

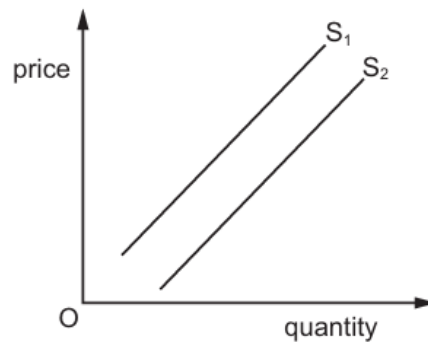
IGCSE CIE

Economics MCQ

Supply (QP)

1. May 2024-11/5

The diagram shows a shift in the supply curve for New Zealand's airlines from S_1 to S_2 .



What is the most likely cause of this shift?

- A** a decrease in the costs of New Zealand's airlines
- B** a decrease in the number of people wanting to fly to New Zealand
- C** an increase in the price of train and bus travel in New Zealand
- D** an increase in the tax on air travel in New Zealand

2. March 2024-12/5

What would **not** cause a shift in the supply curve?

- A** changes in costs of production
- B** changes in direct taxes
- C** changes in indirect taxes
- D** changes in a subsidy from the government

3. Oct 2023-11/6

What does a supply curve show?

- A** A firm will supply more when consumers' purchasing power increases.
- B** The higher the price, the fewer goods are supplied as costs of production increase.
- C** The lower the price, the more profit is made by the firm.
- D** There is a positive relationship between quantity supplied and price.

4. Oct 2023-13/6

What would cause the supply curve for an agricultural product to shift to the right?

- A** an increase in the costs of production
- B** an increase in the price of substitutes
- C** an increase in the price of the good
- D** an increase in the productivity of farms

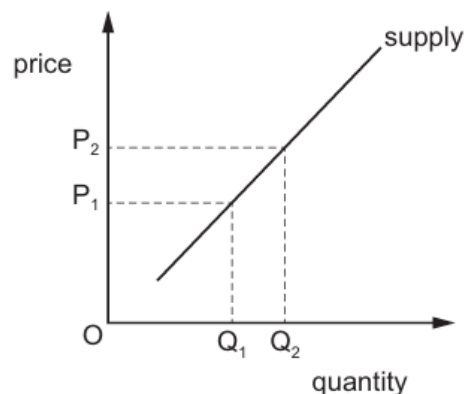
5. May 2023-11/9

What would bring about a movement upwards along the supply curve for rice?

- A** a decrease in the productivity of farmworkers
- B** a decrease in the profitability of rice production
- C** an increase in consumers' incomes
- D** an increase in farmworkers' wages

6. May 2023-12/7

The diagram shows the supply curve for coffee.



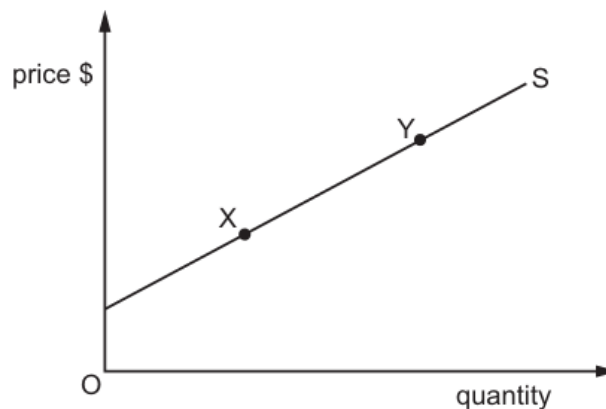
The price of coffee increases from P_1 to P_2 .

How would this benefit firms in the coffee industry?

- A** A higher price gives firms the ability to increase profits.
- B** A higher price gives firms the incentive to reduce total fixed costs.
- C** A higher price will encourage consumers to buy more coffee increasing total revenue.
- D** A higher price will encourage less firms to enter the market to supply coffee.

7. May 2023-13/6

The diagram shows the supply curve for a good.

