Quizlet

NAME _____
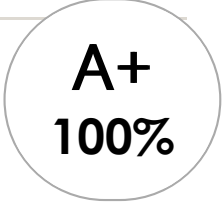
7 Multiple choice questions

A+
100%

1. is a graphical representation of income distribution plotting the cumulative increase in population ag
    cumulative increase in income

    a. underemployment

    b. **CORRECT:** Lorenz curve

    c. median income

    d. mean income

2. refers to those persons who are working less than full time (and therefor not unemployed) but would like to work
    full hours

    a. transfer payments

    b. mean income

    c. median income

    d. **CORRECT:** underemployment

3. is a number between zero and one that measures the extent of income inequality in an economy; it is calculated by
    measuring the degree to which the Lorenz curve deviates from the line of equality

    a. mean income

    b. **CORRECT:** Gini coefficient

    c. income inequality

    d. underemployment

4. the average level of income; it is calculated by dividing the total income of a group by the number of income
    recipients in that group

    a. underemployment

    b. **CORRECT:** mean income

    c. Lorenz curve

    d. median income

5. refers to the degree to which income is unevenly distributed in an economy

    a. **CORRECT:** income inequality

    b. median income

    c. underemployment

    d. mean income

6. are payments from the government to assist people with basic costs of living; a number of terms are commonly used for transfer payments including: social welfare payments, government benefits, social security, income support and Centrelink payments

    a. underemployment

    b. **CORRECT:** transfer payments

    c. mean income

    d. Lorenz curve

7. that level of income that divides the income recipients in a group into two halves, one half having incomes above the median and the other half having incomes below the median (it is the middle outcome)

    a. mean income

    b. **CORRECT:** median income

    c. underemployment

    d. Lorenz curve