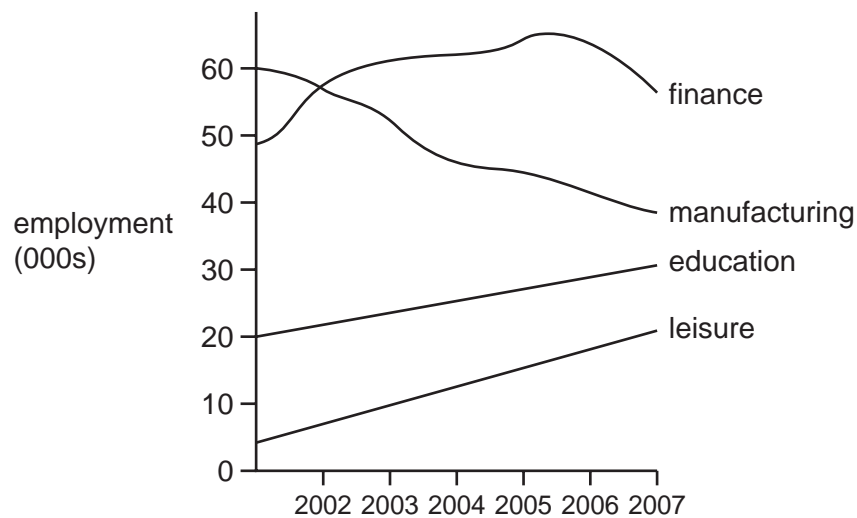


- 21** The diagram shows changes in the numbers employed in four different industries in a city between 2002 and 2007.



What can be concluded from the diagram?

- A** Finance was always the largest employer.
  - B** Leisure had the fastest growth rate in employment.
  - C** Manufacturing was the only industry to show signs of decline.
  - D** Total employment in the four industries decreased over the period.
- 22** The average consumer divides his expenditure between food, accommodation and clothing in the ratio 5 : 3 : 2.

During the course of a year, the price of food rises by 10 %, the price of accommodation remains constant and the price of clothing falls by 5 %.

What is the increase in the Consumer Price Index over the year?

- A** 2.5 %                      **B** 4 %                      **C** 5 %                      **D** 6 %
- 23** Which statement about inflation is correct?
- A** Cost-push inflation is likely to occur when the government increases its expenditure.
  - B** Demand-pull inflation is likely to occur when the country's exchange rate appreciates.
  - C** The Quantity Theory of Money predicts that changes in money supply can cause inflation.
  - D** When inflation is unanticipated real values remain unchanged.