

21. If the Australian Government is operating a budget surplus, it is **most** likely that
- (a) unemployment is high, inflation is low and retail sales are weak.
  - (b) retail sales are strong, inflation is high and the unemployment rate is high.
  - (c) retail sales are weak, inflation is low and GDP growth is high.
  - (d) interest rates are high, unemployment is low and the trade balance is in deficit.