

Candidate 2

The evidence for this candidate has achieved the following marks for each question of this course assessment component.

Question	Commentary	Marks awarded
Question 1 (A)	Marks were awarded for the following: <ul style="list-style-type: none"> ◆ Money paid back to those on low incomes ◆ Determined in proportion to level of income 	2/2 marks
Question 1 (B)	Marks were awarded for the following: <ul style="list-style-type: none"> ◆ Policies for making production more efficient ◆ Subsidy explained 	2/2 marks
Question 2	The candidate makes the following correct points and is awarded full marks for this question: <ul style="list-style-type: none"> ◆ Government will earn more income tax ◆ Additional National Insurance contributions ◆ Reduction in benefits spending; government spending ◆ Budgetary position will improve; reduction in national debt 	3/3 marks
Question 3	The candidate makes the following correct points and is awarded full marks for this question: <ul style="list-style-type: none"> ◆ Budget deficit leads to structural deficit ◆ Burden passed on to future generations ◆ Interest on debt repayment will increase ◆ Taxes will have to go up ◆ Help confidence in financial markets ◆ International investment may be attracted <p>This answer very well developed.</p>	4/4 marks

Question 4	<p>Marks were awarded for the following:</p> <ul style="list-style-type: none"> ◆ Impact on business costs; other businesses ◆ National insurance contributions 	2/3 marks
Question 5	<ul style="list-style-type: none"> ◆ Correct diagram ◆ Correctly labelled 	2/2 marks
Question 6	<p>Marks were awarded for the following:</p> <ul style="list-style-type: none"> ◆ Lack of effective training ◆ Difficult to increase productivity in service sector <p>No credit was given for 'social net' argument.</p>	2/4 marks
Question 7	<p>The candidate makes the following correct points and is awarded full marks for this question:</p> <ul style="list-style-type: none"> ◆ Low productivity growth impacts on competitiveness ◆ Impact on inflation explained ◆ Less competitive in international markets ◆ Exports will become relatively more expensive ◆ Impact on UK balance of trade 	4/4 marks
Question 8	<p>Marks were awarded for the following:</p> <ul style="list-style-type: none"> ◆ Progressive taxation – government can take more ◆ Positive multiplier effect explained ◆ Investment in UK economy can be made ◆ Government tax revenue will increase 	4/6 marks

In total, the candidate was awarded 25/30 marks for Questions 1-8.