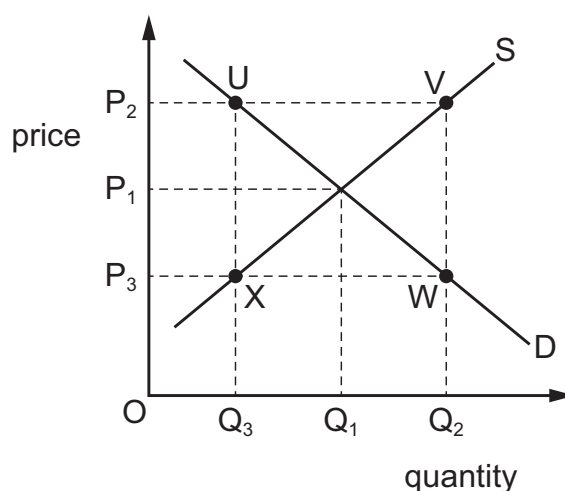


- 2 A worker decides to leave their job as a bus driver and take a job as a lorry driver.

What will increase the opportunity cost of this decision?

- A an increase in the holidays for lorry drivers
- B an increase in the income tax paid by bus drivers
- C an increase in the wages of bus drivers
- D an increase in the wages of lorry drivers

- 6 The diagram shows the market for a product.



Which distance shows a market disequilibrium caused by excess supply?

- A U to V B U to X C V to W D X to W

- 14 What is most likely to increase the demand for labour in an industry?

- A a decrease in the price of capital used by the industry
- B a decrease in the productivity of labour in the industry
- C an increase in the demand for the industry's product
- D an increase in the wage paid to labour in the industry

- 4 What is an example of microeconomics?

- A a fall in the cost of growing wheat
- B a fall in the unemployment rate
- C an increase in the rate of inflation
- D an increase in government spending

- 6** The table shows the supply for a product at different prices.

price (\$)	supply (units)
10	120
12	160
14	200
16	240
18	280

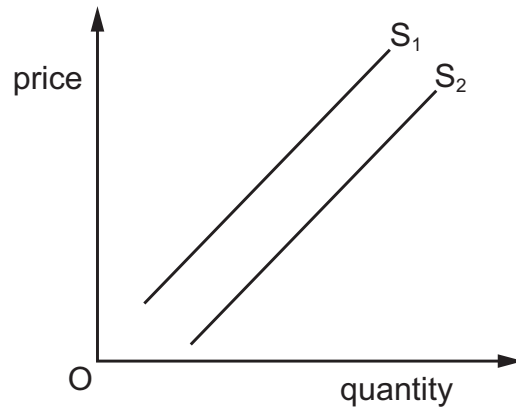
If the price changes from \$12 to \$14, what will be the change in supply?

- A** Supply will contract by 40 units and there will be a movement down along the supply curve.
 - B** Supply will contract by 200 units and there will be an inward shift of the supply curve.
 - C** Supply will extend by 40 units and there will be a movement up along the supply curve.
 - D** Supply will extend by 200 units and there will be an outward shift of the supply curve.
- 9** A government intends to build a new international airport in an area of outstanding natural beauty.

What would be an external cost of this decision?

- A** the cost of importing construction materials
- B** the enjoyment lost by those unable to use the countryside
- C** the increase in profits for local businesses
- D** the wages paid to the construction workers

- 5 The diagram shows a shift in the supply curve for New Zealand's airlines from S_1 to S_2 .



What is the most likely cause of this shift?

- A a decrease in the costs of New Zealand's airlines
- B a decrease in the number of people wanting to fly to New Zealand
- C an increase in the price of train and bus travel in New Zealand
- D an increase in the tax on air travel in New Zealand