

Year 11 Economics

Topic Test # 4

Exam consists of:

- *Multiple Choice Questions (5 marks)
- *Short Answer questions (45 marks)
 - *Long Response (10 marks)
 - *Media Response (10 marks)

TOTAL OUT OF 70 MARKS

Please read the following instructions carefully

- You have ONE (1) HOUR and 25 MINS to complete this exam – with 5mins reading time.
- Do NOT start the exam until told to
- Please answer responses on the Question booklet provided
- A Fail mark of less than 50% will result in an additional exam
- Failure to properly attempt ALL questions will result in a total mark of 0
- All answers must be clearly legible otherwise you may receive a mark of 0 for that particular question

Multiple Choice Questions (5 marks)

- 1) The growing proportion of the labour force working on a casual basis is a process known as
 - a) Casual growth
 - b) Casualisation
 - c) Casualty
 - d) Capital accumulation

- 2) Pay and working conditions are examples of factors affecting
 - a) The demand for labour
 - b) The demand and supply of labour
 - c) The supply of labour
 - d) The level of economic growth

- 3) The centralised industrial relations system sought to solve disputes through both
 - a) Conciliation and repatriation
 - b) Reconciliation and arbitration
 - c) Conciliation and arbitration
 - d) Conciliation and dismissal

- 4) Unions and employer associations are examples of
 - a) Labour markets
 - b) Efficiency specialists
 - c) Competing firms
 - d) Labour market institutions

- 5) Structural unemployment refers to
 - a) People switching between jobs
 - b) Mismatch between skills and vacancies
 - c) Job seekers exceeds vacancies
 - d) People unable to work due to physical or mental disability

Short Answer Questions: Please answer all questions on the question sheet provided.

(45 marks)

1) Identify why labour is a derived demand (2 marks)

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2) Describe TWO factors that influence the demand for labour (4 marks)

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3) How do you calculate labour productivity? (1 mark)

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4) Examine how working conditions affect the supply of labour (2 marks)

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5) What is meant by cyclical unemployment? (2 marks)

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6) Examine how education and experience are essential factors affecting the supply of labour. (3 marks)

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7) According to the Australian Bureau of Statistics, what is official definition of “unemployed” (2 marks)

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8) Given, Unemployed persons = 570 and Employed persons = 13,000. Calculate the Labour Force. (2 marks)

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9) Given, Unemployed persons = 570 and Employed persons = 13,000. Calculate the unemployment rate. (2 marks)

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10) Given, Unemployed persons = 570, Employed persons = 13,000 and Working age population = 15,000. Calculate the Participation rate. (2 marks)

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11) Explain why there are wage differentials between different occupations. (3 marks)

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12) Analyse how gender and cultural background can affect differences in income from work (4 marks)

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13) List and define TWO non-wage outcomes. (2 marks)

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14) Discuss the economic costs and benefits of inequality (4 marks)

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15) Discuss the social costs and benefits of inequality (4 marks)

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16) Analyse the labour market trend in Australia for part time work. (2 marks)

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17) Why are individual contracts favoured by business as a form of wage negotiations (2 marks)

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18) Describe some of the disadvantages faced by individual workers by committing to individual contracts. (2 marks)

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19) What is meant by cyclical unemployment? (2 marks)

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Media Article Response: Please read the following Media article and answer all questions on the space provided. Students are required to incorporate the media article wherever possible in their answers to achieve full marks.

(10 marks)

Outsourcing: now it's tutoring

By Jay Shankar
Bangalore
September 2, 2005

At night, 22-year-old Indian mathematics research student Gurpreet Singh logs on to the internet to teach students sitting thousands of kilometres away in the United States.

Using an electronic pen, his colleague Varinder Kumar highlights areas on his interactive computer screen where US students are making simple mistakes and suggests solutions real time.

India's outsourcing industry, which usually covers services such as software programs, customer management and accounting for companies abroad and at home, has discovered a new market for its talents.

Employing part-timers and staff tutors, outsourcing firms believe they have tapped a potential goldmine in what they call "e-tutoring" or "e-mentoring".

Educomp Datamatics, where Singh and Kumar work, is one of a small clutch of players in the market and its staff teach mathematics to around 800 students in the United States.

"Six months ago, we thought we would launch a pilot project and see the response," said Shantanu Prakash, chief of Educomp Datamatics, a firm which provides technology solutions such as digital content for the education sector.

"To our surprise, the response was phenomenal. Now we're stretched to capacity and instead of an earlier estimate of having 1000 students by year-end, we're on course to touch 2,000," Prakash said.

Singh, who has been working with the company since it started e-tutorials six months ago, said he liked the work so much, "I might even take it up as a full-time career."

The company has three outlets giving instruction to US students and is the largest player in the country's nascent internet tutoring industry. So far at least half a dozen companies in India offer such tuition, said Prakash.

The firm has 20 math tutors, who work at night to bridge the 12-hour time gap between India and the United States, teaching students ranging from the sixth to 12th grades.

Educomp charges \$US20 (\$A26.50) to \$US40 an hour, according to the grade taught.

"India, which invented the numerical zero, has enough qualified teachers. Indians pick up mathematics pretty fast while in the US the kids are very weak," Prakash said.

"Statistics show 40 per cent of students in grade seven in the US fail mathematics every year. In India, the failure rate is five to 10 per cent," he said. "To add to the problem there's an acute shortage of teachers in the US."

According to the US National Centre for Education Statistics, in a 2003 national assessment, 32 per cent of American grade eight students failed to achieve even basic maths skills, 29 per cent were at or above proficient level while only five per cent had advanced skills.

The internet students consult their Indian teachers at a pre-set time decided by email. The virtual tutoring sessions last 30 minutes to an hour daily.

Most of the e-tutoring firms teach students through a combination of chat and interactive software that the students download from the company's website.

After the student downloads the software, the teacher prepares the course that is individually tailored to address the student's weaknesses.

The student can see the "white board" on his computer screen. The mathematics tutor teaches with a stylus or electronic pen.

Both can speak to each other through an internet phone.

"It's the next best thing to having a teacher near you," Prakash said.

At Career Launcher, another e-mentoring firm employing 15 teachers, plans are afoot to hire more tutors due to huge demand for its services in the United States and the Middle East.

"At our centres, all topics such as sciences, English and mathematics are covered," said Anup Nautiyal, assistant vice president of Career Launcher.

"But mostly help is sought from students in the US for maths. It's surprising. They find it very difficult to solve simple calculations. Our (Indian) grasping power is good and so are the teachers," Nautiyal said.

The teachers in both companies are trained to speak with US accents and earn about 7000 rupees (\$A210) a month.

Prakash and Nautiyal said a student would spend between 20 and 100 hours to complete the internet tutoring course. The companies keep the names of the students strictly confidential.

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