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AQA AS ECONOMICS: QUESTIONS BY TOPIC

The Labour Market & Distribution of Income

AQA AS Economics 7135 — Topics 4.1.6–4.1.7

16 questions · 81 marks · Mark schemes included

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HOW TO USE THIS BOOKLET

Questions are grouped by specification sub-topic and run from the lowest mark tariff to the highest within each one.

Click any row below to jump straight to that sub-topic or question.

On every question page, click ANSWER in the top-right corner to jump to its mark scheme.

Diagrams, graphs, tables and data are printed exactly as they appeared in the original papers.

QUESTION	SOURCE	MARKS	PAGE
4.1.6.1 THE DEMAND FOR LABOUR		11 Qs · 68 marks	3
1. Q15	AS Paper 1, Section A (MCQ) June 2018	1	4
2. Q09	AS Paper 1, Section A (MCQ) June 2019	1	5
3. Q10	AS Paper 1, Section A (MCQ) June 2023	1	6
4. Q02	AS Paper 1, Section A (MCQ) November 2020	1	7
5. Q29	AS Paper 1, Context 2 June 2017	4	8
6. Q25	AS Paper 1, Context 1 June 2018	10	9
7. Q25	AS Paper 1, Context 1 June 2019	10	13
8. Q31	AS Paper 1, Context 2 June 2019	10	17
9. Q31	AS Paper 1, Context 2 June 2023	10	21
10. Q25	AS Paper 1, Context 1 November 2020	10	25
11. Q31	AS Paper 1, Context 2 November 2020	10	29
4.1.6.6 THE NATIONAL MINIMUM WAGE		1 Qs · 1 marks	33
12. Q06	AS Paper 1, Section A (MCQ) June 2019	1	34
4.1.7.1 THE DISTRIBUTION OF INCOME AND WEALTH		4 Qs · 12 marks	35
13. Q19	AS Paper 1, Section A (MCQ) June 2019	1	36
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QUESTIONS

16 questions · 81 marks · 3 sub-topics



SUB-TOPIC 4.1.6.1

THE DEMAND FOR LABOUR

Sub-topic 4.1.6.1 · 11 questions · 68 marks · lowest tariff first

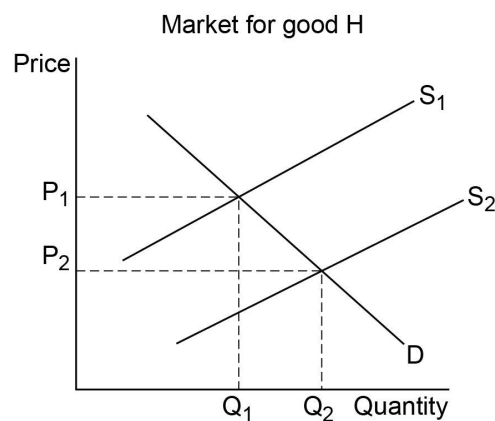
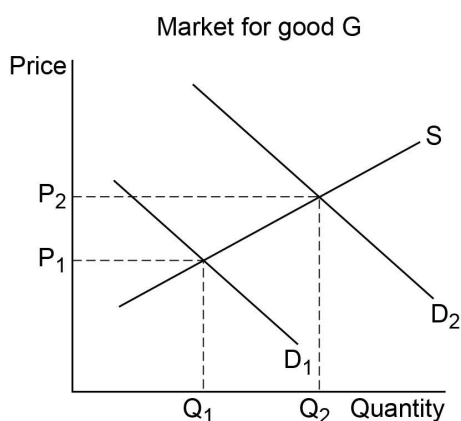


9

1 5

The diagrams below show the impact of an increase in demand for good G and the resulting change in the related market for good H.

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box



These changes imply that goods G and H are in

A composite demand.

☐

B derived demand.

☐

C joint demand.

☐

D joint supply.

☐

[1 mark]

1 6

Which one of the following statements about the distribution of income must be correct?

