

- 21** A country joins a trade organisation, where the only requirements are that members must have identical tariff rates towards non-members and no trade barriers to fellow members.

With which possible change in status for the country is this condition consistent?

- A** from independent trade to membership of a free trade area
- B** from membership of a customs union to membership of an economic union
- C** from membership of a free trade area to membership of a customs union
- D** from membership of a free trade area to membership of an economic union

- 22** In Australia in 2005 a shipload of exported iron ore paid for 2200 imported flatscreen TVs. In 2010 the same size shipload paid for 22 000 imported flatscreen TVs.

Which combination of price changes is certain to cause this change in the terms of trade of Australia?

	average export price	average import price
A	decrease	decrease
B	decrease	increase
C	increase	decrease
D	increase	increase

- 23** A country has a population of 500 million. 15 million people are unemployed and the country has an unemployment rate of 6 %.

What is the size of the labour force?

- A** 90 million **B** 250 million **C** 470 million **D** 485 million