24 A government reduces its expenditure on workplace training, increases the level of indirect taxes and reduces the rate of interest it pays on government debt.

How would these government macroeconomic policies be categorised?

	supply-side	fiscal	monetary	
A	con	con	exp	key
B	exp	con	con	con = contractionary
C	con	exp	exp	exp = expansionary
D	exp	exp	con	

25 The government of a country reduces its budget deficit by cutting government spending. At the same time, the central bank raises the interest rates.

When might this combination of policies be used?

	inflation rate	unemployment rate
A	high	high
B	high	low
C	low	high
D	low	low

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20 What is **not** a likely reason for a government having the objective of economic growth?

A to improve living standards

B to improve business confidence

C to increase inflationary pressures

D to increase consumer choice