

## 2016 HSC Economics Marking Guidelines

### Section I

#### Multiple-choice Answer Key

Question	Answer
1	A
2	B
3	C
4	B
5	D
6	B
7	C
8	A
9	B
10	D
11	C
12	C
13	D
14	A
15	D
16	D
17	C
18	C
19	A
20	A

## Section II

### Question 21 (a)

Criteria	Marks
• Demonstrates a clear understanding of why a government might prefer to protect an industry using a subsidy rather than a tariff	2
• Makes a relevant statement about tariffs AND/OR subsidies	1

**Sample answer:**

Governments may believe subsidies are better for consumers. A subsidy tends to lower prices for domestic consumers by making domestic goods cheaper while a tariff tends to raise prices by making imported goods more expensive for domestic consumers.

**Answers could include:**

- Definition of subsidy/tariff
- Explanation of how tariff/subsidy impacts on domestic prices
- Both tariff and subsidy protect domestic producers
- Subsidy may have smaller impact on inflation
- Political considerations.

### Question 21 (b)

Criteria	Marks
• Demonstrates a comprehensive understanding of how removal of a subsidy might promote greater efficiency in an economy	3
• Demonstrates a sound understanding of how removal of a subsidy might promote greater efficiency in an economy	2
• Identifies a feature of the relationship between a subsidy and efficiency	1

**Sample answer:**

Removal of a subsidy might encourage domestic producers to reduce their costs of production and, therefore, improve their international competitiveness. This allows scarce economic resources (eg capital, government spending, labour) to be redirected away from inefficient domestic production towards higher-return investment opportunities in other industries.

**Answers could include:**

- Removal of subsidy allows government to invest in more worthwhile projects (eg schools, hospitals, roads etc)
- Reduced government spending – less crowding out; lower interest rates for private sector
- Removal of subsidy might allow government to consider tax cuts
- Definitions of efficiency
- Microeconomic reform
- Encourage innovation.

**Question 21 (c)**

Criteria	Marks
<ul style="list-style-type: none"> <li>Demonstrates a comprehensive understanding of the likely impacts on government revenue AND expenditure of the removal of a subsidy</li> </ul>	5
<ul style="list-style-type: none"> <li>Demonstrates a sound understanding of the likely impacts on government revenue AND expenditure of the removal of a subsidy</li> </ul> OR <ul style="list-style-type: none"> <li>Demonstrates a comprehensive understanding of the likely impacts of the removal of a subsidy on EITHER government revenue OR expenditure AND sketches in general terms the likely impact on the other</li> </ul>	4
<ul style="list-style-type: none"> <li>Sketches in general terms the likely impacts on government revenue AND expenditure of the removal of a subsidy</li> </ul> OR <ul style="list-style-type: none"> <li>Demonstrates a sound understanding of the likely impacts on government revenue OR expenditure of the removal of a subsidy</li> </ul>	3
<ul style="list-style-type: none"> <li>Identifies some features of a likely impact on EITHER government revenue OR expenditure of the removal of a subsidy</li> </ul>	2
<ul style="list-style-type: none"> <li>Makes a relevant statement related to subsidies OR the government budget</li> </ul>	1

***Sample answer:***

Subsidies can impact on both the revenue and expenditure side of the government budget. Removal of the subsidy will reduce government expenditure and, other things being equal, increase a budget surplus or reduce a budget deficit. However, in removing the subsidy, the government may decide to allocate funds to help workers who lose their jobs retrain and find new jobs in other industries. Removing the subsidy, therefore, may increase government spending in the short term.

On the revenue side, to the extent that the removal of the subsidy encourages more private sector investment in more efficient industries, this should result in an increase in government taxation revenue over the long term. More efficient industries will generate greater profit and, therefore, pay more company tax.

***Answers could include:***

- Administration costs of the subsidy program
- A reallocation of investment from declining industries (such as the car industry) to more efficient industries is likely to lead to increased employment throughout the economy and, hence, greater income tax revenue for the government.

**Question 22 (a)**

Criteria	Marks
• Demonstrates a sound understanding of the different characteristics of a private benefit and a social benefit	2
• Makes a relevant statement about the characteristics of a private AND/OR social benefit	1

**Sample answer:**

Private benefits include profits made by the producers in the selling of goods and services and the utility gained by consumers through consumption. Social benefits are the positive spillover effects of private production on the community/society eg shopping complex car park.