A An unequal distribution of income has to be inequitable

☐

B 'The distribution of income is equitable' is a positive statement

☐

C The distribution of income is equitable when everyone has the same income

☐

D Whether the distribution of income is equitable is a value judgement

☐

[1 mark]



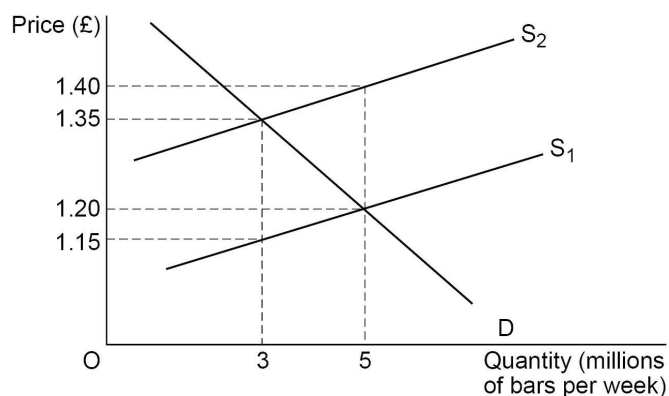
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IB/G/Jun18/7135/1

6

0 9

The following supply and demand diagram shows the impact of a government tax on chocolate bars.



The amount of tax revenue raised each week is

- A £0.45 million
- B £0.60 million
- C £0.75 million
- D £1.00 million

☐☐☐☐

[1 mark]

1 0

Two large firms dominate the market for manufacturing rail track. This means that

- A abuse of monopoly power will result in diseconomies of scale.
- B barriers to entry are low as neither firm is a pure monopoly.
- C neither firm has monopoly power but benefits from economies of scale.
- D the two firms have monopoly power but may also compete.

☐☐☐☐

[1 mark]



IB/M/Jun19/7135/1

6

09

One week, a business has to pay £80 interest for its loan, £95 for raw materials and £210 on rent. If the business has no other costs, what are its fixed costs for that week?

[1 mark]

A £210

☐

B £290

☐

C £305

☐

D £385

☐

10

A good is in joint demand when it is

[1 mark]

A an alternative to buying another good.

☐

B consumed by more than one person.

☐

C consumed together with another good.

☐

D demanded for two or more distinct uses.

☐

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06

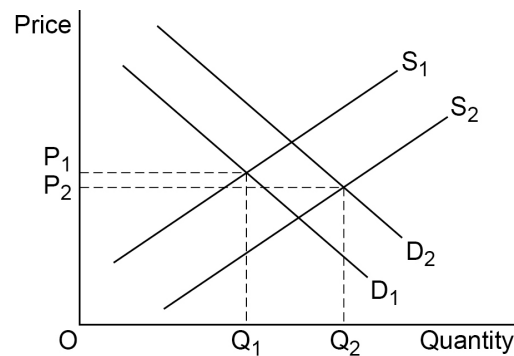
IB/M/Jun23/7135/1

3

0 2

Figure 1 shows demand (D) and supply (S) in the market for electric cars. Demand is initially at D_1 and supply at S_1 .

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Figure 1

Other things remaining the same, which one of the following combination of events could have caused demand to shift from D_1 to D_2 and supply from S_1 to S_2 ?

- A Greater availability of roadside chargers for electric cars and a rise in workers' wages ☐
- B Higher petrol prices and an increase in workers' productivity ☐
- C Introduction of a road pricing scheme for all vehicles and higher diesel fuel prices ☐
- D Lower rail and bus fares and the use of new technology for electric car production ☐

[1 mark]

0 3

Government failure must have occurred when government intervention

- A causes income inequality to increase. ☐
- B has unintended consequences. ☐
- C is based on imperfect information. ☐
- D reduces total welfare in the economy. ☐

[1 mark]

Turn over ►



0 3

IB/M/Jun20/7135/1

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29

Use **Extract D** to identify **two** significant points of comparison between the changes in income for bingo and the National Lottery in Great Britain over the period shown.

[4 marks]

Comparison 1 _____

Extra space _____

Comparison 2 _____

Extra space _____



This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

17

Extra space

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Handwriting practice area with horizontal dotted lines.

