

1. TRUE or FALSE?

- T F The numerical value must be the same in both hypotheses.
- T F The hypotheses are statements about the population parameter.
- T F The point estimate, or sample statistic, is our evidence in hypothesis testing.
- T F The p-value shows how surprised we are by the value of the test statistic, assuming that the null hypothesis is true.
- T F If we can reject the null hypothesis, then we can say the sample results are statistically significant.
- T F A p-value is NOT the probability that the null hypothesis is true.
- T F We never say we accept the null hypothesis; we say we fail to reject it.
- T F If a 95% confidence interval contains the claimed value, then it's a plausible value, so we cannot reject the null hypothesis at the 5% significance level.

2. The UCLA Internet Report (February 2003) estimated that roughly 0.75 of online homes are still using dial-up access, but claimed that the use of dial-up is declining. Is that really the case? To examine this, a follow-up study was conducted a year later in which out of a random sample of 1308 households that had internet access, 804 were connecting using a dial-up modem. Let p be the proportion of all U.S. internet-using households who have dial-up access.

a. Write the null and alternative hypotheses in symbols: $H_0:$ $H_a:$ **b. Which one of following is correct?**

- A. It is not safe to use the z-test for p since np_0 is not large enough.
- B. It is not safe to use the z-test for p since $n(1-p_0)$ is not large enough.
- C. It is not safe to use the z-test for p since the sample is not a random sample from the entire population (or cannot be considered as one).
- D. It is safe to use the z-test for p .

c. The test statistic is $z = -11.3$

This means that

- A. If p is really still .75, the sample proportion we got is 11.3 percentage points below it.
- B. If p is really still .75, the sample proportion we got it 11.3 standard deviations below it.
- C. If p is really still .75, the sample proportion we got is 11.3 percentage points above it.
- D. If p is really still .75, the sample proportion we got it 11.3 standard deviations above it.

d. The p-value is so small that the calculator tells us that it is essentially 0. State your conclusion in context.