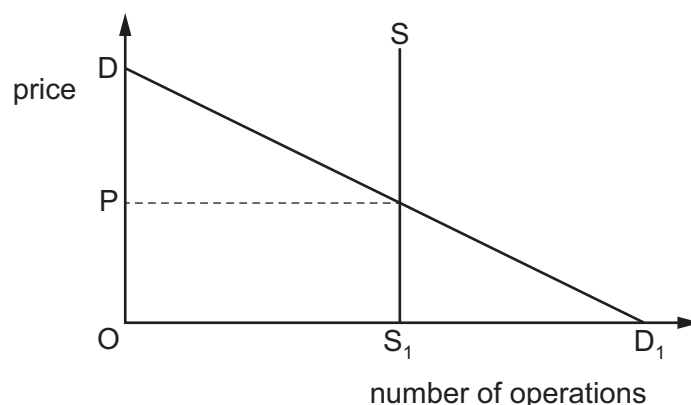


- 10 The diagram shows the demand curve, DD_1 , and the supply curve, SS_1 , for eye operations.



The operations are provided free to the consumer.

Which statement is correct?

- A Consumer surplus from the operations is ODD_1 .
 - B The equilibrium price is indeterminate, because the supply curve is vertical.
 - C The equilibrium price is P .
 - D The equilibrium price is zero.
- 11 The demand for houses in London has caused house prices to rise considerably in the last five years. Many people cannot now afford to buy a house.
- What can be concluded from this?
- A On a demand and supply diagram for houses there has been a movement up the demand curve.
 - B On a demand and supply diagram for houses there has been a movement up the supply curve.
 - C The price elasticity of demand for houses is greater than one.
 - D The price elasticity of supply of houses is zero.