

# Economic System of Canada

6<sup>th</sup> Grade Social Studies

# What do you like on a Sundae?

- ▶ What toppings do you like on an ice cream sundae?
  - ▶ Plain Vanilla?
  - ▶ Or absolutely everything (and I mean everything)?



OR...

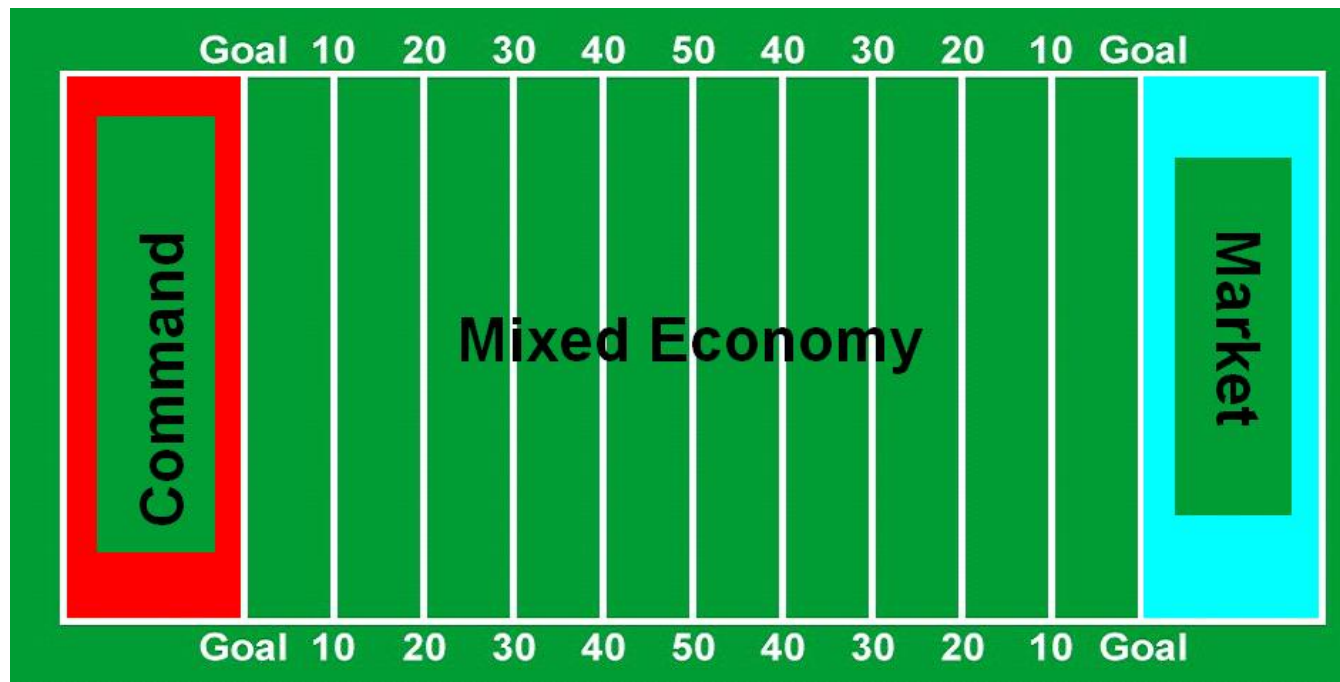


# What do you like on a Sundae?

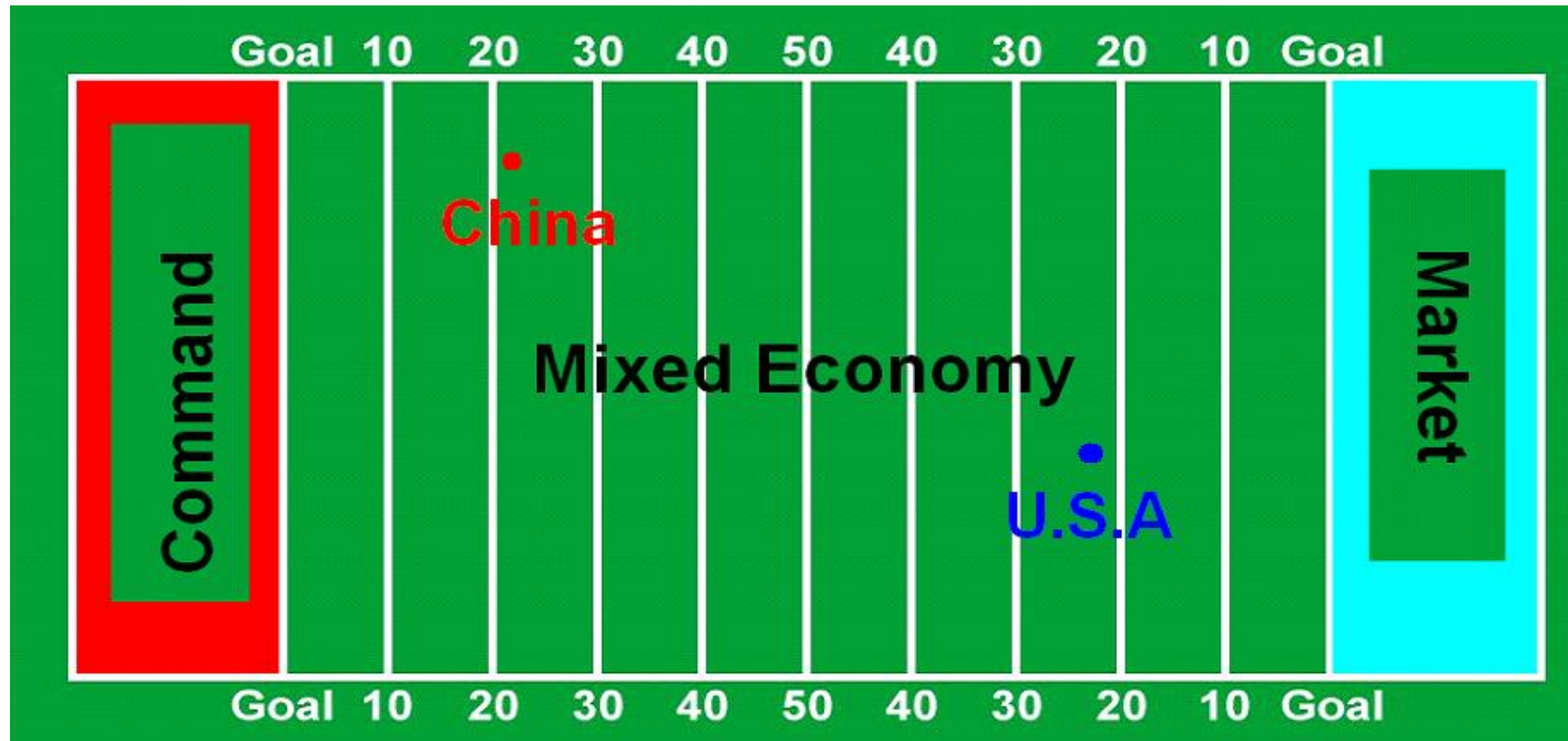
- ▶ Chances are, you were somewhere between plain and everything.
  - ▶ When discussing economies, most countries are somewhere in between too.
- ▶ When a country is not completely a command economy and not completely a market economy, but somewhere in between, it is called a **Mixed Economy**.

# Review Types of Economies

1. Which type of economy lets businesses do whatever they want?
2. Which economy has the government making all the decisions?
3. Which economy do most countries have?



Most countries lie somewhere in between  
-However, they may be closer to one side than the other



# 3 Economic Questions...

- ▶ **What to Produce?**
  - ▶ Businesses decide and government approves/denies it
- ▶ **How to produce it?**
  - ▶ Businesses decide & government regulates procedures
- ▶ **For whom to produce?**
  - ▶ Businesses decide based on supply & demand (price)
- ▶ Which economic system does Canada have?



