

Name _____
Class _____

Exercise 1: Create a supply schedule

Your class has been asked to take part in a pilot program in which students are given the opportunity to work part time, before or after school, in the school library. Students hired can decide for themselves how many hours per week they will work, although no student can work more than 25 hours per week.

The librarian is not sure how much money to offer (per hour) to attract enough students to meet the needs of the library so she asks your teacher to conduct a survey of the class by asking students to indicate the number of hours each would be willing to work at different hourly rates. Complete the table below by indicating how many hours you would be willing to work (assuming you would be hired) at the various rates the library is considering offering.

Hourly rate	# hours you would be willing to work
\$30	
\$25	
\$20	
\$15	
\$10	
\$7	
\$5	
\$3	
\$2	
\$1	

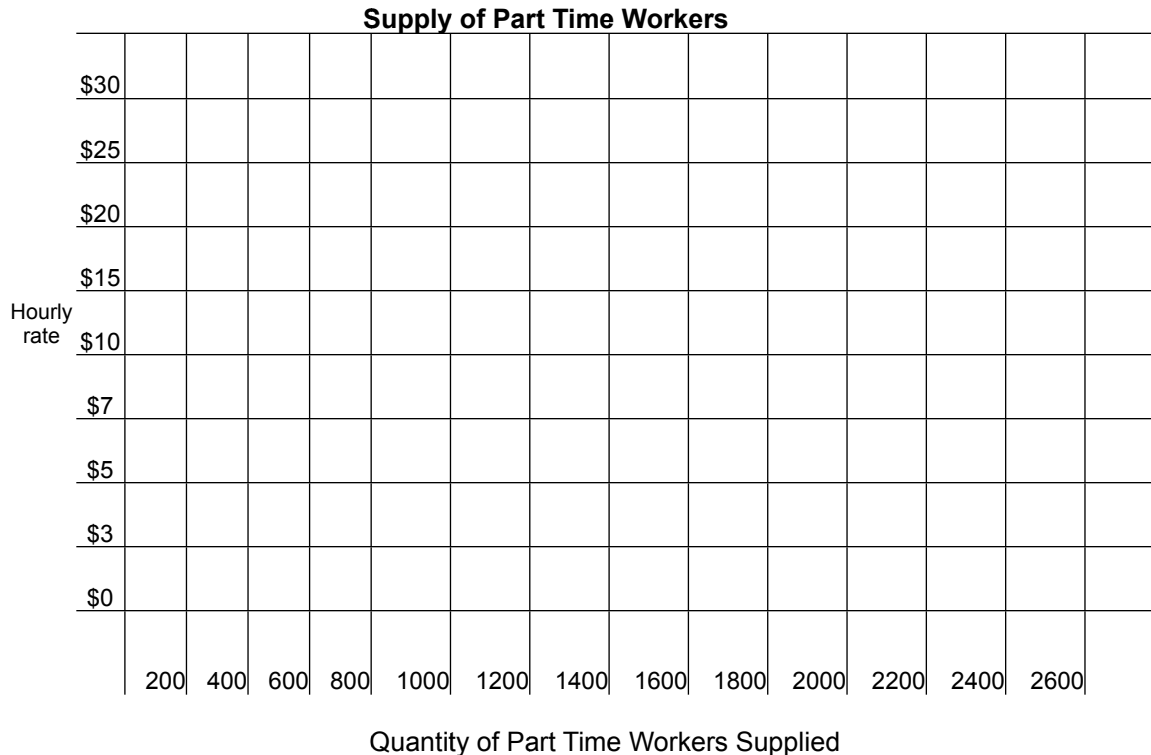
Exercise 2: Create a supply curve

The survey to assess students' willingness to work at the library was distributed to all seniors in the school; the total hours that students are willing to work at the different hourly rates are presented in the *supply schedule* for part time workers below:

Supply Schedule for Part Time Workers	
Hourly rate	# hours seniors are willing to work
\$30	1500
\$25	1440
\$20	1380
\$15	1100
\$10	840
\$7	480

\$5	240
\$3	0
\$2	0
\$1	0

Using the data in the supply schedule for part time workers, draw the supply curve.



