14 A government wishes to impose a tax on a good so that the producer and not the consumer pays most of the tax.

Which type of elasticity would it be best for the good to have to achieve this aim?

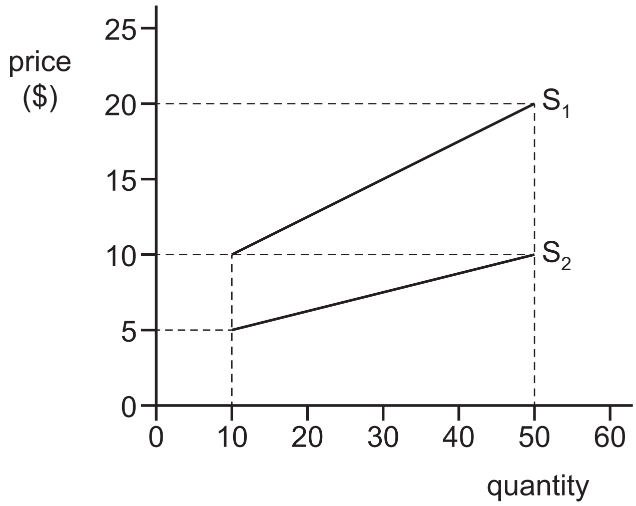
A high price elasticity of demand

B low price elasticity of demand

C totally inelastic price elasticity of demand

D unitary price elasticity of demand

15 The diagram shows the effect on the supply curve of a product when the government provides a subsidy.



What can be concluded about the nature of the subsidy as the quantity supplied increases?

A It is a falling percentage (%) of the price of each unit.

B It is a fixed percentage (%) of the price of each unit.

C It is a fixed sum on each unit.

D It is a rising percentage (%) of the price of each unit.

16 What is **not** an example of a transfer payment?

A pocket money from parents

B private donations to charities

C salary paid to a teacher in a government school

D unemployment benefit