

Grade 6 EQAO Sample Question for Families

Please see below a EQAO digital math question and answer that you can work on with your child.

Question

Which method of payment often has a high interest rate on unpaid balances?

- A) cash
- B) e-transfer
- C) debit card
- D) credit card

Correct Answer

Which method of payment often has a high interest rate on unpaid balances?

- A) cash
- B) e-transfer
- C) debit card
- D) credit card**

Definitions

Interest rate: The proportion of an amount loaned that a lender charges the borrower as interest, usually an annual percentage of the outstanding balance. For example, if a lender charges a one-year loan of \$100 with a 10% interest rate, the borrower would owe \$110 to the lender after 12 months. (Ontario Mathematics Curriculum, 2020)

Helpful Tips:

- Talk about what happens if money is not paid right away. Some payment methods charge extra money (interest) when balances are left unpaid.
- Compare payment options together. Discuss how cash, debit, and e-transfers use money you already have, while credit cards involve borrowing money.
- Highlight that credit cards often charge high interest. Help your child understand that unpaid credit card balances can grow quickly because of interest and fees.