**Question 22 (b)**

Criteria	Marks
• Demonstrates a comprehensive understanding of why developed and developing nations may take different approaches to environmental sustainability	4
• Demonstrates a sound understanding of why developed and developing nations may take different approaches to environmental sustainability	3
• Sketches in general terms some reasons why developed and developing nations may take different approaches to environmental sustainability	2
• Identifies an issue related to environmental sustainability	1

**Sample answer:**

Developing nations in pursuing the economic benefits of development (eg higher incomes, improving infrastructure) may not consider the environment as a priority nor do they have the resources to invest in ecologically sustainable development. There is generally a trade-off between economic growth and environmental sustainability. Developed nations have the resources to better alleviate the negative externalities associated with economic growth on the environment. There is also greater awareness of the benefits of environmental sustainability within the advanced economies.

**Answers could include:**

- definition of environmental sustainability
- multinationals domiciled in rich countries but operate in developing countries
- developing nations need the employment and other economic benefits of development more and may be more prepared to put up with the harmful environmental consequences (eg deforestation, unsustainable development/practices)
- populations of developed nations worry more about quality of life
- developed nations can better afford to pay for environmental improvements – developing countries can't afford to invest in ecologically sustainable development
- developing nations put a bigger weight on economic growth for poverty alleviation
- developed nations created the problem and are asking developing nations to make the sacrifice
- developed countries may be able to implement market-based policies more easily
- developing countries may not be able to afford the infrastructure required to measure, monitor and enforce (ie comply with) international agreements
- different effects on income inequality.

**Question 22 (c)**

Criteria	Marks
• Demonstrates a comprehensive understanding of how international agreements address environmental sustainability reflecting an advantage and a disadvantage of such agreements	4
• Demonstrates a sound understanding of how international agreements address environmental sustainability reflecting an advantage and/or a disadvantage of such agreements	3
• Sketches in general terms how international agreements address environmental sustainability reflecting either an advantage or a disadvantage of such agreements	2
• Identifies a feature of international agreements related to environmental sustainability in the global economy	1

**Sample answer:**

International agreements such as the Kyoto protocol have an important role in promoting environmental sustainability within the global economy by coordinating action across all members. Recognising that the global climate is a public good, greater participation reduces the risk of free-riding thus reducing the ‘tragedy of the commons’.

On the other hand it may be difficult to enforce an international agreement especially with more powerful economies. As a result countries may not abide by the terms of the agreement making it less effective.

**Answers could include:**

- involving more nations, reduces the risks of free-riding ... helps resolve ‘tragedy of commons’
- rich nations can subsidise poor nations (able to share burden more equally)
- coordinated action on climate change, eg resource allocation ... the climate is a global public good
- coordinated action – can attract sufficient global investment on new technology
- enforcing compliance is an issue
- conflicting objectives between member nations
- member nations may lack the resources to achieve desired outcomes.

**Question 23 (a)**

Criteria	Marks
• Correctly draws a new supply curve that reflects a depreciation of the AUD	1

**Answers could include:**

An illustration reflecting a movement of the new supply curve to the right.

**Question 23 (b)**

Criteria	Marks
• Briefly explains a factor that might lead to an increase in the supply of Australian dollars	2
• Makes a relevant statement about the supply of Australian dollars	1

**Sample answer:**

An increase in the supply of Australian dollars can be caused by an increase in demand by Australians for imported goods. More Australian dollars must be sold in order to purchase the foreign currency required to buy these foreign goods.

**Answers could include:**

- increased financial flows out of Australia
- higher levels of overseas interest rates relative to Australian interest rates
- increased speculation in the foreign exchange market
- increased demand for imports
- un-competitiveness of domestic industries.

**Question 23 (c)**

Criteria	Marks
• Clearly demonstrates how a decrease in an economy's Trade Weighted Index affects the level of inflation	3
• Sketches in general terms the relationship between an economy's Trade Weighted Index and the level of inflation	2
• Identifies a feature of the Trade Weighted Index or inflation	1

**Sample answer:**

The Trade Weighted Index refers to a measure of the AUD against a basket of the currencies of Australia's major trading partners. The weighting is according to the importance of trade between Australia and the other nations. A decrease in the TWI is likely to be reflected through a depreciation of the AUD against the currency of these countries. The depreciating Australian dollar will increase the cost of imports, and domestic businesses dependent on imports will have higher costs. Other things being equal, the imported goods from these countries coming to Australia are likely to increase in price as a result of the decrease in the TWI. Given the rise in prices, imported inflation is likely to rise.

