond to the questions below.

a) What are three responsibilities managed by the **federal government**?

b) What is the term used for money that is **spent**?

c) What is the term used for money that is **earned** or **collected**?

d) What is the difference between having a **surplus** and a **deficit**?

e) Why can a government **deficit** sometimes be necessary?

**2. Watch the “The Government of Canada’s Expenditures” video and respond to the questions below.**

a) What are the three main areas of spending by the federal government?

b) What are the three different types of **transfer payments**? Provide at least one example of each.

c) What are **program expenses**? Provide two examples.

d) Why does the government pay **interest**?

e) How do the federal government’s expenditures affect you and your family? Provide specific examples.

**3. Watch the “The Government of Canada’s Revenues” video and respond to the questions below.**

a) What are the federal government’s three main sources of **revenue**? Which is the largest?

b) What are the different types of **tax revenue**? Provide details or examples for each.

c) What is the purpose of **Employment Insurance Premiums**? Who is required to pay into the fund?

d) What are **crown earnings**? Name two examples of crown corporations.