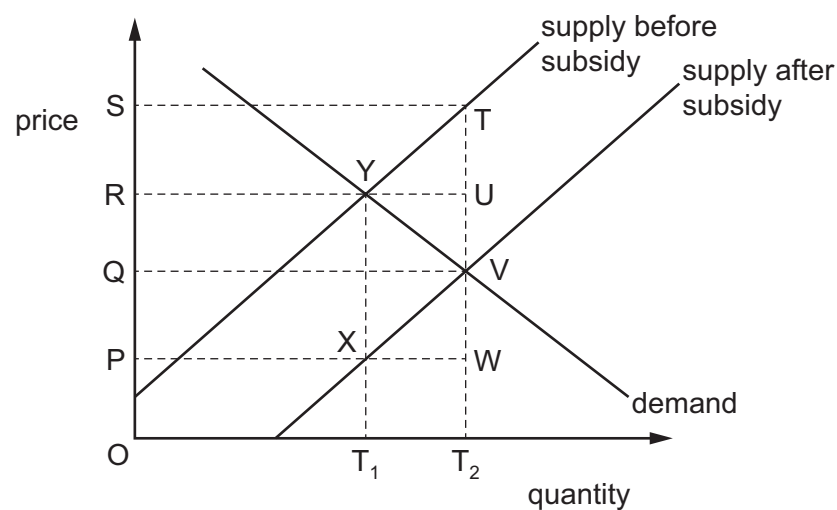


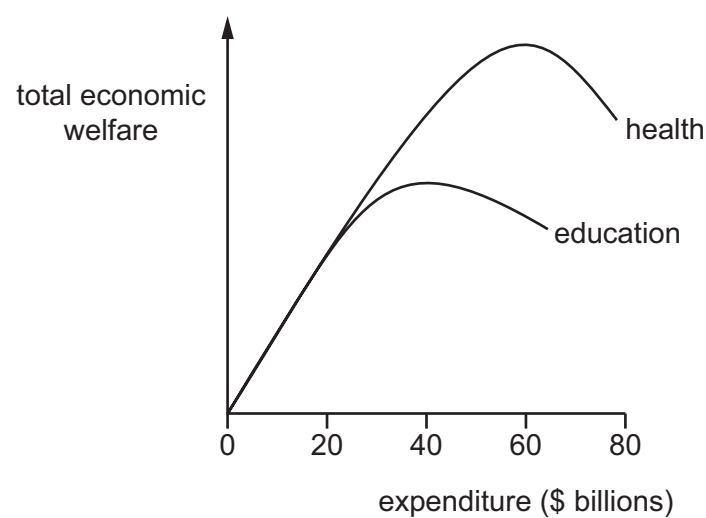
15 The diagram shows the market for a product before and after the introduction of a subsidy.



Which area represents the total amount paid in subsidies?

- A PRYX
- B QRUV
- C QSTV
- D RSTU

16 The graph shows the total economic welfare derived by citizens from a government's expenditure on health and education services.



If the government has \$60 billion of its budget to allocate between health and education services, which allocation will give its citizens the highest level of welfare?

	health spending (\$ billions)	education spending (\$ billions)
A	0	60
B	20	40
C	40	20
D	60	0