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[illegible]

14

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27

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IB/M/Jun19/7135/1

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27

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IB/M/Jun23/7135/1

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26

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[illegible]

30

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SUB-TOPIC 4.1.6.6

THE NATIONAL MINIMUM WAGE

Sub-topic 4.1.6.6 · 1 question · 1 marks · lowest tariff first



4

0 | 5

A government plans to build a new road to bypass a small town. The table below shows the costs and benefits of two possible routes for the new road.

	'Blue route'	'Green route'
	£ million	
Private costs	44	34
Private benefits	72	46
External costs	9	8
External benefits	18	17

The government intends to choose the route that has the higher ratio of social benefits to social costs. This ratio (correct to one decimal place) is

A 1.5:1

☐

B 1.7:1

☐

C 2.0:1

☐

D 2.1:1

☐**[1 mark]****0 | 6**

The market for crab sandwiches experiences an increase in the price and an increase in the output of crab sandwiches. Which of the following combinations of events is the only one that could have caused these changes?

A A fall in the price of tuna sandwiches and a fall in the price of crab

☐

B A new tax on food packaging and a fall in labour productivity

☐

C A rise in the price of prawn sandwiches and a rise in the price of bread

☐

D New entry of firms into the sandwich market and a reduction in the minimum wage

☐**[1 mark]**

0 4

IB/M/Jun19/7135/1

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SUB-TOPIC 4.1.7.1

THE DISTRIBUTION OF INCOME AND WEALTH

Sub-topic 4.1.7.1 · 4 questions · 12 marks · lowest tariff first



11

1 | 9

'Large pay bonuses received by top executives have caused income inequality to increase.' This statement

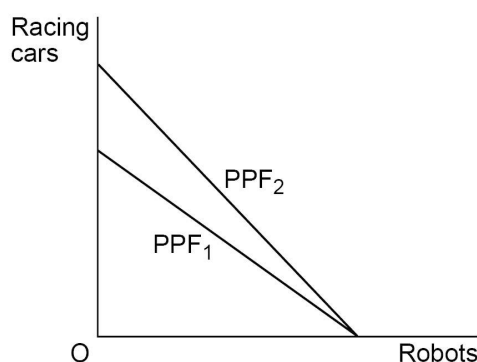
- A** is an example of a normative statement.
- B** is an example of an hypothesis that can be tested.
- C** shows that income tax is not sufficiently progressive.
- D** shows that the distribution of income is inequitable.

☐☐☐☐

[1 mark]

2 | 0

An economy produces racing cars and robots. The economy's initial production possibility frontier (PPF₁) is shown in the diagram below.



The economy's production possibility frontier shifts to PPF₂ and as a result of this change the

- A** number of racing cars that can be produced for each robot given up has increased.
- B** opportunity cost of producing robots is now lower.
- C** output of racing cars will be higher than the output of robots.
- D** productive efficiency of producing robots has risen.

☐☐☐☐

[1 mark]

20

**QUESTION 20 IS THE
LAST QUESTION IN SECTION A**

Turn over ►



1 1

IB/M/Jun19/7135/1

23

Do **not** answer Context 2 if you have answered Context 1.Do not write
outside the
box

OR

Context 2

Total for this context: 50 marks

ALCOHOL

Use the Insert provided to study **Questions 27 to 32** and **Extracts D, E and F**, and then answer the questions in the spaces which follow.

2 | 7 Define 'income' **Extract F** (line 10).

[3 marks]

2 | 8 According to **Extract E** (lines 6–7), the price of a standard bottle of whisky had to rise from £10 to £14 in a discount supermarket, as a result of minimum unit pricing (MUP).

If the demand for whisky fell by 6.3% in the first year as a result of the price change, calculate the price elasticity of demand for whisky, to **two** decimal places.

[4 marks]

Turn over ►



IB/M/Jun22/7135/1

14

Do not write
outside the
box**2 2**

Use **Extract B** to calculate the three firm concentration ratio for sales in the supermarket industry in December 2015.

