

7 Multiple choice questions

1. an agreement between Australia's commonwealth and state governments signed in 1995 to encourage microeconomic reform throughout the Australian economy
 - a. workable competition
 - b. dynamic efficiency
 - c. national competition policy
 - d. allocative efficiency

2. the economy's ability to shift resources to where they are most valued and can be used most efficiently
 - a. technical efficiency
 - b. allocative efficiency
 - c. structural change
 - d. dynamic efficiency

3. the removal of legislation and other rules that constrain the operation of market forces and it aims to improve the efficiency of industries
 - a. deregulation
 - b. structural change
 - c. dynamic efficiency
 - d. workable competition

4. involves changes in the patterns of production that reflect change in technology, consumer demand, global competitiveness and other factors; it results in some products, processes and even entire industries disappearing, while other emerge
 - a. technical efficiency
 - b. dynamic efficiency
 - c. deregulation
 - d. structural change

5. the government's objective to achieve the maximum level of competition within an industry that is compatible with the market structure and specific conditions of the industry i.e. a situation where all markets are contestable
 - a. national competition policy
 - b. deregulation
 - c. dynamic efficiency
 - d. workable competition

6. the economy's ability to shift resources between industries in response to changing patterns of consumer demand
 - a. technical efficiency
 - b. allocative efficiency
 - c. dynamic efficiency
 - d. deregulation

7. the ability of an economy to achieve the maximum level of output for a given quantity of inputs
 - a. allocative efficiency
 - b. structural change
 - c. dynamic efficiency
 - d. technical efficiency