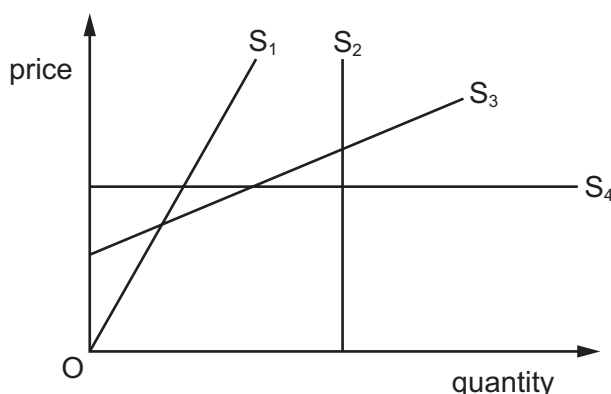


- 12 For which supply curve is the value of price elasticity of supply **not** the same at all points on the curve?



- A** S₁ **B** S₂ **C** S₃ **D** S₄
- 13 Producer surplus is the difference between
- A** the consumer surplus from the good and the producers' total cost of supplying the good.
 - B** the highest price that the consumer would be willing to pay for the good and the price the producer actually sold it for.
 - C** the lowest price that the producer would accept for the good and the price the producer actually sold it for.
 - D** the quantity that the producers manufacture in a week and the amount sold to consumers in that week.
- 14 A government wishes to raise the incomes of farmers without raising the price of food to consumers.
- Which policy should it use?
- A** a maximum price below the market price for food
 - B** a minimum price below the market price for food
 - C** a payment of a subsidy to farmers to produce food
 - D** a release of government food stocks onto the market