

10 The table shows the average wage in four countries, **A**, **B**, **C** and **D**.

In which country is there the greatest relative wage discrimination against female employees?

	male \$	female \$
A	100	80
B	120	60
C	140	100
D	300	200

12 A restaurant employs two chefs who make all of the meals that are served to customers.

What is most likely to increase the productivity of the chefs?

- A** a decrease in the number of customers in the restaurant
- B** a decrease in the chefs' pay
- C** an increase in the quality of the food
- D** an increase in training for the chefs

13 What are fixed costs?

- A** costs that are divided by the amount produced
- B** costs that are present when output is zero
- C** costs that change according to the level of output
- D** costs that decrease when output increases

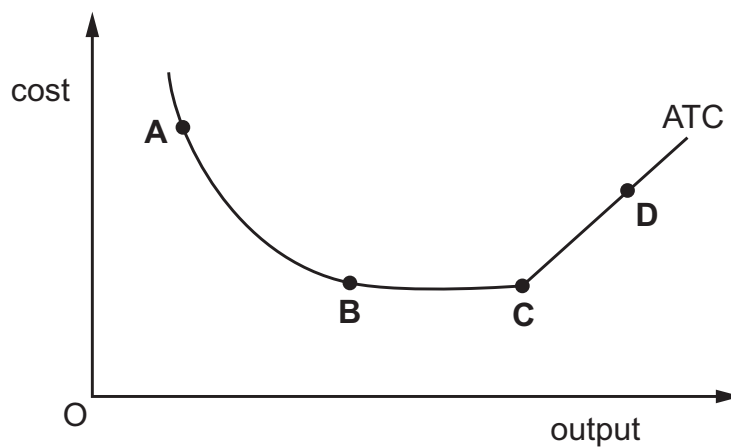
12 Workers in the secondary sector of an economy earn more on average than workers in the tertiary sector.

Which combination will most likely increase differences in wages between workers in the secondary and tertiary sector of an economy?

	secondary sector	tertiary sector
A	increased productivity	increased supply of workers
B	decreased demand for products	decreased productivity of workers
C	increased supply of workers	increased demand for products
D	weaker bargaining strengths of trade unions	decreased minimum wage

- 13** A manufacturing firm increases the scale of its production. Its average total cost (ATC) curve in the long run is shown below.

At which point on the ATC curve is the firm experiencing diseconomies of scale?

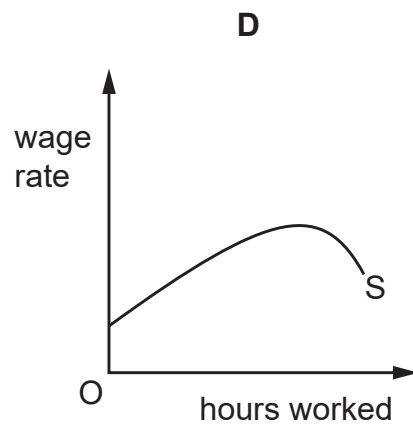
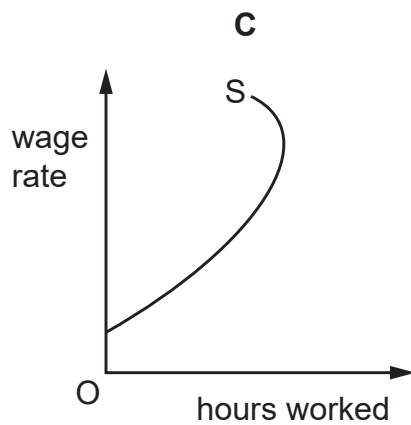
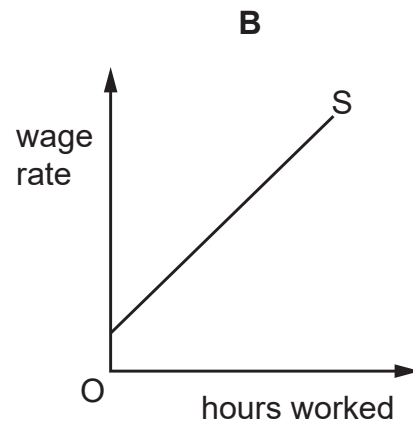
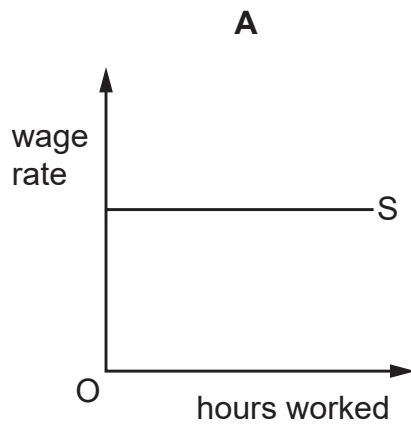


- 25** What is the most likely reason that an improved standard of education will alleviate poverty?

- A** It will decrease the productivity of workers.
- B** It will decrease the rate of unemployment.
- C** It will increase the government budget deficit.
- D** It will increase the rate of inflation of an economy.

11 At higher wage rates an individual prefers to work shorter hours than receive extra income.

Which curve shows this?

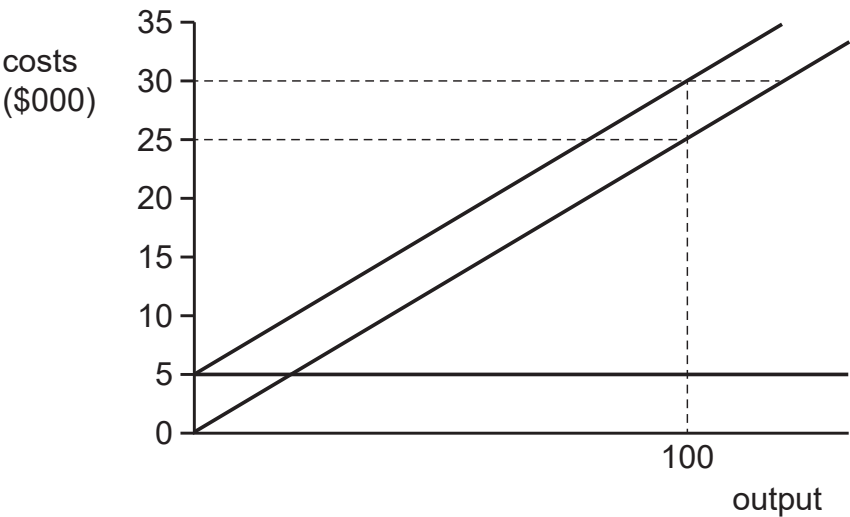


12 In some countries, there has been a significant reduction in the number of trade union members.

Who are the members of trade unions?

- A** employers
- B** exporters
- C** importers
- D** workers

15 The diagram shows the fixed costs, variable costs and total costs of a firm.



What is the firm’s total variable cost at an output of 100 units?

- A \$25
- B \$5000
- C \$25 000
- D \$30 000

11 Bus drivers receive a wage of \$15 000 a year. The government introduces a national minimum wage.

Under which circumstances will the largest number of bus drivers become unemployed as a result of the minimum wage?

	national minimum wage (per year) \$	demand for bus travel
A	15 000	increasing
B	15 000	unchanged
C	18 000	increasing
D	18 000	unchanged