[4 marks]

2 3

Use **Extract A** to identify **two** significant points of comparison between the changes in real income and real food prices for low-income households in the UK over the period shown.

[4 marks]Comparison 1

Extra space

Comparison 2

Extra space



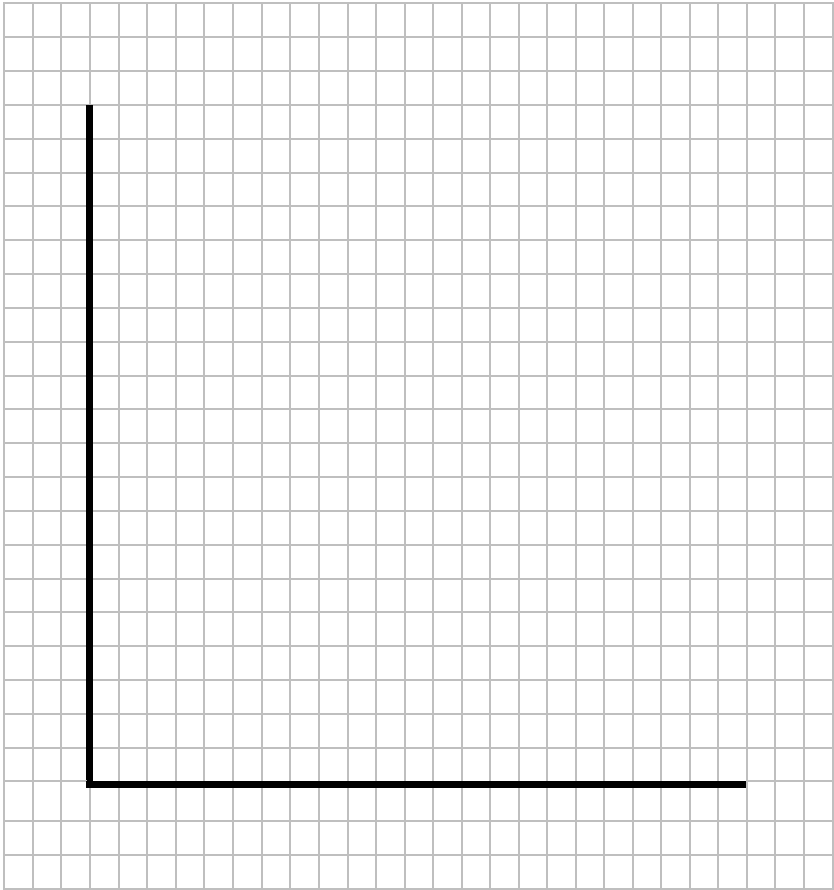
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30

Use the data in **Extract D** to draw a bar chart to show income from casinos for the years 2008–09, 2011–12 and 2014–15.

[4 marks]



Turn over for the next question



Turn over ►
IB/G/Jun17/7135/1

MARK SCHEMES

official mark schemes



MARK SCHEME – AS ECONOMICS – 7135/1 – JUNE 2018

SECTION A

The following list indicates the correct answers used in marking the candidates' responses.

KEY LIST

1	D	11	C
2	C	12	D
3	C	13	A
4	A	14	B
5	A	15	D
6	D	16	D
7	B	17	A
8	B	18	C
9	D	19	B
10	C	20	A

<u>Total</u>	
A	5
B	4
C	5
D	6
	<u>20</u>

MARK SCHEME – AS ECONOMICS – 7135/1 – JUNE 2019

SECTION A

The following list indicates the correct answers used in marking the students' responses.

KEY LIST

1	C	11	C
2	C	12	B
3	D	13	C
4	B	14	B
5	B	15	A
6	C	16	D
7	B	17	A
8	D	18	B
9	B	19	B
10	D	20	A

MARK SCHEME – AS ECONOMICS – 7135/1 – JUNE 2023

SECTION A

The following list indicates the correct answers used in marking the students' responses.

