Calculate the P Value for the test in Problem 2.

prop.test(1755, 1755 + 2771, p = 0.4, alternative = "less",

conf.level = 0.99, correct = FALSE)

p- value i.e. 0.046 is greater than alpha i.e. 0.01

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How do you test the proportions and compare against hypothetical props?

Test Hypothesis: proportion of automatic cars is 40%.

mtcars

str(mtcars)

table(mtcars$am)

prop.test(13, 32, p = 0.4, alternative = "less",

conf.level = 0.95, correct = FALSE)

At confidence level of 0.95, since p- value is greater than alpha,

we fail to reject the null hypothesis