**Answers could include:**

- definition of Trade Weighted Index
- definition of inflation
- definition of imported inflation
- decreased TWI is equivalent to a depreciation of the AUD
- depreciating Australian dollar will increase the cost of imports and domestic businesses dependent on imports will have higher costs
- this will result in higher price of imports leading to increased inflationary pressures.

**Question 23 (d)**

Criteria	Marks
<ul style="list-style-type: none"> <li>Demonstrates a comprehensive understanding of the impacts of a depreciation of the AUD on the level of employment in Australia</li> </ul>	4
<ul style="list-style-type: none"> <li>Demonstrates a comprehensive understanding of an impact of the depreciation of the AUD on the level of employment in Australia</li> </ul> OR <ul style="list-style-type: none"> <li>Demonstrates a sound understanding of an impact of the depreciation of the AUD on the level of employment in Australia AND sketches in general terms another</li> </ul>	3
<ul style="list-style-type: none"> <li>Sketches in general terms an impact of a depreciation of the AUD on the level of employment in Australia</li> </ul>	2
<ul style="list-style-type: none"> <li>Identifies a feature of a depreciation of the AUD OR the level of employment in Australia</li> </ul>	1

**Sample answer:**

A depreciation of the AUD could impact significantly on employment in Australia. A depreciation of the AUD refers to the value of the AUD falling against another currency. As a result, the demand for Australian exports should increase as the price of exports in foreign currency will fall due to the weakening of the AUD. Demand for labour is derived and the growth of export markets should result in increased employment in the Australian economy. Industries such as Australian-based education and tourism could benefit. Australian industries relying on imported components face higher prices for the imported goods. This could result in increased costs of production for the domestic industries and a reduction in employment growth across these industries.

**Answers could include:**

- more competitive export prices will allow exporting industries to expand, creating employment
- whereas import-competing industries will be more competitive due to higher prices of imports, creating employment
- the domestic firms that use imported components in production are going to face higher input costs, causing employment to contract
- depreciation can attract investment into the country (as assets and inputs are cheaper) allowing for increased job opportunities
- depreciation can cause capital flight or reduced investment if sustained, hence increasing unemployment.

**Question 24 (a)**

Criteria	Marks
• Correctly calculates the change in national income	1

**Answers could include:**

The change in national income is \$1000 million or \$1 billion.

**Question 24 (b)**

Criteria	Marks
• Demonstrates a comprehensive understanding of how changes in the MPC can affect economic growth in an economy	4
• Demonstrates a sound understanding of how changes in the MPC can affect economic growth in an economy	3
• Sketches in general terms how changes in the MPC can affect economic growth in an economy	2
• Makes a relevant statement about the MPC	1

**Sample answer:**

The MPC measures the amount of each extra dollar of income that is spent. A decrease in the MPC means that an economy will tend to be saving more and spending less.

A decrease in the MPC also represents an increase in leakages in an economy that results in a reduction in the size of the economy's multiplier. Each dollar spent in an economy is someone else's income, which they then re-spend. Therefore, if people spend a lower proportion of each dollar of income, they will spend less, and someone else's income will be lower and they too will spend less (not just because they are saving more but also because they have less income).

A lower MPC therefore means that other things being equal, any increase in the components of aggregate demand will result in a smaller increase in national income.

**Answers could include:**

- policy implications of change in MPC
- impact on investment, implications for efficiency, productive capacity and, hence, future growth prospects.

**Question 24 (c)**

Criteria	Marks
<ul style="list-style-type: none"> <li>Demonstrates a comprehensive understanding of how changes in both aggregate demand AND aggregate supply influence economic activity</li> </ul>	5
<ul style="list-style-type: none"> <li>Demonstrates a sound understanding of how changes in aggregate demand AND aggregate supply influence economic activity</li> </ul> OR <ul style="list-style-type: none"> <li>Demonstrates a comprehensive understanding of how changes in aggregate demand OR aggregate supply influence economic activity AND sketches in general terms the other</li> </ul>	4
<ul style="list-style-type: none"> <li>Demonstrates a sound understanding of how changes in aggregate demand OR aggregate supply influence economic activity AND sketches in general terms the other</li> </ul> OR <ul style="list-style-type: none"> <li>Sketches in general terms how changes in aggregate demand AND aggregate supply influence economic activity</li> </ul>	3
<ul style="list-style-type: none"> <li>Sketches in general terms how changes in aggregate demand OR aggregate supply influence economic activity</li> </ul> OR <ul style="list-style-type: none"> <li>Makes a relevant statement about aggregate demand AND aggregate supply</li> </ul>	2
<ul style="list-style-type: none"> <li>Makes a relevant statement about EITHER aggregate demand OR aggregate supply</li> </ul>	1

**Sample answer:**

Aggregate demand is a primary driver of economic activity. An increase in aggregate demand results from increases in consumption, investment, government spending or net exports. Aggregate supply represents the total volume of an economy's output over a given period of time. The interaction of aggregate demand and aggregate supply influences the level of economic activity.

