BA SANGAM COLLEGE YEAR 12 ECONOMICS WORKSHEET

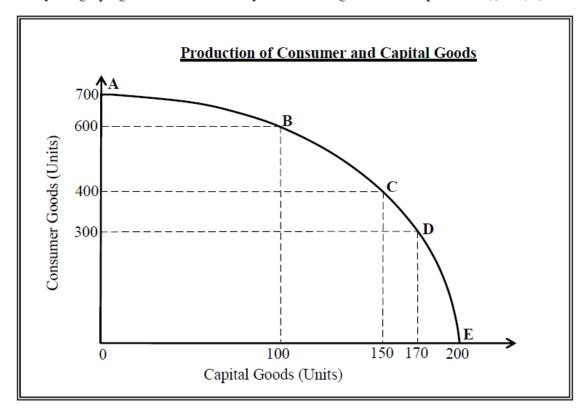
Multiple choices

 A production possibility curve shows the A. an economy can produce. C. producers would like to produce. 	B. an economy should produce.				
2. The sacrifice involved when you choose a particular course of action is called the cost.					
A. producer B. consumer	C. production	D. opportunity			
3occur when a busin A. Economies of scale C. Internal economies of scale	n a business grows so large that the costs per unit increase. B. Diseconomies of scale D. External economies of scale				
4. Division of labour refers to the A. difference in skill levels between worker B. separation of work into a number of tasks C. division between workers in a business a D. separation of business profits from those	s. nd its owners.				
5. Which of the following challenges is assoA. Decrease in Fiji's exportsC. Less employment opportunity	sociated with the manufacturing industries in Fiji? B. Less contribution to GDP D. Fluctuations in world market price				
Which of the following businesses specialises in manufacturing furniture? Pacific Green Ltd B. Designtech Sawmill Ltd D. Tropic Wood Products Ltd					
7. Under the, there as differentiated products which are close substanced A. oligopoly market. C. perfect competition.	titutes for each other B. monopoly marke	•			
8.Decrease in per unit cost as output increasA. increasing returns.C. economies of scale.	B. diminishing retu	rns. mies of scale.			
5. Marginal cost is theA. cost forgone.C. total cost minus fixed cost.	B. additional cost p D. total cost	er unit. divided by quantity.			
6. Which of the following is an example of A. Rice farming C. Garment industry	a manufacturing ind B. Fisheries industr D. Sugar cane farm	у			

SHORT ANSWER QUESTIONS

A.

Study the graph given below and use your knowledge to answer questions (i) to (iii).



- (i) State one concept illustrated by the Production Possibility Curve above. (1 mark)
- (ii) Give **one** reason for the concavity of the curve to the origin. (1 mark)
- (iii) Calculate:
 - (I) **opportunity cost** of increasing production of capital goods from **points C to D**. (1 mark)
 - (II) marginal rate of transformation from consumer to capital goods from points B to C. (1 mark)

В.

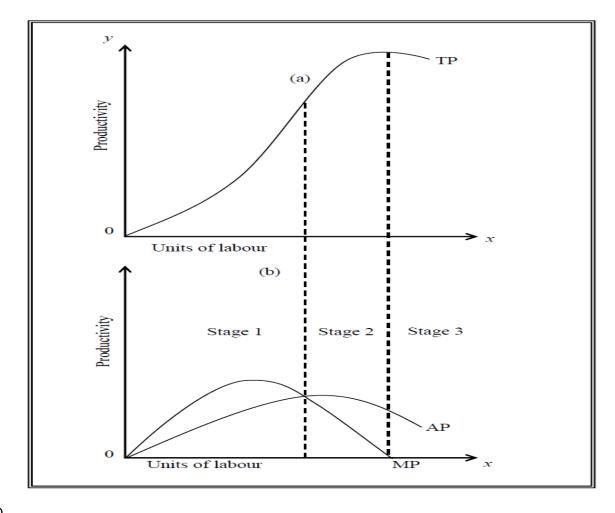
Use the information given below and your knowledge to answer questions (i) and (ii).

Possibility	A	В	C	D	E	F
Food (tonnes)	0	2	4	6	8	10
Machine (000)	24	22	18	13	7	0

- (i) Draw and fully label the production possibility curve for food on Y axis and machine on X axis. (2 marks)
- (ii) How can an economy achieve a point outside the production possibility curve? (1 mark)
- (iii) State the formula for calculating the opportunity cost of food. (1 mark)

C. Use the productivity graph given below to answer the following questions:

- (i) Explain Stage 1 What is happening to the Total Products and Average Products?
- (ii) Explain Stage 2 What is happening to the Total Products and Marginal Products?



D.

Study the table given below and answer questions (i) and (ii).

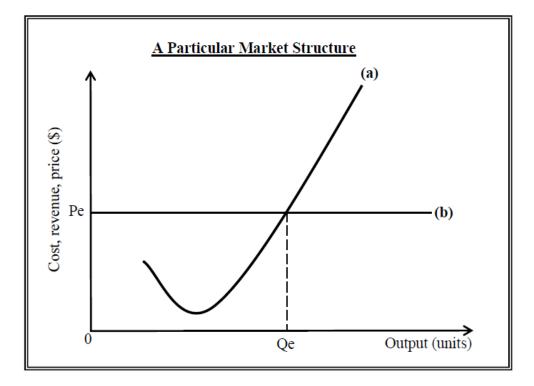
Total Output and Marginal Output

Units of labour	Total output	Marginal output
0	0	-
1	30	30
2	(I)	60
3	170	80
4	220	(II)
5	250	30
6	250	0

- (i) Calculate the missing figures (I) and (II). (2 marks)
- (ii) What is the maximum number of labourers that the firm will employ? (1 mark)

Study the graph given below and answer questions (i) to (iii).

Ε



- (i) Identify the market structure given above. (1 mark)
- (ii) Label the curves (a) and (b). (2 marks)
- (iii) Draw the average cost curve to illustrate a **supernormal profit**. (1 mark) (Label the average cost curve as AC.)