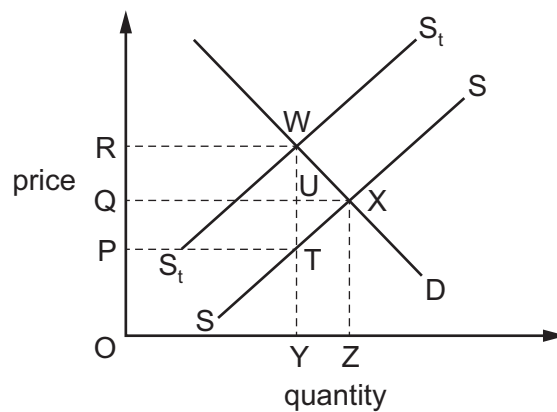


- 9 A specific tax is placed upon each bottle of perfume sold. In the diagram, SS is the supply curve before tax and S_tS_t is the supply curve after tax.



Which area represents the revenue received by the government from the tax?

- A** ORWY **B** PQUT **C** PRWT **D** QRWU
- 10 When demand for a good increases, equilibrium price stays the same.
What is the good's elasticity of supply?
- A** -1
B zero
C $+1$
D infinite
- 11 A manufacturer has estimated that the price elasticity of supply of ice cream is $+1.5$.
If the demand for ice cream rises and price increases by 10%, how much more will the manufacturer supply to the market?
- A** 0.15% **B** 1.5% **C** 15% **D** 150%