

Answer to Question #90615, Economics / Microeconomics

(A) Average variable cost is R100

$$\text{Total cost} = ATC * Q = 300 * 100 = 30000$$

$$\text{Total variable cost} = TC - TFC = 30000 - 20000 = 10000$$

$$AVC = \frac{TVC}{Q} = \frac{10000}{100} = R100$$

Answer provided by <https://www.AssignmentExpert.com>