

2002 HIGHER SCHOOL CERTIFICATE EXAMINATION
Economics

Section II (continued)

Marks

Question 22 (10 marks)

The table shows labour force and population information for a nation.

<i>Labour force data</i>	<i>Number of persons (million)</i>
Employed persons	9
Unemployed persons	1
Population of working age	16
Total population	20

- (a) Calculate the labour force unemployment rate for this nation.

1

The labour force unemployment rate for this nation is 9%

- (b) Calculate the labour force participation rate for this nation.

1

The labour force participation rate for this nation
is 0.12%

Question 22 continues on page 12

Question 22 (continued)

- (c) Explain ONE economic and ONE social cost created by unemployment.

4

One economic and one social cost created by unemployment
 in firstly if we want the unemployment
 increase we need to put up the economic
 growth and put the interest rate down
 therefore then many oversea people
 will investment to Australia, to create
 more job for the employer. and also
 the government setup the case for the
 unemployment people. to teach them
 how to find a job, and improve their
 skill of the job

- (d) Explain how TWO economic policies could be used by the Australian Government to reduce the level of unemployment.

4

The economic policies could be used by the
 Australian Government to reduce the level of
 unemployment monetary policy and the
 government need to remove the welfare
 for the unemployment people. if they used
 the monetary policy, more people will open
 new company, therefore will create more
 employment and the government need
 to train the people had to apply the
 job, had to improve their work skill,
 to give them more successful to get the job,
 to reduce the level of unemployment

End of Question 22