If demand increases and supply does not then increased economic activity may be accompanied by inflationary pressures that could limit growth.

Improvements in an economy's production efficiency are reflected in an increase in aggregate supply. This could stimulate long-term economic growth of an economy implying higher levels of economic activity (and low inflation) in the future.

**Answers could include:**

- effect of AD/AS on expenditure, income, output and employment
- AD/AS diagram
- components of AD and AS
- microeconomic reform
- market efficiency.

## Section III

### Question 25

Criteria	Marks
<ul style="list-style-type: none"> <li>• Synthesises own knowledge and understanding with the information provided, to develop a sustained, logical and cohesive response</li> <li>• Integrates relevant economic terms, concepts, relationships and theories</li> <li>• Demonstrates clear and comprehensive understanding of Australian labour market policies</li> <li>• Provides informed explanation of the effect the Australian Government's labour market policies have on the employed AND the unemployed</li> </ul>	17–20
<ul style="list-style-type: none"> <li>• Synthesises own knowledge and understanding with the information provided, to develop a logical and cohesive response</li> <li>• Applies relevant economic terms, concepts, relationships and theories</li> <li>• Demonstrates a sound understanding of Australian labour market policies</li> <li>• Provides some explanation of the effect the Australian Government's labour market policies have on the employed AND the unemployed</li> </ul>	13–16
<ul style="list-style-type: none"> <li>• Uses own knowledge and understanding with the information provided, to develop a coherent response</li> <li>• Uses relevant economic terms, concepts, relationships and theories</li> <li>• Demonstrates some understanding of Australian labour market policies</li> <li>• Sketches in general terms how the Australian Government's labour market policies affect the employed AND/OR the unemployed</li> </ul>	9–12
<ul style="list-style-type: none"> <li>• Develops a generalised response</li> <li>• Uses some economic terms and concepts</li> <li>• Identifies aspects of either the Australian Government's labour market policies or the Australian labour force</li> </ul>	5–8
<ul style="list-style-type: none"> <li>• Presents a limited response</li> <li>• Uses some economic terms and concepts</li> <li>• Lists some aspects of the Australian Government's labour market policies or the Australian labour force</li> </ul>	1–4

**Answers could include:**

- definition of Labour Force
- participation Rate
- regulated vs deregulated wage determination
- current policy initiatives
- minimum wages
- national employment standards
- award determination
- role of Fair Work Australia
- enterprise agreements.

Labour force – employed

- protection of minimum standards
- guaranteed working conditions
- workplace flexibility
- FWA – Better of Overall Test (BOOT)
- lower wages
- lower cost push inflation
- increased inequality.

Labour force – unemployed

- training
- increased participation
- unfair dismissal
- better matching
- aggregate supply increase
- childcare
- employment subsidies
- anti-discrimination.

**Question 26**

<b>Criteria</b>	<b>Marks</b>
<ul style="list-style-type: none"> <li>• Synthesises own knowledge and understanding with the information provided, to develop a sustained, logical and cohesive response</li> <li>• Integrates relevant economic terms, concepts, relationships and theories</li> <li>• Demonstrates clear and comprehensive understanding of Australian Government economic objectives</li> <li>• Provides informed explanation of why an Australian Government may not be able to achieve its objectives</li> </ul>	17–20
<ul style="list-style-type: none"> <li>• Synthesises own knowledge and understanding with the information provided, to develop a logical and cohesive response</li> <li>• Applies relevant economic terms, concepts, relationships and theories</li> <li>• Demonstrates sound knowledge and understanding of Australian Government economic objectives</li> <li>• Provides some explanation of why an Australian Government may not be able to achieve its objectives</li> </ul>	13–16
<ul style="list-style-type: none"> <li>• Uses own knowledge and understanding with the information provided, to develop a coherent response</li> <li>• Uses relevant economic terms, concepts, relationships and theories</li> <li>• Demonstrates some understanding of Australian Government economic objectives</li> </ul> <p>AND/OR</p> <ul style="list-style-type: none"> <li>• Sketches in general terms an understanding of why an Australian Government may not be able to achieve its objectives</li> </ul>	9–12
<ul style="list-style-type: none"> <li>• Develops a generalised response</li> <li>• Uses economic terms and concepts</li> <li>• Identifies some aspects of Australia’s economic objectives or policies</li> </ul>	5–8
<ul style="list-style-type: none"> <li>• Presents a limited response</li> <li>• Uses some economic terms and concepts</li> <li>• Lists aspects of Australia’s economic objectives or policies</li> </ul>	1–4

