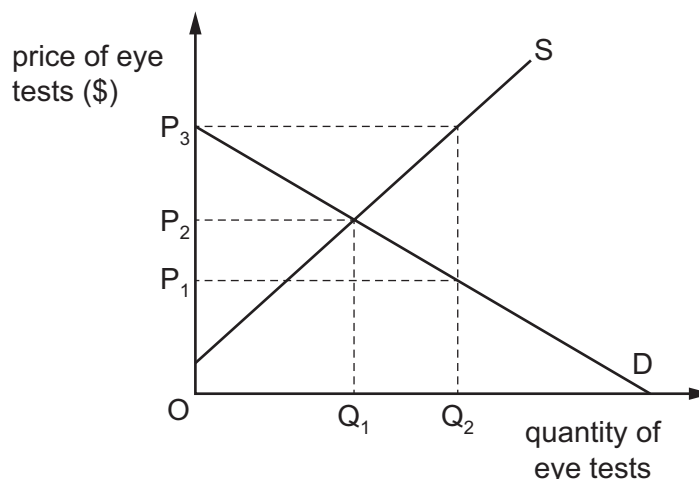


16 The diagram shows the market for eye tests.



Which policy would enable the government to increase the number of eye tests from OQ_1 to OQ_2 ?

- A a maximum price of OP_3 per test
- B a minimum price of OP_2 per test
- C a subsidy paid to opticians of $P_3 - P_2$ per test
- D a subsidy paid to opticians of $P_3 - P_1$ per test

17 In November 2017, the Scottish government introduced a minimum price for alcohol because of the detrimental health effects of alcohol consumption.

Which combination of actions is most likely to lead to a failure with respect to reducing the detrimental effects of the consumption of alcohol?

	action 1	action 2
A	minimum price is set too high	effective information provision regarding the health effects of consuming alcohol
B	minimum price is set too high	effective subsidisation of non-alcoholic beverages
C	minimum price is set too low	health benefits of reduced alcohol consumption have been overestimated
D	minimum price is set too low	stricter enforcement of the regulations relating to the sale of alcohol

18 What is an example of direct provision by a government?

- A The government introduces a subsidy on renewable fuels to help the environment.
- B The government introduces a unit tax on cigarettes to discourage consumption.
- C The government sets a maximum rent on housing to protect tenants.
- D The government takes over a private library to improve local services.