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School code

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School name

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Given name/s

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Family name

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Book

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of

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books used

Mock external assessment 2026 · Paper 2

Question and response book

Economics

Time allowed

- Planning time — 15 minutes
- Working time — 120 minutes

General instructions

- Answer all questions in this question and response book.
- QCAA-approved calculator permitted.
- Planning paper will not be marked.
- Multiple choice questions are in the multiple choice question book.

Section 1 (10 marks)

- 10 multiple choice questions

Section 2 (29 marks)

- 4 short response questions

Section 3 (21 marks)

- 1 extended response question



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THIS PAGE WILL NOT BE MARKED



Section 1

Instructions

- This section has 10 questions and is worth 10 marks.
- Use a 2B pencil to fill in the A, B, C or D answer bubble completely.
- Choose the best answer for Questions 1–10. The questions are in the multiple choice question book.
- If you change your mind or make a mistake, use an eraser to remove your response and fill in the new answer bubble completely.

	A	B	C	D
Example:	☒	☐	☐	☐

	A	B	C	D
1.	☐	☐	☐	☐
2.	☐	☐	☐	☐
3.	☐	☐	☐	☐
4.	☐	☐	☐	☐
5.	☐	☐	☐	☐
6.	☐	☐	☐	☐
7.	☐	☐	☐	☐
8.	☐	☐	☐	☐
9.	☐	☐	☐	☐
10.	☐	☐	☐	☐

Ensure you have filled an answer bubble for each question.

Do not write outside this box.

Section 2

Instructions

- Write using black or blue pen.
 - Respond in paragraphs consisting of full sentences unless instructed otherwise.
 - If you need more space for a response, use the additional pages at the back of this book.
 - On the additional pages, write the question number you are responding to.
 - Cancel any incorrect response by ruling a single diagonal line through your work.
 - Write the page number of your alternative/additional response, i.e. See page ...
 - If you do not do this, your original response will be marked.
 - This section has four questions and is worth 29 marks.
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QUESTION 11 (4 marks)

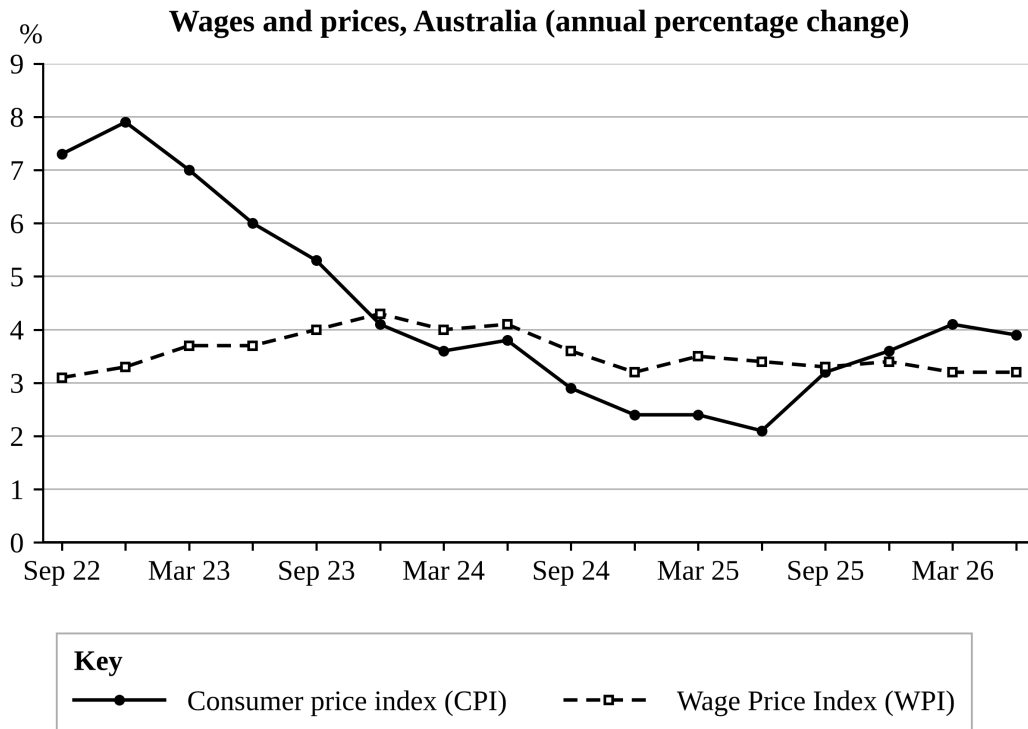
In 2026, conflict in the Middle East caused a sharp rise in world oil prices, and the price of fuel in Australia increased.

Describe the concept of cost-push inflation using an example based on this scenario. How might this situation affect the Reserve Bank of Australia's objective of price stability?

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QUESTION 12 (10 marks)

The graph shows wages and prices in Australia.



a) Describe the economic issue shown and explain two causes.

[6 marks]

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- b) Identify two policies the Australian Government could use to address this issue and explain one limitation of each.