**Answers could include:**

Potential conflict amongst objectives:

- full employment and inflation
- economic growth and environmental sustainability
- external stability and economic growth
- income distribution and economic growth
- full employment and income distribution.

Limitations of economic policies:

- time lags: recognition, implementation and effect
- global influences: trade agreements, globalisation, international business cycle
- political constraints.

## Section I

### Question 27

Criteria	Marks
<ul style="list-style-type: none"> <li>Integrates relevant economic terms, concepts, relationships and theories</li> <li>Provides a sustained, logical and cohesive response</li> <li>Demonstrates clear and comprehensive understanding of monetary policy in the Australian economy</li> <li>Develops sophisticated arguments about the impact of the Reserve Bank's expansionary monetary policy on the Australian economy</li> </ul>	17–20
<ul style="list-style-type: none"> <li>Applies relevant economic terms, concepts, relationships and theories</li> <li>Provides a logical and cohesive response</li> <li>Demonstrates sound knowledge and understanding of monetary policy in the Australian economy</li> <li>Develops some arguments about the impact of the Reserve Bank's expansionary monetary policy on the Australian economy</li> </ul>	13–16
<ul style="list-style-type: none"> <li>Uses economic terms, concepts, relationships and theories</li> <li>Develops a coherent response</li> <li>Demonstrates some understanding of monetary policy in the Australian economy</li> <li>Sketches in general terms an impact of the Reserve Bank's expansionary monetary policy on the Australian economy</li> </ul>	9–12
<ul style="list-style-type: none"> <li>Develops a generalised response</li> <li>Uses some economic terms and concepts</li> <li>States some aspects of monetary policy or its impacts on the Australian economy</li> </ul>	5–8
<ul style="list-style-type: none"> <li>Presents a limited response</li> <li>Uses some economic terms and concepts</li> <li>Lists some aspects of monetary policy</li> </ul>	1–4

#### *Answers could include:*

- definition of monetary policy
- overview of monetary policy (expansionary stance)
- implementation of monetary policy by the RBA
- transmission mechanism
- inflation targeting.
- impact on Australia's economic objectives
  - economic growth
  - price stability
  - unemployment
  - distribution of income
  - external stability
- impact of changes on the exchange rates and foreign debt

- capital and trade flows
- house prices
- impact on the budget outcome
- interest rate differentials
- limitations of monetary policy.

Relationship to other policies eg fiscal stance, microeconomic reform.

**Question 28**

<b>Criteria</b>	<b>Marks</b>
<ul style="list-style-type: none"> <li>Integrates relevant economic terms, concepts, relationships and theories</li> <li>Provides a sustained, logical and cohesive response</li> <li>Demonstrates a sound understanding of changes in Australia's trade and financial flows</li> <li>Develops sophisticated arguments about how different factors have influenced the changes in Australia's trade and financial flows</li> </ul>	17–20
<ul style="list-style-type: none"> <li>Applies relevant economic terms, concepts, relationships and theories</li> <li>Provides a logical and cohesive response</li> <li>Demonstrates a clear understanding of changes in Australia's trade and financial flows</li> <li>Develops some arguments about how different factors have influenced the changes in Australia's trade and financial flows</li> </ul>	13–16
<ul style="list-style-type: none"> <li>Uses economic terms, concepts, relationships and theories</li> <li>Develops a coherent response</li> <li>Demonstrates some understanding of changes in Australia's trade AND/OR financial flows</li> <li>Sketches in general terms an understanding of how different factors have influenced the changes in Australia's trade AND/OR financial flows</li> </ul>	9–12
<ul style="list-style-type: none"> <li>Develops a generalised response</li> <li>Uses some economic terms and concepts</li> <li>States some aspects of factors that have influenced the changes in Australia's trade OR financial flows</li> </ul>	5–8
<ul style="list-style-type: none"> <li>Presents a limited response</li> <li>Uses some economic terms and concepts</li> <li>Lists some aspects of Australia's trade OR financial flows or factors influencing them</li> </ul>	1–4

