

Question 24 (11 marks)

- (a) Describe the relationship between microeconomic reform and aggregate supply. **3**

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- (b) With reference to a specific product market, explain how ONE microeconomic reform has led to increased efficiencies. **4**

Product market:

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Question 24 continues on page 21

Question 24 (continued)

- (c) Explain how microeconomic reform in the labour market can lead to a lowering of cost inflation in Australia.

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End of Question 24