[4 marks]

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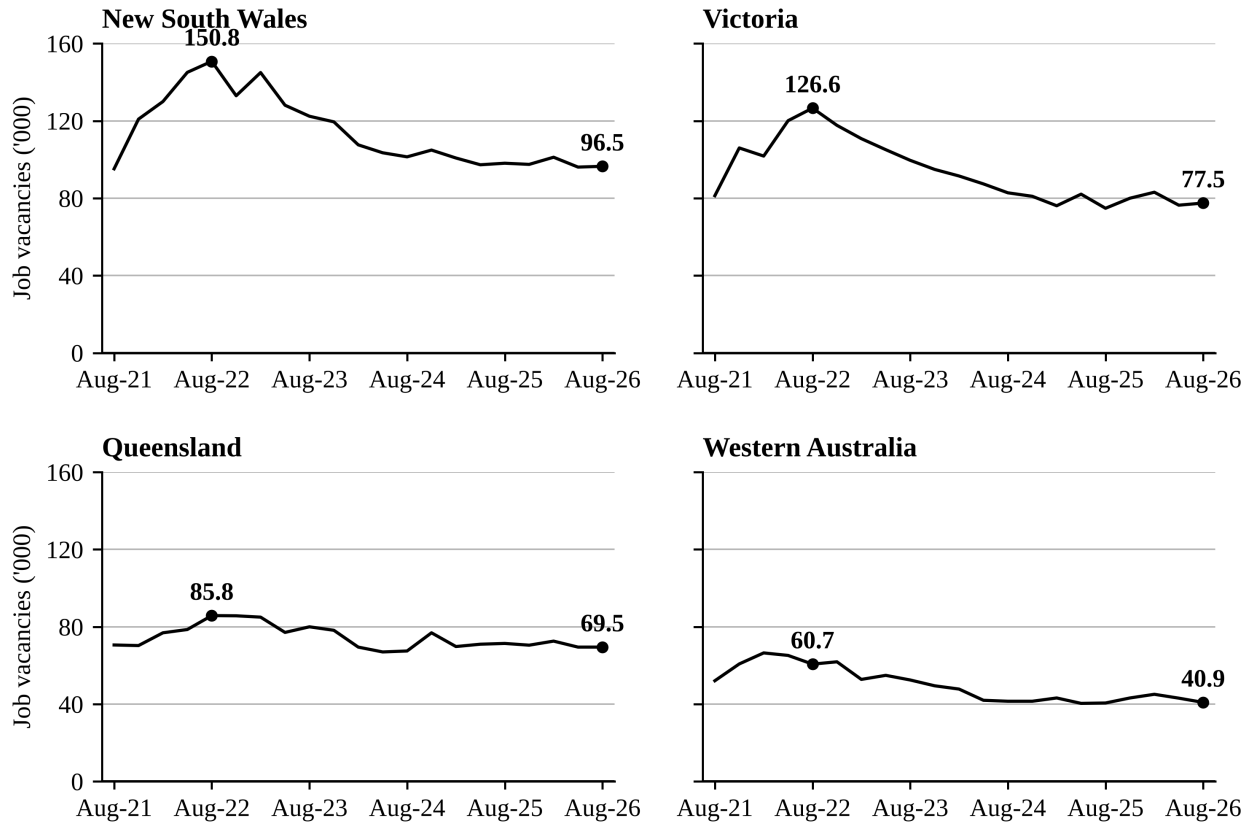
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QUESTION 14 (4 marks)

The graphs show job vacancies in four Australian states.

Job vacancies by state, Australia (thousands, original series)



Calculate the percentage change in job vacancies from August 2022 to August 2026 for the state with the largest fall. Using economic terms, write an annotation that suggests a reason for this fall.

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Calculation space, include your working.

Annotation (bullet points)

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Section 3

Instructions

- Respond in 400–600 words.
- This section has one question and is worth 21 marks.

QUESTION 15 (21 marks)

Use all of Sources 1–8 to analyse the economic issue of migration into Australia and evaluate the two approaches shown below. Draw a conclusion about which approach is more effective, using the criterion of sustainable economic growth.

Approach 1	Approach 2
Maintain net overseas migration at around its current level of about 290,000 a year	Cut net overseas migration to 100,000 a year

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END OF PAPER

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[illegible]

[illegible]

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ADDITIONAL PAGE FOR STUDENT RESPONSES

Write the question number you are responding to.

Do not write outside this box.

References

Question 12

Wage data from Australian Bureau of Statistics 2026, *Wage Price Index, Australia, June 2026*, www.abs.gov.au.
Inflation data from Reserve Bank of Australia 2026, *Measures of Consumer Price Inflation*, updated 30 September 2026, www.rba.gov.au.

Question 13

2026–27 Budget figures as reported in National Australia Bank 2026, *Fiscal Update: Australian Federal Budget 2026–27*, 12 May; Australian Bureau of Statistics 2026, *Consumer Price Index, Australia, August 2026* and *Australian National Accounts: National Income, Expenditure and Product, June 2026*; Reserve Bank of Australia, cash rate decision of 29 September 2026.

Question 14

Data from Australian Bureau of Statistics 2026, *Job Vacancies, Australia, August 2026*, original series by state, www.abs.gov.au.

This is a mock paper prepared for practice. It is not a QCAA publication and has not been reviewed or endorsed by the QCAA. Data is drawn from the published sources referenced above and is current to early October 2026. Source extracts were written for this paper from those figures. Approach 1 holds migration near its current level; Approach 2 is based on the Opposition's announced policy. Neither approach is endorsed by this paper.

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Prepared as a practice paper for QCE Economics Unit 4. The layout follows the format of QCAA external assessment papers so that students can practise under exam conditions.