##### Market failure

# Exercise 1.0 – Approaches to address ‘Market Failure’

## 1. Labour immobility

*Identify and explain two courses of action the Government might take to help unemployed workers respond to market signals.*

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| **1.** |
| **2.** |

## 2. Income Inequality

*Identify and explain two courses of action the Government might take to help people on low incomes.*

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| **1.** |
| **2.** |

## 3. Imperfect information

*Identify and explain two courses of action the Government might take to encourage a more even balance of information.*

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| **1.** |
| **2.** |