

### Yr 11 Economics Revision Worksheet (Topic 3)

- 1) State the law of demand
- 2) State the law of supply
- 3) Determine One factor that can cause the demand curve to shift to the right
- 4) Determine One factor that can cause the demand curve to shift to the left
- 5) Determine One factor that can cause the supply curve to shift to the right
- 6) Determine One factor that can cause the supply curve to shift to the left
- 7) Explain three factors that affect elasticity of demand
- 8) Explain three factors that affect elasticity of supply
- 9) How does the price mechanism achieve market equilibrium – explain your answer with a diagram?

#### The following information refers to the next 4 questions

The following table outlines the quantity demanded at each price level.

Price	\$1.50	\$2	\$2.50	\$3	\$3.50	\$4
Quantity	340	335	320	315	280	245

- 10) Plot the points and draw the demand curve
- 11) Using the total Outlay method ( $P \times Q$ ), what is the total revenue when the price is set at \$2?
- 12) Why would you consider the demand curve to be relatively inelastic from \$1.50 to \$3?
- 13) Determine the elasticity of the change in price from \$3.50 to \$4 and give reasons why
  
- 14) Draw a perfectly Elastic demand curve
- 15) Draw a perfectly Inelastic demand curve
- 16) By using an example, explain what is meant by a public good
- 17) By using an example, explain what is meant by a merit good
- 18) Determine what is meant by negative externalities
- 19) Draw an effective price ceiling and establish the problems faced by the government in implementing a price ceiling on a good or service
- 20) Draw an effective price floor and establish the problems faced by the government in implementing a price floor on a good or service
- 21) What are the characteristics of perfect competition
- 22) By giving an industry example, what are the market structure characteristics of an oligopoly
- 23) Why are monopolies detrimental to competition in the market
- 24) What are the main government reasons for privatisation