

- 4 Despite much opposition, the local government in a popular tourist resort built a leisure centre and swimming pool which is open to everyone. Many tourists visit the centre. Local residents are charged a lower entry fee than the fee charged to the tourists.

How would economists classify this service?

- A It is a demerit good because some people objected to the development.
  - B It is a merit good because the entry fee is reduced for local residents.
  - C It is a private good because there is an entry fee for all users.
  - D It is a public good because it is open to everyone and provided by the local government.
- 5 On a demand and supply diagram, other things remaining the same, a fall in the price of a commodity will normally shift
- A the demand curve for a substitute to the right.
  - B the demand curve for the commodity to the right.
  - C the supply curve for a jointly produced commodity to the left.
  - D the supply curve for the commodity to the left.
- 6 In 2014, in an attempt to find new uses for seven sites previously used to bury rubbish, the Hong Kong government announced it would allow private companies to bid to redevelop the sites.

Which diagram shows the change in the market for these sites?