**Answers could include:**

- trends in Australia's trade pattern
- composition of Australian trade (decline of manufacturing, growth of service industries, commodities boom, agriculture)
- changing commodity prices
- directions of trade (the decline of Europe set against the growth of trade with the Asia – Pacific)
- exchange rate effects: volume of trade, composition of trade (manufacturing versus services, two speed economy, Dutch Disease)
- international competitiveness (structural reform and labour costs)
- free trade agreements and trading blocs
- changes in the terms of trade
- international business cycle (cyclical component of the CAD)
- trends in Australia's financial flows
- composition of financial inflows and outflows

- interest rate differentials
- exchange rate fluctuations
- foreign ownership regulations
- foreign direct investment and the international business cycle
- net income (structural component of the CAD).

# 2016 HSC Economics

## Mapping Grid

### Section I

Question	Marks	Content	Syllabus outcomes
1	1	Topic 1 – Trading bloc, monetary unions and free trade agreements	H1
2	1	Topic 4 – Macroeconomic policies	H5
3	1	Topic 4 – Fiscal policy	H6
4	1	Topic 3 – Sources and effects of economic growth in Australia	H4
5	1	Topic 2 – Free trade and protection	H7
6	1	Topic 4 – Policy responses in dealing with economic objectives (distribution of income and wealth)	H5
7	1	Topic 3 – Types of unemployment	H1
8	1	Topic 3 – Lorenz Curve and economic costs and benefits of inequality	H7, H11
9	1	Topic 3 – Unemployment and Topic 4 – Fiscal policy	H7
10	1	Topic 4 – Labour market policies	H7, H11
11	1	Topic 4 – Financing a budget deficit	H6
12	1	Topic 4 – Monetary policy	H6
13	1	Topic 2 – Balance of payments	H8
14	1	Topic 2 – Trends in Australia's trade patterns	H4
15	1	Topic 1 – Globalisation	H1
16	1	Topic 1 – Differences between economic growth and economic development	H11
17	1	Topic 3 – Unemployment	H2
18	1	Topic 2 – The effects of fluctuations in exchange rates on the Australian economy and Topic 3 – Positive and negative effects of inflation	H7, H11
19	1	Topic 3 – Measurement of external stability	H11
20	1	Topic 3 – Public goods	H7

### Section II

Question	Marks	Content	Syllabus outcomes
21 (a)	2	Topic 2 – Methods of protection and the effects of protectionist policies	H1, H2, H5
21 (b)	3	Topic 2 – Methods of protection and the effects of protectionist policies and Topic 4 – Microeconomic policies and efficiency	H1, H7, H8
21 (c)	5	Topic 2 – Methods of protection and the effects of protectionist policies and Topic 4 – Microeconomic policies and fiscal policy	H1, H5, H7, H8
22 (a)	2	Topic 3 – Environmental sustainability	H1
22 (b)	4	Topic 1 – Globalisation and economic development, Topic 3 – Environmental sustainability and Topic 4 – Environmental management	H1, H2, H7, H10

Question	Marks	Content	Syllabus outcomes
22 (c)	4	Topic 3 – Environmental sustainability and Topic 4 – Environmental management	H1, H2, H7
23 (a)	1	Topic 2 – Exchange rates	H8, H11
23 (b)	2	Topic 2 – Exchange rates	H1, H7
23 (c)	3	Topic 2 – Exchange rates and Topic 3 – Inflation	H1, H4, H8
23 (d)	4	Topic 2 – Exchange rates and Topic 3 – Economic growth, unemployment	H1, H2, H7
24 (a)	1	Topic 3 – Economic growth	H1, H11
24 (b)	4	Topic 3 – Economic growth	H1, H10, H11
24 (c)	5	Topic 3 – Economic growth	H1, H7, H10

**Section III**

Question	Marks	Content	Syllabus outcomes
25	20	Topic 3 – Economic issues Topic 4 – Economic policies and management	H1, H2, H5, H6, H7, H9, H10
26	20	Topic 3 – Economic issues Topic 4 – Economic policies and management	H1, H2, H5, H6, H7, H9, H10

**Section IV**

Question	Marks	Content	Syllabus outcomes
27	20	Topic 3 – Economic issues Topic 4 – Economic policies and management	H1, H2, H4, H5, H6, H7, H10
28	20	Topic 2 – Australia in the global economy Topic 3 – Economic issues	H1, H2, H4, H5, H7, H10