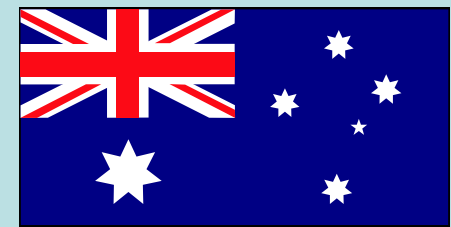
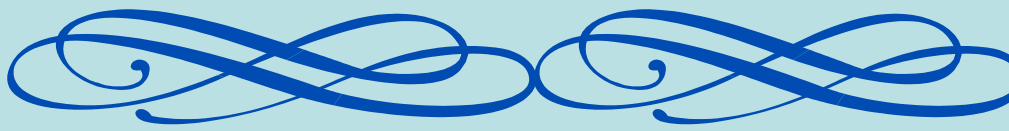
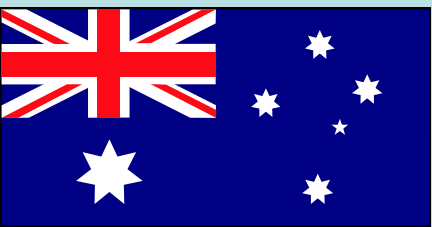
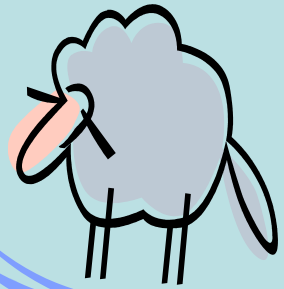


AUSTRALIA'S
ECONOMY
SS6E8a



List three ways specialization benefits Australia and/or encourages worldwide trading.

- China buys Australian wool because it's cheaper.
- Australia buys computer equipment from China.
- Australia specializes in coal, iron ore, & wool.



"I love the \$15.00 tariff. It makes my prices cheaper and gives me a lot more business than those other guys."



"My product is rare and expensive because I have a quota of only 100 a year."



F

"That \$5.00 tariff won't stop me from selling my products. I'll just raise my prices to pay for the tax."



F

"My product may be cheaper, but I can sell as much of it as I want. I can make lots of money that way."



L

"I read in the newspaper that my government doesn't have any trade embargos against any other countries."

L



Japan wants to sell tennis shoes to Australia for \$25.00 a pair, but Australia has a tariff of \$250.00 for every crate of Japanese tennis shoes that are shipped to Australia. One crate holds 450 pairs of tennis shoes.



If Japan wants to raise the cost of tennis shoes to pay for the tariff, how much more will each tennis shoe cost?

$$450 \overline{) 250.0} \quad \begin{array}{r} .55 \\ 25.55 \end{array}$$



All countries have the same type of money.



Australia's money is called an Aussie.



It's the Australian dollar.

The exchange rate
measures how much one
currency is worth
compared to
another currency.



It's impossible for one country to trade with another country if they have different currencies.



You just need to exchange it.

Australian dollars can be used at any store in Japan.



You must exchange
it for yen.

In economic terms, people
who perform labor
are called
human capital.

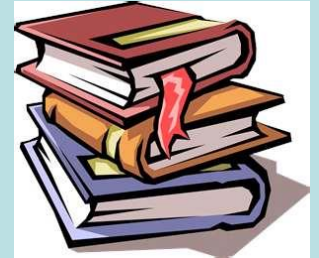


The _____ measures the economic performance of country.

GDP



A country can invest in human capital by providing _____, _____, and _____.



- government schooling
- government universities
- skills training



A country with a strong investment in human capital typically has a strong GDP.



Australia is ranked as one of the top 15 _____ countries in the world.

- richest



Why do you think a country's investment in healthcare would help increase a country's GDP?



Healthy workers are more productive.

