Exercise 75

Suppose that average annual income (in dollars) for the years 1990 through 1999 is given by the linear function: $I(x) = 1054x + 23{,}286$, where x is the number of years after 1990. Which of the following interprets the slope in the context of the problem?

   a. As of 1990, average annual income was $23,286.

   b. In the ten-year period from 1990-1999, average annual income increased by a total of $1,054.

   c. Each year in the decade of the 1990s, average annual income increased by $1,054.

   d. Average annual income rose to a level of $23,286 by the end of 1999.

Solution

c. Each year in the decade of the 1990s, average annual income increased by $1,054.