Price Elasticity of Supply: Variation Theory

Answer left to right.

Think carefully about how each question has changed from the ones before, and how that effects the answer. Every **variation** is chosen carefully to teach you something.

Old Price	£40
New Price	£50
Old Output	100
New Output	110
PES	

Old Price	£40
New Price	£50
Old Output	200
New Output	220
PES	

Old Price	£400
New Price	£500
Old Output	100
New Output	110
PES	

Old Price	£40
New Price	£50
Old Output	200
New Output	220
PES	

2	
Old Price	£40
New Price	£50
Old Output	200
New Output	210
PES	

Old Price	£400
New Price	£300
Old Output	200
New Output	198
PES	

Old Price	£40
New Price	£50
Old Output	200
New Output	250
PES	

Old Price	£40
New Price	£20
Old Output	200
New Output	150
PES	

Old Price	£400
New Price	£500
Old Output	100
New Output	200
PES	

Old Price	£40
New Price	£50
Old Output	100
New Output	100
PES	

Old Price	£40
New Price	£50
Old Output	200
New Output	240
PES	

Old Price	£400
New Price	£400
Old Output	100
New Output	100
PES	

In your book:

- 1) Uber introduced surge pricing of '1.5x' on the road one evening. The number of drivers in Camden went from 500 to 600. What was the PES? Would you say surge pricing was effective in this instance?
- 2) There were 500 A Level tutors on a website. After a 25% fall in prices, fewer people offered their services as A Level tutors. If the PES was 3, what fraction of the tutors were left?

3)	Which of the	following PES	scores would you most	expect for neu	orosurgery?
	-0.2	3	-5	0.15	

- 4) Which of the following PES scores would you most expect for coffee?
 -0.2 3 -5 0.15
- 5) Which of the following PES scores would you most expect for renewable energy? -0.2 3 -5 0.15