**Part B – Unemployment**

**Q1. The table shows the change in the labour force in Bangladesh between 2006 and 2009.**

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**Which statement is most likely to be consistent with these statistics?**

1. Farming is the major employer in the economy.
2. Male workers are more mobile than female workers.
3. The absolute increase in the labour force is greater in urban areas than rural areas.
4. The supply of female workers has fallen.

( )

**Q2. Which cause of inflation is most likely to result in an increase in unemployment?**

1. An increase in consumer expenditure
2. An increase in exports
3. An increase in the cost of production
4. An increase in the money supply

( )

**Q3. Official statistics in 2010 showed South Africa had a very high unemployment rate at around 25%, yet wages were still double those in Brazil. What might be a reason for South Africa’s high wages in a time of unemployment compared with Brazil?**

1. A skilled workforce in Brazil
2. High levels of savings in South Africa
3. Increased use of labour-intensive production in Brazil
4. Strong trade unions in South Africa

( )

**Q4. The government pays a subsidy for each worker employed by a firm in an area of high unemployment. When would this policy be most successful in reducing unemployment?**

1. When the firm is capital-intensive
2. When the firm is labour-intensive, requiring mainly unskilled labour
3. When the firm provides goods to the domestic market
4. When the firm requires mainly specialist, skilled labour

( )

**Q5. An increase in online banking by customers using home computers has reduced the level of employment in the banking sector of developed countries. What describes this kind of unemployment?**

1. Frictional
2. Regional
3. Seasonal
4. Technological

( )

**Q6. The number of people unemployed in an economy fell by 600,000 and the number employed rose by 400,000. Which change could explain this difference?**

1. Some of the unemployed have entered full-time education.
2. Some of the unemployed have experienced a loss of skills.
3. The length of the working week has declined.
4. The size of the labour force has increased.

( )

**Q7. The table shows unemployment and inflation statistics for the US, Japan and Sweden for year 1 and year 2.**

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**Which conclusion can be made from the table?**

1. In year 1, the same number of people were employed in Sweden and Japan.
2. In year 1, the cost of living rose in the US.
3. The number of unemployed people decreased in all three countries.
4. Unemployment and inflation moved in the same direction in Japan.

( )

**Q8. Many fishermen are unemployed owing to long-term legislation to conserve fish stocks in the North Sea. What type of unemployment is this?**

1. Demand-deficient
2. Frictional
3. Seasonal
4. Structural

( )

**Q9. Which of the following is an example of cyclical unemployment?**

1. An airline cuts jobs in a world recession.
2. Cleaners lose their jobs as more machines are used.
3. Fishermen sell their boats owing to a reduction in fish stocks.
4. Hotels employ fewer people in the rainy period.

( )

**Q10. The information below relates to selected countries in 2012.**

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**What can be concluded from this information?**

1. Inflation is a possible cause of unemployment.
2. Inflation is the only cause of unemployment.
3. Low unemployment is linked to high inflation.
4. There is a uniform link between the rate of inflation and unemployment.

( )