

SANGAM SKM COLLEGE - NADI
YEAR 12 Economics WORKSHEET- 5 2021

Week 4

Strand Two: Microeconomics Elasticity

1. Define the different types of elasticity and write down the formulas in the table given below.

Definition	Formula
1.Price Elasticity of Demand	
2.Income Elasticity of Demand	
3.Cross Elasticity of Demand	

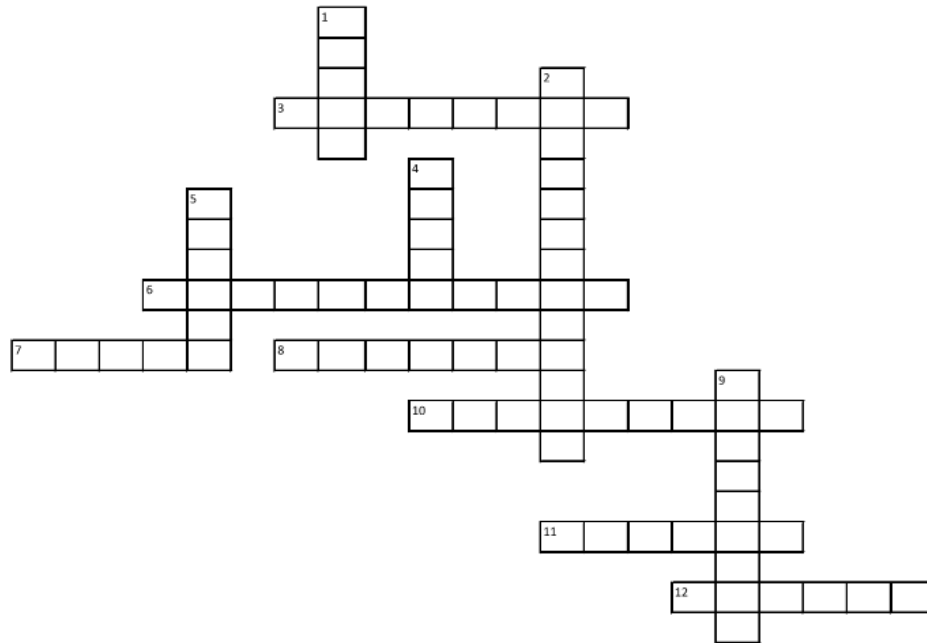
2. Fill in the Blanks

Use the words in the box given below to answer the questions given.

**downward; minus; positive , Elasticity; percentage , quantity demanded; price , elastic;1
income ; quantity demanded**

1. _____ is the general concept of measuring the responsiveness of one economic variable to another in _____ terms.
2. The price elasticity of demand measures how _____ changes in response to a change in _____.
3. Since the demand curve slopes _____, elasticity of demand has a(an) _____ sign. However, economist ignore this, and treat it as _____ number
4. Demand is said to be _____ when the elasticity of demand is greater than _____.
5. The _____ elasticity of demand measures the responsiveness of _____ to changes in consumer income, holding other things equal.

3. Complete the given crossword on the topic Elasticity



Across

- 3. As income increases, the demand for this type of good decreases.
- 6. Goods that can replace one another, such as butter and margarine.
- 7. The law of demand states that quantity demanded increases as _____decreases.
- 8. _____demanded is the amount of a good or service demanded at a particular price.
- 10. Expanding into foreign markets _____ both the number of buyers and the demand for goods and services
- 11. As income increases, the demand for this type of good increases.
- 12. Being able and willing to buy a good or service.

Down

- 1. Movements _____the demand curve illustrate the law of demand.
- 2. Goods that go together, like tennis rackets and tennis balls.
- 4. A _____ in the demand curve can result from the changes in consumer preference, income, prices of related goods, number of buyers, and beliefs about the future.
- 5. _____expectations of price and income can affect the present demand for goods and services.
- 9. An outbreak of mad cow disease _____the demand for beef, because consumers bought less meat.

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