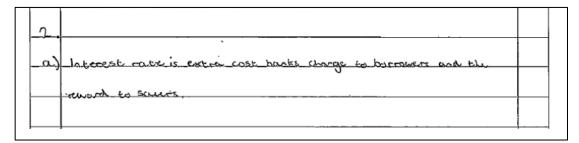
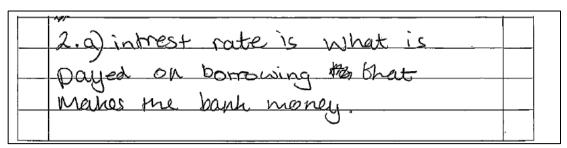
Question 2(a)

Candidate A



Candidate B

_0	An Inevero race is the assessment	
	of percentage of money which borrow	20-3
	have to pay back aswell as oler	
	Loan or What Savers gatu back	7
	on their Savings	



Question 2(b)

Candidate A

6)	
	Their interest repayments will fall so
	borrowing is Cheaper
	borrowing becomes cheaper so more
1 1	people will borron.
1 1	Mortage repayments full so move
	people will get on the housing ladder

b) · BOTTOWER'S with page Too Brown Hospital Day Interest on Loans
and any money they have borrowed including paying back the
- original amount.
"It Interest radies decrease borrowers pay back less money
. This means that Elegi can buy more goods and services
as they have more real income and they have less simuscial
strain is they have unmanarable debt.

b) This will make people borrow more. & they worth.	
need to pay back as much as they use to	-
So now because borrowing is encounqued with	
lower interest rates portoners win. spend more.	
money and won't save as much.	+
Because the borrowers now have more to	
Sport their Standard of Tring increases.	
to they can buy more goods and services.	-
	╛

Question 2(c)

Candidate A

_ပ)	Claiment Count - government counts how many Individuals are on	
	Labour Force Survey - every quater it asks 150,000 what	
	their employerat status is,	

Candidate B

a) A owney sent round homes to ask for ament	
employment status - a sample of homes in the IK is	
the and a percentage worked out from there. It can also	
be measured by the chairment wount - counting the orunter	
of people who are currently daining unemployment benefits.	

Candidate C

c) Claimant count- this is a measure of how many people are currently claiming unemployment benefits in the UK

Labour force survey- this is a survey that asks people in the UK there job status to determine the employment level across the UK $\,$

Question 2(d)

_	(A)
_	one excect of the unemployment
	or individuals is that they won't
	be able to by all the essential needs
	that they need as they won't have
	a salarie that is paying them therefore
	they have to reduce the amount
	they spent and might have to
	Start borrowing money
	JOHN DOLLAR TO THE OTHER
	Another effect of the monipleyment
	On individuals is that they can't
	can become very hard for them

Say they havent been able to be
eniproyed.
one effect of monproyment on firms is that they won't run out of workers
as there are bones that are unemplant that they can hive therefore of the
Gions work is not Stops and is
Another effect of unemployment on
firms is that they can set their wages low as the new workers
therefore the firms can make more
projit.

d) Individuals:	
- people was are unemployed have a	
lower standard on living as they are	
getting less nume.	
- mis causes people to spend less on	
goods and services that aren't necessities.	
- when unemployed some people look is	
come & as a way or gaining meir	
miome, mis increases vandalism, and	
- being unemplayed can have begative	
mental health + physoral health problems	
which decreases peoples chandard on living.	
which can cause an nicrease on bas	
payed by me employed for nearsheare.	
firms:	
- due to individuals who are employed	
having to pay more on taxs the	
Job benegue such as Jobsceners	
allowanie, men outen demand pay	
Bes.	
- less spendons causes a decrease on	
projects for firms, mis makes them	
need to cut cours of production to bry	
nurease project, not can cause	
forms to lay open workers.	
	7

Candidate C

d) unemployment will result in individuals having a reduced income and therefor likely a lower standard of living and lower purchasing power

it can also result in individuals to gain stress and/or mental health issues unemployment means that businesses feel less pressure to pay workers higher wages a d therefor create more profits

it also means that they have a larger pool of people to higher therefor allowing them to find the best staff they can

Question 2(e)

Candidate A

e)
promote entreprenuerial acciding
- Invest in education
- Offer grants
· Improve quality of resources

Candidate B

es in which we
rightime. They
•
extain and reinvest speciable income, as the UK was using

Candidate C

e) if they government lowered interest rates to encourage more people to spend their money

if the government taxed the extremely wealthy people more to create a higher tax revenue

to try encourage entrepreneurship

Question 2(f)(i) & 2(f)(ii)

Candidate A

Fi) Direct tex is a fax on an individuals, & income	
Licath and prolif.	
as duties on Alcahol-	
ii) Direct income tax	
inDirect - Duligs an Acahol	

Candidate B

1	Direct taxes are a tax levical	
	on an Individuals income the	
	trace to where as Indirect tax	_
	is the Same price for everyone as	
	its not levied on income,	
	/\	
(1)	IT arrece can is income can	
	Hu Indirece tax 1.8 exise duay.	
	An Indirece cax is exise ducy.	

f);	· direct taxes are taxes on income and health	
ii)	· Indirect taxes are tuxes on expenditure	
	· Comporation tax	

Question 2(f)(iii)

Candidate A

iii) - 100000 spending due to an invinease in
VAT causes less projuis tom dovern
MAT causes less projects the forest. Mas decreases the mume and VAT and
corporation has revenue for government.
- Maker VAT makes - me goods hess abothing to
buy these goods as mey still have me same
amount of might

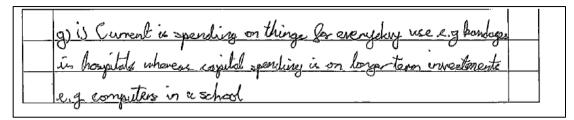
Candidate B

(;;)	to Gove Income from VAT fell in
	2020/21 as consumers were in
	Lockdown and not purcuasing as
	many goods as Some Were on
	Surrow and not earning their fair
	Surrow and not earning their full Sallary of their Standard of living and
	Purcuasing Dower.

:::),	Individuals spent less money due to got in security of	
	unemployment (which had risen to highlevels) this nent manager on goods and scrubers	
	spending was cut. Which is where UAT cones from tax on purchase	

Question 2(g)(i) & (g)(ii)

Candidate A



Candidate B

g) i) current spending is every day running costs Capital spending is one time infrastructure

ii) current spending- NHS staff wages capital spending - new NHS equipment

