

SANGAM SKM COLLEGE – NADI
YEAR 13 ECONOMICS
SUPPLEMENTARY WORKSHEET 2- 2021

QUESTION 1

A. Jack is in Year 13 and receives a pocket expense of \$20.00 and she spends on can of coke and packet of bean. The price of coke is \$4 and the price of a packet of bean is \$2. Coke will be on y-axis and packet of bean on x-axis.

i. Complete Jack's consumption possibilities schedule given below

Consumptions possibilities	Coke	Packets of Bean
A		
B		
C		
D		
E		

(5 marks)

- ii. Write an equation for the budget constraint. (1 mark)
- iii. Calculate the slope of the budget line. (1 mark)
- iv. Draw the budget line graph on the pair of axis. (2 marks)
- v. On the pair of axis, sketch the budget line and the indifference curve to illustrate the point of consumer equilibrium. (3 marks)
- vi. List the three conditions for the stable consumer equilibrium. (3 marks)

QUESTION 2

Study the table below and answer questions that follow:

Supply schedule for cans of coke

Price (cents)	Quantity (000)
80	6
90	8
100	10
110	12
120	16
130	18

Calculate PES for the following price range:

- (i) price increases from \$0.80 to \$1.00
- (ii) price decreases from \$1.30 to \$1.20 (4 marks)

QUESTION 3

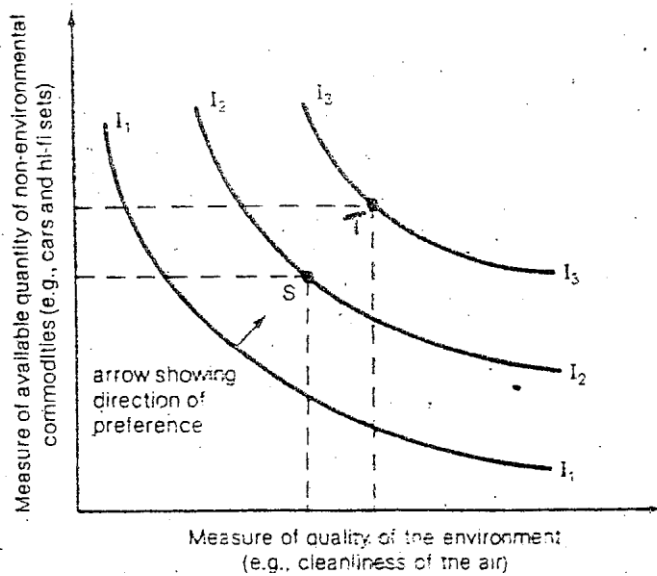
Tourism in Fiji is believed to be the major source of income and helps revitalize the local economies. However tourism also has its own share of problems.

- i. State two importance of tourism sector in Fiji's economy. (2 marks)
- ii. Identify two problems caused by tourism industry in Fiji. (1 mark)
- iii. Explain the concept of eco-tourism. (1 mark)
- iv. Explain the linkage of tourism industry to other sectorial development. (1mark)

QUESTION 4

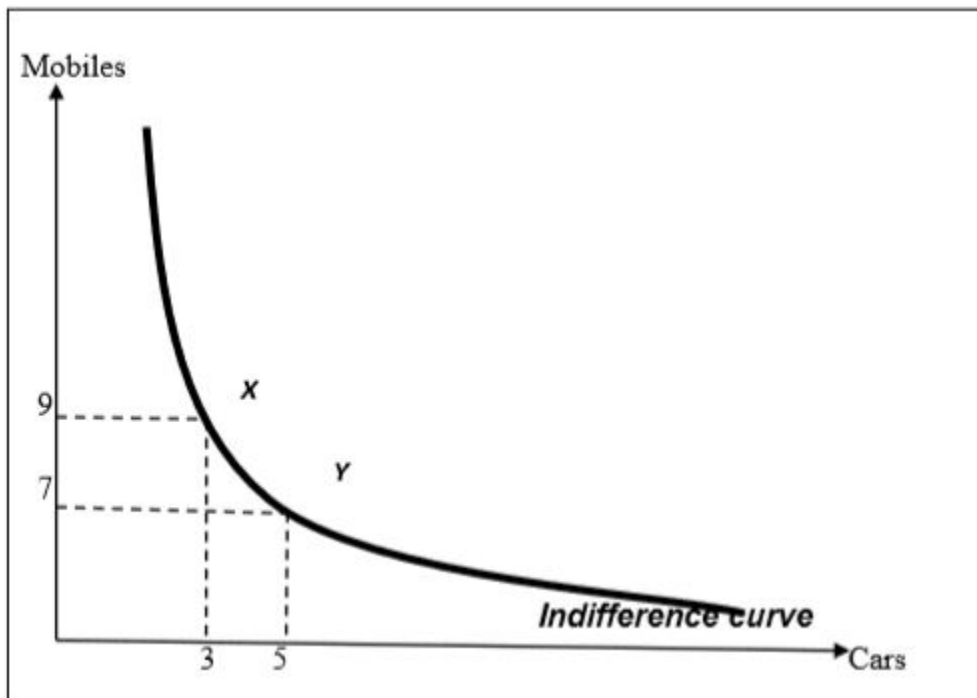
A. Study the diagram given below and your knowledge to answer the questions that follow.

WANTS ARE REPRESENTED BY INDIFFERENCE CURVES



- i. Name a factor responsible for the amount of commodities that can be produced or made available to satisfy wants. **(1 mark)**
- ii. Explain why consumer would prefer choice of point T than point S to satisfy his wants. **(1 mark)**
- iii. Differentiate between indifference curve and indifference map. **(2 marks)**

B. Study the graph below and answer the following questions.



- i. Explain the shape of indifference curve given above? **(2 marks)**
- ii. State one feature of indifference curve. **(1 mark)**
- iii. What is the utility level at point X? **(1 mark)**

THE END