KEY LIST

1	A (Alternative uses for resources)	11	D (Higher profits providing an incentive to increase output)
2	A (-0.4)	12	B (monopoly power of Fresh Co increases.)
3	B (G)	13	B (The social optimum output is greater than the free market output because the private benefit is less than the social benefit.)
4	C (opportunities for internal economies of scale.)	14	A (A reduction in labour costs)
5	D (involved a normative judgement.)	15	D (Demand is price inelastic and supply is price inelastic.)
6	C (the mean income may be higher or lower in country Z compared with country W.)	16	B (Production of healthcare addresses the basic economic questions of 'how' and 'for whom')
7	B (Advertising to establish a brand)	17	D (A subsidy of P_2 minus P_3 per unit)
8	D (2.5)	18	B (are an inferior good.)
9	B (£290)	19	C (Point H.)
10	C (consumed together with another good.)	20	C (The extent to which firms differentiate their products)

Totals

A 3

B 7

C 5

D 5

MARK SCHEME – AS ECONOMICS – 7135/1 – JUNE 2020

SECTION A

The following list indicates the correct answers used in marking the students' responses.

KEY LIST

1	A	11	C
2	B	12	B
3	D	13	A
4	D	14	C
5	C	15	B
6	D	16	C
7	A	17	A
8	D	18	B
9	D	19	A
10	B	20	A

Totals

A 6
B 5
C 4
D 5

MARK SCHEME – AS ECONOMICS – 7135/1 – JUNE 2017

29 Use **Extract D** to identify **two** significant points of comparison between the changes in income for bingo and the National Lottery in Great Britain over the period shown.
[4 marks]

Award up to 2 marks for **each** significant point of comparison made.

Identifies a significant point of comparison. Makes accurate use of the data to support the comparison identified. Unit of measurement given accurately.	2 marks
Identifies a significant point of comparison but only one piece of data is given when two are needed and/or no unit of measurement is given and/or the unit of measurement is inaccurate and/or the wrong date is given. OR Identifies a significant feature of one data series with accurate use of the data (including the unit of measurement) but no comparison is made.	1 mark

If a student identifies more than 2 significant points of comparison, reward the best two.

Significant points include:

- bingo income was lower at the end of the period than the beginning, falling from £703m to £662m, whereas National Lottery income increased from £2522m to £3232m
- bingo income was highest in 2008-09 at £703m, whereas National Lottery income peaked at £3280m in 2012-13
- bingo income was lowest in 2010-11 at £626m, whereas National Lottery income was lowest at £2522m in 2008-09
- the range of bingo income (£626m to £703m, ie £77m) was less than the range of National Lottery income (£2522m to £3280m, ie £758m)
- the greatest decrease in bingo income was £76m from £703m in 2008-09 to £627m in 2009-10, whereas the greatest/only decrease in National Lottery income was £180m from £3280m in 2012-13 to £3100m in 2013-14
- the greatest increase in both bingo income and National Lottery income was between 2010-11 and 2011-12, when bingo income rose by £55m from £626m to £681m, whereas National Lottery income rose by £284m from £2840m to £3124m
- bingo income fluctuated during the period, eg in 2011-12 to 2012-13, it rose from £681m to £701m before falling the next year to £672m, whereas National Lottery income only fell between 2012-13 and 2013-14 from £3280m to £3100m while in every other year, it rose
- National Lottery income was higher than bingo income in every year, eg in 2013-14, National Lottery income was £3100m whereas bingo income was £672m.

MAXIMUM FOR PART 29: 4 MARKS

MARK SCHEME – AS ECONOMICS – 7135/1 – JUNE 2018

25 **Extract B** (lines 2-3) states: 'a recent survey found that only a third of adults had used a library in the previous year, a significant fall since data collection started in 2005'.

Explain **two** reasons why the demand for library services has fallen.

