

FACULTY OF BUSINESS**FINAL EXAMINATION**

Student ID (in Figures) :

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Student ID (in Words) : _____

Course Code & Name : **ECO1523 Macroeconomics**
Semester & Year : May – August 2020
Lecturer/Examiner : Rosnah Mohamad Noor
Duration : 3 Hours

INSTRUCTIONS TO CANDIDATES

1. This question paper consists of 2 parts:
PART A (20 marks) : TWO (2) short answer questions. Answers are to be written in the Multiple Choice Answer Sheet provided.
PART B (80 marks) : FOUR (4) structure questions. Answers are to be written in the Answer Booklet provided.
2. Candidates are not allowed to bring any unauthorized materials except writing equipment into the Examination Hall. Electronic dictionaries are strictly prohibited.
3. This question paper must be submitted along with all used and/or unused rough papers and/or graph paper (if any). Candidates are NOT allowed to take any examination materials out of the examination hall.
4. Only ballpoint pens are allowed to be used in answering the questions, with the exception of multiple choice questions, where 2B pencils are to be used.

WARNING: The University Examination Board (UEB) of BERJAYA University College regards cheating as a most serious offence and will not hesitate to mete out the appropriate punitive actions according to the severity of the offence committed, and in accordance with the clauses stipulated in the Students' Handbook, up to and including expulsion from BERJAYA University College.

Total Number of pages = 4 (Including the cover page)

PART A : SHORT ANSWER QUESTIONS (20 MARKS)

INSTRUCTION(S) : Answer all **TWO (2)** questions. Write your answers in the Answer Booklet(s) provided.

Question 1

Explain **FOUR (4)** major macroeconomics goals. (10 marks)

Question 2

Discuss **FOUR (4)** difficulties of measuring national income of a country. (10 marks)

END OF SECTION A

PART B**: STRUCTURE QUESTIONS (80 MARKS)****INSTRUCTION(S)**

: Answer all **FOUR (4)** questions. Write your answers in the Answer Booklet(s) provided.

Question 1

The following table shows the values of economic activities of a country in the year 2019.

Items	RM (million)
Consumption expenditure	100
Export	60
Government expenditure	15
Change in stock	-5
Personal income tax	3
Imports	20
Taxes on expenditure	10
Transfer payment	5
Wages and salaries	30
Capital consumption	5
Employees Provident Fund	2
Subsidies	4
Net factor income from abroad	50
Private investment	20
Depreciation	-15

Calculate the following :

- a) Gross domestic product at market price (4 marks)
- b) Gross national product at market price. (4 marks)
- c) Gross national product at factor cost. (4 marks)
- d) National income. (4 marks)
- e) Disposable personal income. (4 marks)

(Total:20 marks)

Question 2

Explain **FIVE (5)** factors influencing the investment situation in Malaysia with example.

(20 marks)

Question 3

a) Provide **THREE (3)** differences between direct and indirect taxes with examples.

(12 marks)

b) Explain **FOUR (4)** objectives of taxation.

(8 marks)

(Total:20 marks)

Question 4

a) Explain **FOUR (4)** types of unemployment, with examples.

(8 marks)

b) Given the total number in the labour force, complete the following table by calculating the total employed (i, ii, iii) and the unemployment rate (iv,v,vi).

Years	Total labour force (thousands)	Total employed (thousands)	Unemployment rate (%)
2014	8,372.0	8,162.7	(iv)
2015	9,038.2	8,805.1	(v)
2016	8,880.9	(i)	3.2
2017	9,010.0	(ii)	3.0
2018	9,892.1	(iii)	3.6
2019	10,101	9701	(vi)

(12 marks)

(Total:20 marks)

END OF EXAM PAPER