Get to school on time



alarm clock

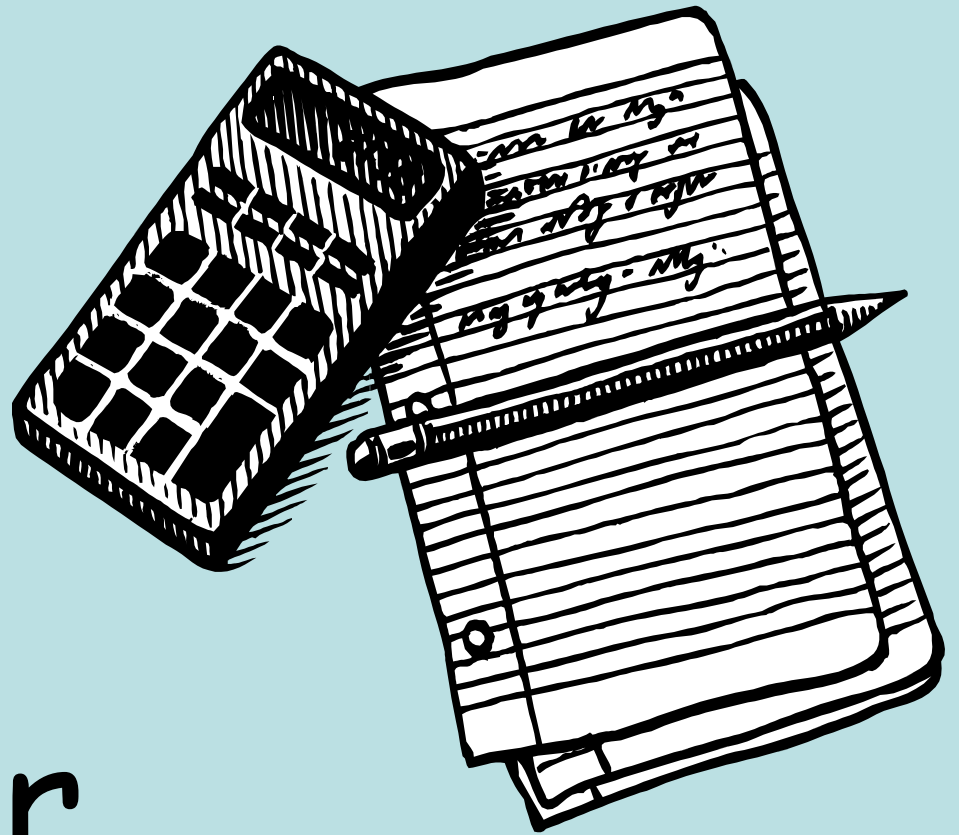
Take a pop quiz



pencil
or paper

Solve a math problem

- pencil
- paper
and/or
- calculator



Read History homework



book

• Glasses

and/or

• highlighter



Write a short story

- computer and/or
- paper
- pencil



Finish your homework

- computer and/or
- pencil
- paper
- textbooks
- calculator



Why does having the right supplies help you to be a better student?



You're prepared for your assignment.

Why do you think schools provide school buses, books, and classrooms for their students?

To help invest in their students' futures.



Which of these items would be considered capital goods?

buses?



books?



classrooms?



Natural resources are materials found in the environment.



Australia's natural resources include:

* coal



* iron ore

* uranium



* bauxite

* gold

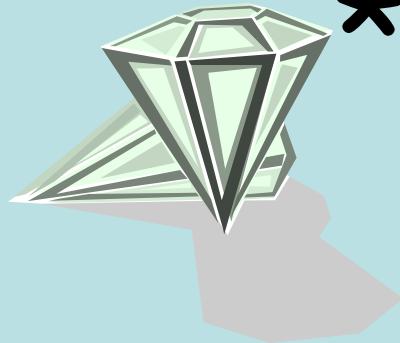


* zinc



* lead

* diamonds



Australia has large _____
to manage the use of
natural resources.



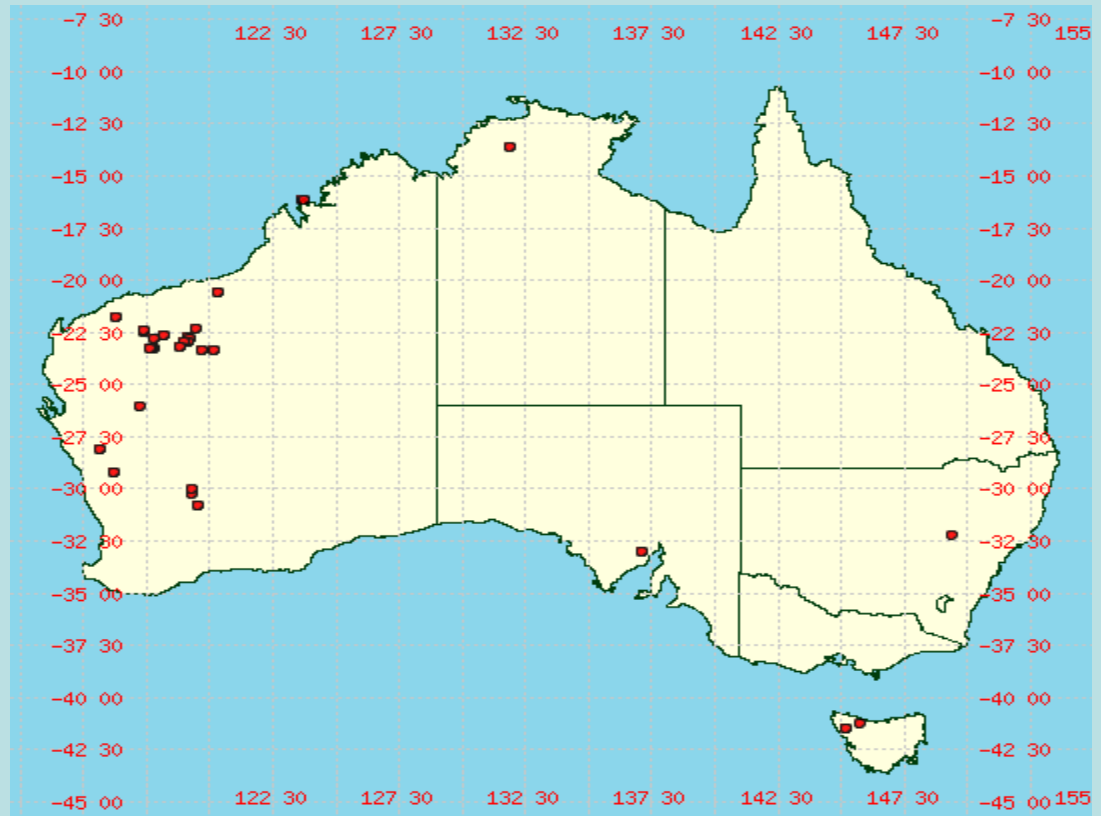
industries

Australia's natural resource, _____, is used to make steel.

- iron ore



[right: location of iron ore sites in Australia]



Why do you think it helps an entrepreneur to have a new and unique idea in order to start a successful business?



When an entrepreneur is successful, the economy grows.