[10 marks]

	An answer that:	Max 10 marks
Level 3	- identifies two valid factors - shows sound knowledge and understanding of relevant economic terminology, concepts and principles - includes good application of relevant economic principles and/or good use of data to support the response - includes well-focused analysis with a clear, logical chain of reasoning - may include a relevant diagram to support their explanation	8-10 marks
Level 2	- identifies at least one valid factor - shows reasonable knowledge and understanding of economic terminology, concepts and principles but some weaknesses may be present - includes reasonable application of relevant economic principles and/or data to the question - includes some reasonable analysis but it might not be adequately developed and may be confused in places - may include a relevant diagram to support their explanation	4-7 marks
Level 1	- identifies at least one valid factor - shows some limited knowledge and understanding of economic terminology, concepts and principles but some errors are likely - demonstrates very limited ability to apply relevant economic principles and/or data to the question - may include some very limited analysis but the analysis lacks focus and/or becomes confused - may include a diagram but the diagram is likely to be inaccurate in some respects or is inappropriate.	1-3 marks

Relevant issues include:

- meaning of 'demand' (for library services)
- availability and price of substitutes – books from elsewhere, eBooks, other activities
- cross elasticity of demand
- changes to technology and lifestyles
- tastes/preferences
- income
- other factors affecting demand, eg less free time, lack of promotion and awareness of what libraries offer.

MAXIMUM FOR PART 25: 10 MARKS

MARK SCHEME – AS ECONOMICS – 7135/1 – JUNE 2019

2 5 *Extract C (lines 18–19) states: ‘should there be limits on the use of palm oil for biofuel, the so-called ‘food versus fuel debate’?’.*

Explain how the increased demand for palm oil used for biofuel is likely to affect the market for palm oil used for food.

[10 marks]

Level of response	An answer that:	Max 10 marks
Level 3	• is well organised and develops one or more of the key issues that are relevant to the question • shows sound knowledge and understanding of relevant economic terminology, concepts and principles • includes good application of relevant economic principles and/or good use of data to support the response • includes well-focused analysis with a clear, logical chain of reasoning • may include a relevant diagram to support their explanation	8–10 marks
Level 2	• includes one or more issues that are relevant to the question • shows reasonable knowledge and understanding of economic terminology, concepts and principles but some weaknesses may be present • includes reasonable application of relevant economic principles and/or data to the question • includes some reasonable analysis but it might not be adequately developed and may be confused in places • may include a relevant diagram to support their explanation	4–7 marks
Level 1	• is very brief and/or lacks coherence • shows some limited knowledge and understanding of economic terminology, concepts and principles but some errors are likely • demonstrates very limited ability to apply relevant economic principles and/or data to the question • may include some very limited analysis but the analysis lacks focus and/or becomes confused • may include a diagram but the diagram is likely to be inaccurate in some respects or is inappropriate.	1–3 marks

Relevant issues include:

- meaning of ‘demand’ (for palm oil)
- understanding of the ‘food versus fuel debate’
- how palm oil is in composite demand for biofuel and food
- how land used for palm oil for biofuel is in competitive supply for food
- the impact of increased demand for palm oil for biofuel on the price and quantity of palm oil
- the impact of increased demand for palm oil for biofuel on the supply of and demand for palm oil for food
- the impact on buyers and sellers
- the significance of elasticities.

MAXIMUM FOR QUESTION 25: 10 MARKS

MARK SCHEME – AS ECONOMICS – 7135/1 – JUNE 2019

MAXIMUM FOR QUESTION 30: 4 MARKS

3 1 *Extract E (line 9) states: 'a growing population is increasing the demand for dental care'.*

Explain how the increasing demand for dental care is likely to affect the market for dentists.

