

**RISHIKUL SANATAN COLLEGE**  
**REMEDIAL WORKSHEET**  
**ECONOMICS**

**YEAR 13**  
**19<sup>th</sup> – 25<sup>th</sup> May**

**QUESTION 1**

- (i) Explain why transportation is important for rural development (1 mark)
- (ii) Explain how tourism can be made more sustainable (1 mark)

**QUESTION 2**

Use the information given below and your knowledge to answer questions. The market demand curve ( $Q_d$ ) and supply curve ( $Q_s$ ) of Good  $A$  are given by the following equations:

$$Q_d = 240 - 4p$$
$$Q_s = 4p$$

Where  $P$  is the price of Good  $A$  in dollars.

- (i) Calculate the equilibrium price and quantity. (2 marks)
- (ii) Calculate the new market equilibrium price and quantity, if a tax of \$6 per unit is imposed on Good  $A$ . (2 marks)
- (iii) Calculate the total tax revenue raised by the sales tax. (1 mark)

**QUESTION 3**

- (i) Describe the shape of the indifference curve. Give reasons (2 marks)
- (ii) Draw the indifference curve to indicate :
  - (a) Higher utility
  - (b) Lower utility (2 marks)