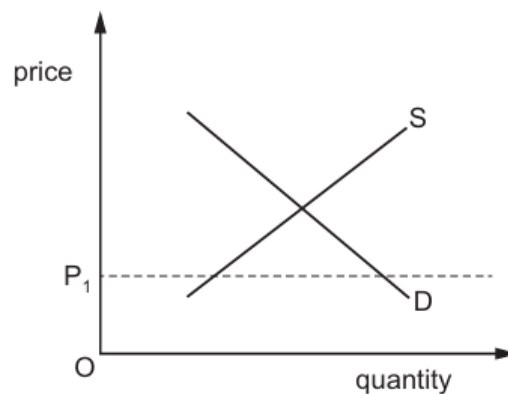


What is the name and cause of the movement from X to Y?

- A** a contraction of supply caused by a decrease in demand
- B** a contraction of supply caused by an increase in demand
- C** an extension of supply caused by a decrease in demand
- D** an extension of supply caused by an increase in demand

8. March 2023-12/9

The diagram shows the demand for and the supply of bread.



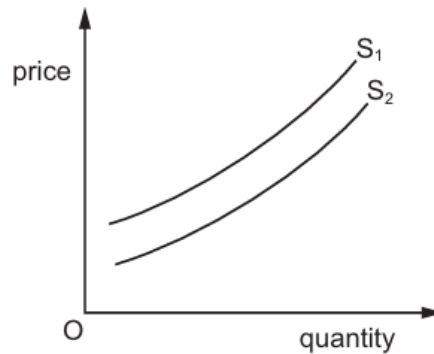
A maximum price P_1 is fixed by the government.

What is likely to be the immediate result of this?

- A** a movement of the demand curve to the right
- B** a movement of the supply curve to the right
- C** a shortage of bread
- D** a surplus of bread

9.Oct 2022-11/5

The diagram shows the supply of motor vehicles.



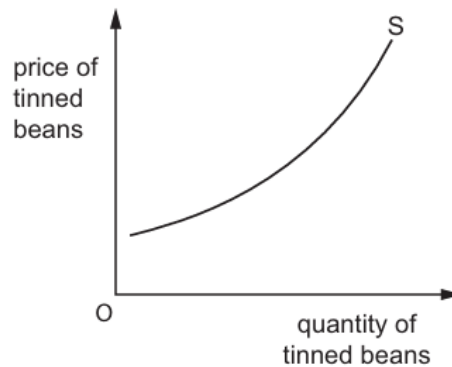
What will cause a shift in the supply curve from S_1 to S_2 ?

- A** a decrease in the profits of suppliers
- B** a fall in the real incomes of customers
- C** a more efficient assembly line using robots
- D** a rise in the cost of motor vehicle components

10.May 2022-13/8

A manufacturer of tinned beans mechanises its assembly line. This increases output by 30% and reduces labour by 20%.

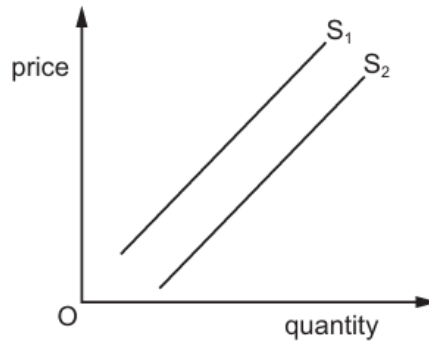
How and why will this affect supply curve S ?



- A** S will move to the left due to an increase in average costs.
- B** S will move to the left due to an increase in the price of tinned beans.
- C** S will move to the right due to an increase in consumer demand.
- D** S will move to the right due to an increase in productivity.

11.Oct 2021-13/7

The diagram shows a shift in the supply curve for New Zealand's airlines from S_1 to S_2 .



What is the cause of this shift?

- A** a decrease in the costs of New Zealand's airlines
- B** a decrease in the number of people wanting to fly to New Zealand
- C** an increase in the price of train and bus travel in New Zealand
- D** an increase in the tax on air travel in New Zealand