

1.2.2-FACTORS OF PRODUCTION-MARKING SCHEME

<p>What is a factor of production?</p> <p>A a semi-skilled, young worker</p> <p>B direct taxes received by a government</p> <p>C shares in a manufacturing company</p> <p>D stocks of money held a bank</p>	<p>A</p> <p>1</p>
<p>Which of the following is an example of the factor of production 'capital'?</p> <p>A a truck C a truck driver's savings</p> <p>B a truck driver D a truck driver's wage</p>	<p>A</p> <p>2</p>
<p>What is not a factor of production?</p> <p>A a \$10 note C a printing machine</p> <p>B a farm D a teacher</p>	<p>A</p> <p>3</p>
<p>Which is part of the factor of production land?</p> <p>A an airport</p> <p>B a car park</p> <p>C a fish farm</p> <p>D a forest</p>	<p>D</p> <p>4</p>
<p>A boat owner employs a crew to catch fish to sell on the market.</p> <p>Which factors of production are involved in this activity?</p> <p>A labour, capital and enterprise only</p> <p>B land, labour and capital only</p> <p>C land, labour and enterprise only</p> <p>D land, labour, capital and enterprise</p>	<p>D</p> <p>5</p>

<p>What is an example of the factor of production enterprise?</p> <p>A a shop assistant</p> <p>B a shop's profits</p> <p>C a shop owner</p> <p>D a shopping centre</p>	<p>C</p> <p>6</p>
<p>\$2bn is invested in developing a country's natural resources and infrastructure.</p> <p>Which two factors of production does this refer to directly?</p> <p>A capital and labour</p> <p>B capital and land</p> <p>C enterprise and land</p> <p>D labour and land</p>	<p>B</p> <p>7</p>
<p>Which of the following is a factor of production?</p> <p>A the payment of interest on a bank loan</p> <p>B the profit declared by a company in its annual report</p> <p>C the skill of the managers of a business</p> <p>D the taxes paid to the government</p>	<p>C</p> <p>8</p>
<p>What is not a factor of production?</p> <p>A company shares</p> <p>B machinery</p> <p>C raw materials</p> <p>D unskilled workers</p>	<p>A</p> <p>9</p>

<p>Which statement about the factors of production is correct?</p> <p>A A river from which a company draws water is called land.</p> <p>B Raising finance for a company is called capital.</p> <p>C Supervisors employed in a company are called enterprise.</p> <p>D The owner of a company is called labour.</p>	<p>A</p> <p>10</p>
<p>What is a factor of production?</p> <p>A an advantage of producing on a large scale</p> <p>B a resource used to produce goods and services</p> <p>C a sub-section of a manufacturing process</p> <p>D a unit of output</p>	<p>B</p> <p>11</p>
<p>Which statement about the factors of production is correct?</p> <p>A Capital includes factories and machinery but not roads and ports.</p> <p>B Enterprise is more often found in the public sector rather than the private sector.</p> <p>C Labour is the factor that takes risks and can become unemployed.</p> <p>D Land is the natural factor that can be improved by human action.</p>	<p>D</p> <p>12</p>
<p>A university rejects 2000 qualified applicants who wish to study there.</p> <p>What factor of production could have caused the university to make this decision?</p> <p>A infinite quantity of capital</p> <p>B scarcity of labour</p> <p>C surplus of land</p> <p>D unlimited supply of enterprise</p>	<p>B</p> <p>13</p>