

1978

## I MEANING OF ECONOMICS

-comparison of industrialized economy such as Canadian, American, West Germany as opposed to economy based on a one commodity economy

examples: Barbados - sugar  
Nicaragua - bananas  
Hawaii - pineapple, sugar  
Canadian - many vast resources

## II ECONOMIC ACTIVITY

-human wants  
-resources  
-techniques of production  
-(go over the meanings of each and classify sub-categories)

### Scarcity of Resources

-discuss above and what effect they have on unemployment  
-techniques of production  
-discuss various economic structures re techniques of production  
-manual labour in the Third World countries  
-highly developed in United States, Canada, and other highly developed nations.  
-goals of economic activity  
a) full employment  
b) economic stability

## III ECONOMIC SYSTEMS

a) free enterprise  
b) socialistic system  
c) dictatorship

-compare the Canadian system with the USSR, Haiti, United States.  
-list various countries as falling into three groups

## IV ECONOMIC POLICY

-government intervention  
-labour movements and their involvement in economic policies of various countries  
-private group intervention  
(eg) Chambers of Commerce

## ASSIGNMENT NO. I

## Examples or Not of Socialism

- a) Municipal owned power plant
- b) Polymer Corporation Ltd.
- c) Bell Telephone Co. of Canada Ltd.
- d) Federal Government's involvement in Farm price  
-support program
- e) Public medical care programs

## ASSIGNMENT NO. II

Select all articles in one issue of the Sault Star or a Toronto paper and select each article dealing in some way with the Canadian economy.

## V CLASSIFICATION OF ECONOMIC UNITS

- Households
- Business Enterprises
- circular flow
- do diagram of circular flow and discuss each
  - 1) Money Outlay
  - 2) Goods & services
  - 3) Business firms
  - 4) Households (consumers & resource owners)
  - 5) Household incomes
  - 6) Costs of production
  - 7) Business receipts
  - 8) Costs of living
  - 9) Labour and Capital
  - 10) Goods and services
  - 11) Wages, salaries, rents, dividends, interest, etc.

## Interaction of Economic Units

- Two sets of markets - a) markets for goods and services  
b) markets for resources

## VI MICROECONOMICS AND MACROECONOMICS

- definition and difference
- examples of each
- questions which will assist in determining each theory  
(homework)

## VII BUSINESS FIRMS

- economic activity of business firms
- forms of businesses
  - a) sole proprietorships
  - b) the partnership
  - c) the corporation
  - d) the co-operative

**VII BUSINESS FIRMS (Cont. 'd)**

Class discussion on all four types giving pros & cons of each

Review governmental enterprises, crown corporations, etc.

- eg. Canadian National Railway
- Air Canada
- Postal Department
- CBC
- Polymer Corporation

-foreign investment in Canadian Companies - moves to overcome this

**VIII MARKET, DEMAND, SUPPLY & PRICES**

- theory that then supply is great price will go down
- opposite theory if great demand and supply limited, price will go up
- supply and demand
- discuss local items in stores
  - eg. coffee supply
  - fresh vegetables in winter
- give at least 6 examples of supply and demand based on your own observations
- demand schedule and demand curve
- supply schedules and supply curve (do examples on board then assign example for the class to do.)
- do demand schedule for margarine as on p. 66 of Economic Thinking
- do above as a demand curve
- do supply schedule for margarine
- do supply curve for margarine p. 72 - E.T.
- changes in demand
- changes in supply
- elasticity of demand and supply

**ASSIGNMENTS**

Dateline Canada p. 2 and p. 3  
 Supply and Demand B.C. lumber, do questions in book p. 3  
 Coffee Prices p. 4 - do questions & discuss in class  
 Meat - p. 5 do questions and discuss in class

More supply and demand exercises  
 Read p. 6 articles on above

- discuss meaning of
  - a) commodity futures market
  - b) foreign exchange market
  - c) money market
- assign various questions for homework

**Elasticity**

- read over material on p. 12 & 13 and do assigned questions
- do an example of price elasticity on the board to review with the class
- eg. T.T.C. fare increase

**XI PUBLIC FINANCE****Doctrine of Laissez-Faire**

Finances of 3 governments - federal  
 provincial  
 municipal

**Three Basic Areas of obtaining public funds**

- 1) Taxes on income
- 2) Taxes on goods sold
- 3) Taxes on property

**Discuss under each heading**

- 1) Progressive taxation
  - a) income
  - b) property

**-corporate taxation**

- special taxes
  - 1) excise tax
  - 2) custom duties
  - 3) succession duties
  - 4) local improvement tax
  - 5) local business tax

-review taxing power of 3 forms of government - BNA Act 1867

- Non-tax Revenues
  - 1) natural resources tax
  - 2) profits from government enterprises
  - 3) fees, licence, and permits
  - 4) court fines
  - 5) intergovernmental transfers of money

**X NATIONAL PRODUCT AND NATIONAL INCOME**

Read p. 75 in Dateline Canada re fiscal policy  
 p. 76 balancing the budget

**ASSIGNMENT NO. III**

Write an article on "Which action would have a greater impact on the economy, balancing the budget by cutting government spending or by raising taxes. (To be handed in for marking on Tuesday, December 5, 1978.)"

Read article on Monetary Policy on p. 82, 83, top of 84.

**XI FEDERAL FINANCES**

- the Budget
- review changes which follows introduction of federal budget
- what seems to be the thing stressed the most in the budget?
- name ten highlights of the recent budget and discuss

**XII MONEY & BANKING****A Essential characteristics of money**

- Money in Canada
- Money's unstable value
- Central Bank of Canada
- need for a central bank
- federal reserve systems

Dateline Canada

Money Supply p. 84

Rise in Bank Rate p. 86

Independence of the Monetary Authorities p. 88

The Bank's Responsibility p. 89

Do the assigned questions on each topic

**B Interest Rates (price of loans, etc.)**

Read section 104-105 in Dateline Canada

- inflation and interest rates
- international influences on our interest rate and on Canadian dollar
- articles (in Dateline Canada) found on pages 106 to 109

**XIII INTERNATIONAL TRADE**

- physical basis of International Trade
- Canada's trade pattern
- Balance of international payments
- Foreign exchange rates
- Canadian dollar stabilization
- See pages 117 to 123 in Dateline Canada under heading of International Influences

**TESTS**

- 1) On Tuesday, December 5, 1978 - a one hour test on work covered to then in the form of 30 questions of multiple choice.
- 2) On Tuesday, December 12, 1978 a test on work covered in the form of answers to 5 questions which may be selected from a list of 12 topics.