In your own words, summarize the information displayed in the graph:

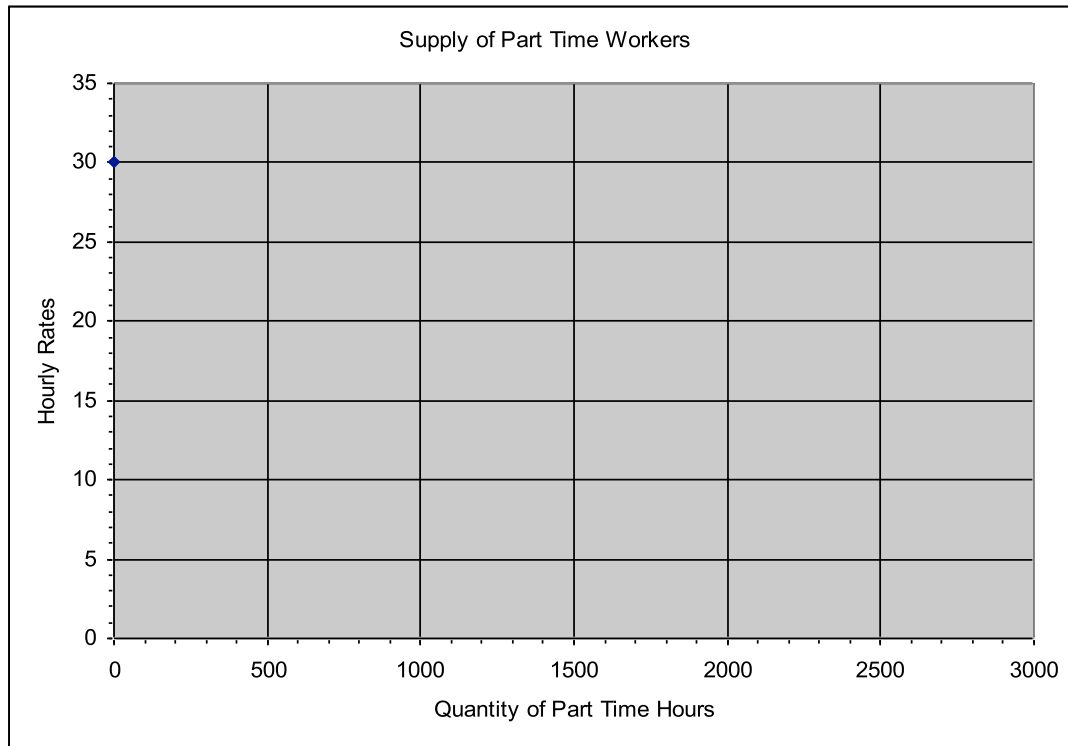
Changes in Supply – A Shift in the Demand Curve

The supply schedule below presents the results of a survey of seniors only, and seniors and juniors, indicating the number of hours these students would be willing to work in the school library at different hourly rates of pay.

Supply Schedule of Student Workers' Hours			
Hourly rate	# hours juniors are willing to work (S1)	# hours seniors are willing to work (S2)	# hours juniors and seniors are willing to work (S3)
\$30	1125	1500	2625
\$25	1080	1440	2520
\$20	1035	1380	2415
\$15	825	1100	1925
\$10	630	840	1470

\$7	360	480	840
\$5	180	240	420
\$3	0	0	0
\$2	0	0	0
\$1	0	0	0

Exercise 3: Using the data from the supply schedule for part time workers, draw supply curves S1, S2, and S3 on the graph below.



Refer to the chart you have drawn and answer the following questions:

1. When the hourly rate is \$20, compare the quantity of hours students are willing to work at supply levels S2 and S3.
2. When supply increases at all price levels, the supply curve shifts in which direction: right or left?
3. Explain the difference between an *increase in supply* and *increase in the quantity supplied*.
 - a. Which is depicted as a movement along the supply curve?
 - b. Which is depicted as a shift in the supply curve?

Exercise 4: In the table below, complete the following: (Consult pages 116-118 for further explanation).

1. Record the affect on supply of each of the four determinants.
2. In each instance, state if the supply curve shifts right or left.
3. In your own words provide an explanation of the suppliers' reactions.

Determinant of supply		Affect on supply	Explanation
A change in the price of inputs (raw materials, wages, etc.)	A decrease in the price of inputs.		
	An increase in the price of inputs.		
A change in the number of firms in the industry.	Increase in the number of firms in the industry		
	Decrease in the number of firms		
A change in taxes	Increase in taxes		
	Decrease in taxes		
Technology development			