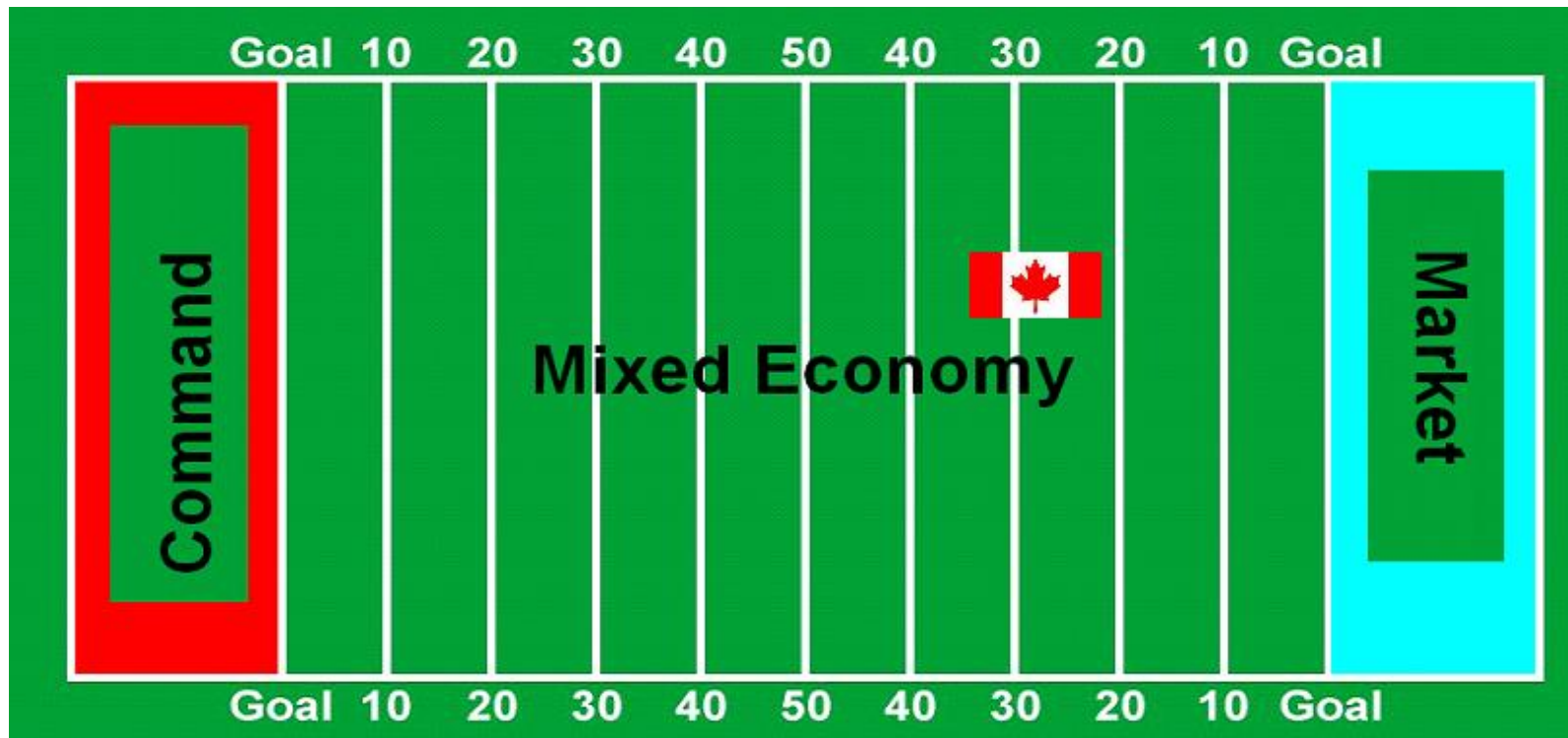
# Canada's Economic System

- ▶ Canada has a **Mixed** economic system
  - ▶ It's actually pretty close to a Market economy; however, there is some government regulation among industries
  - ▶ It does have Free Enterprise (competition between businesses)
- ▶ Canada is economically strong!



# Mixed Economy

- ▶ Canada is a mixed economy, but it is closer to market than command





# Canada's Foreign Exchange Rate

- ▶ The price of 1 country's currency compared to another...
- ▶ <https://www.google.com/finance/converter?a=1&from=USD&to=CAD&meta=ei%3DjfNSW0mhIcH0eJ7sgLgM>
  - ▶ 1 US dollar = \_\_\_\_\_ Canadian Dollars
  - ▶ 1 US dollar = \_\_\_\_\_ Euros
  - ▶ 1 Canadian dollar = \_\_\_\_\_ Euros
  - ▶ What does this mean?
    - ▶ The US economy is a *little* stronger than Canada's; however, the economy of the European Union is stronger than both!

