

Name _____

Date _____

Needs and Wants - Answer Key

Use the text to answer each question below.

1. A need is something you have to have in order to live. Some needs are free, like air to breathe. Other needs are provided by your community or government. One example of this is clean water to drink and bathe. Communities also provide hospitals and homeless shelters for people who need them. We have to spend money on other things that we need, like food, clothes, and a place to live.

Which statement about needs is true?

- A. Needs are always completely free.
- B. We have to buy everything we need to live.
- ✓ C. The things we need come from different places.
- D. The government provides us with everything we need.

The passage states, "Some needs are free... other needs are provided by your community or government," and "we have to spend money on other things that we need."

2. Wants are things that we'd like to have but that aren't essential to life. Wants can sometimes *feel* like needs if we want them very much. For example, if many people in your class are wearing a certain brand of jeans, you may want to buy them, too. You might feel like you need to get them to fit in with everyone else. Of course, your life doesn't depend on having them. You do need clothes to get around in society, but you don't need those exact jeans.

Something is a want and not a need if _____.

- ✓ A. you can go on living without it
- B. it's important to your survival

The passage states, "Wants are things that we'd like to have but that aren't essential to life." If you can go on living without it, it's a want.

- C. everyone else has it
- D. it's very expensive

3. Many wants and needs can be divided into two categories: goods and services. Goods are things that are made or grown for sale. Some examples of goods are bread, jeans, books, toys, and refrigerators. People usually pay for goods with money. Services are a type of work that you can pay someone else to do for you. For instance, a dentist provides a teeth-cleaning service, and a babysitter provides a childcare service.

Which of these is an example of a person receiving a good?

A. Anusha has to go to the doctor for a check-up tomorrow. ✓

B.

Jemima bought an apple from the grocery store because she was hungry.

According to the passage, "Goods are things that are made or grown for sale." An apple is grown and then sold at the grocery store, so it's an example of a good.

C. Harry's car was dirty, so he went to the nearest car wash to have it cleaned.

D. Martin hired a dog walker to take his puppy out while he was on vacation.

4. People often want more than they can have. In fact, there are so many goods and services available to us that we may have unlimited wants. However, most of us don't have unlimited money to buy everything we want. That's why we need to make choices. It's important to focus on the things we need before getting the things we want. For example, it's best to buy nutritious foods at the store before adding treats. It's smart to buy the pens you need for school before buying the markers and colored pencils that you really want for fun.

Imagine you're shopping at the grocery store. Which of these is most likely a want, not a need?

A. Milk

B. Beans

C. Broccoli



D.

Ice cream

The passage states, "It's important to focus on the things we need before getting the things we want. For example, it's best to buy nutritious foods at the store before adding treats." Since ice cream is a sweet dessert, it's probably more of a want than a need.

5. A tool that can help you with making choices is a budget. A budget is a plan for how you will spend and save your money. If you know that you get \$10 every week for allowance, you can't spend more than that. You can spend it all by buying \$10 worth of stuff every week. You can also put some or all of the money aside every week, which is called saving. Saving helps you build up money so that you can buy something more expensive at a later time.

If your allowance is \$10 per week, how could you save to buy a \$20 game?

- A. Buy half of the game this week and the other half next week.
- B. Spend some of your allowance this week, and buy the game next week.
- C. You can never buy a game that costs more than your weekly allowance. ☒
- D. ☐ Don't buy anything with your allowance this week, and buy the game next week.

The passage states, "You can also put some or all of the money aside every week, which is called saving. Saving helps you build up money so you can buy something more expensive at a later time." By saving \$10 this week, you'll have \$20 next week.