[10 marks]

Level of response	An answer that:	Max 10 marks
Level 3	- is well organised and develops one or more of the key issues that are relevant to the question - shows sound knowledge and understanding of relevant economic terminology, concepts and principles - includes good application of relevant economic principles and/or good use of data to support the response - includes well-focused analysis with a clear, logical chain of reasoning - may include a relevant diagram to support their explanation	8–10 marks
Level 2	- includes one or more issues that are relevant to the question - shows reasonable knowledge and understanding of economic terminology, concepts and principles but some weaknesses may be present - includes reasonable application of relevant economic principles and/or data to the question - includes some reasonable analysis but it might not be adequately developed and may be confused in places - may include a relevant diagram to support their explanation	4–7 marks
Level 1	- is very brief and/or lacks coherence - shows some limited knowledge and understanding of economic terminology, concepts and principles but some errors are likely - demonstrates very limited ability to apply relevant economic principles and/or data to the question - may include some very limited analysis but the analysis lacks focus and/or becomes confused - may include a diagram but the diagram is likely to be inaccurate in some respects or is inappropriate.	1–3 marks

Relevant issues include:

- meaning of 'demand' (for dental care and/or dentists)
- how the demand for dentists is in derived demand from demand for dental care
- the impact of increased demand for dental care on the price and quantity of dental care
- the impact of increased demand for dental care on the supply of and demand for dentists
- differences between the impact on the market for NHS, as opposed to private sector dentists
- the significance of elasticities.

MAXIMUM FOR QUESTION 31: 10 MARKS

MARK SCHEME – AS ECONOMICS – 7135/1 – JUNE 2023

3 1 **Extract E** (lines 8–9) states: ‘Drones can reach remote areas quickly and easily, saving on labour and other costs.’

Explain how the increasing use of drones is likely to affect the market for delivery workers.
[10 marks]

Level of response	An answer that:	Max 10 marks
3	- is well organised and develops one or more of the key issues that are relevant to the question - shows sound knowledge and understanding of relevant economic terminology, concepts and principles - includes good application of relevant economic principles and/or good use of data to support the response - includes well-focused analysis with a clear, logical chain of reasoning - may include a relevant diagram to support their explanation.	8–10 marks
2	- includes one or more issues that are relevant to the question - shows reasonable knowledge and understanding of economic terminology, concepts and principles but some weaknesses may be present - includes reasonable application of relevant economic principles and/or data to the question - includes some reasonable analysis but it might not be adequately developed and may be confused in places - may include a relevant diagram to support their explanation.	4–7 marks
1	- is very brief and/or lacks coherence - shows some limited knowledge and understanding of economic terminology, concepts and principles but some errors are likely - demonstrates very limited ability to apply relevant economic principles and/or data to the question - may include some very limited analysis but the analysis lacks focus and/or becomes confused - may include a diagram but the diagram is likely to be inaccurate in some respects or is inappropriate.	1–3 marks

Relevant issues include:

- use of drones to deliver items and reach remote areas
- delivery workers being in derived demand to deliver items
- drones and delivery workers as substitute goods
- impact on the demand for delivery workers
- impact on the price/wage and quantity used of delivery workers
- impact of increasing use of drones on workers operating in different delivery markets, ie the impact on workers delivering different items
- significance of different elasticities of demand, eg XED between the price of delivering an item using a drone and the number of deliveries by other methods.

MAXIMUM FOR QUESTION 31: 10 MARKS

MARK SCHEME – AS ECONOMICS – 7135/1 – JUNE 2020

2 5 **Extract C** (line 13) states: 'Both the take-up rate and number of journeys per bus pass have been falling in recent years.'

Explain **two** factors which could lead to an increase in the demand for bus travel in the future.

[10 marks]

Level of response	An answer that:	Max 10 marks
Level 3	- identifies two valid factors - shows sound knowledge and understanding of relevant economic terminology, concepts and principles - includes good application of relevant economic principles and/or good use of data to support the response - includes well-focused analysis with a clear, logical chain of reasoning - may include a relevant diagram to support their explanation	8–10 marks
Level 2	- identifies at least one valid factor - shows reasonable knowledge and understanding of economic terminology, concepts and principles but some weaknesses may be present - includes reasonable application of relevant economic principles and/or data to the question - includes some reasonable analysis but it might not be adequately developed and may be confused in places - may include a relevant diagram to support their explanation	4–7 marks
Level 1	- identifies at least one valid factor - shows some limited knowledge and understanding of economic terminology, concepts and principles but some errors are likely - demonstrates very limited ability to apply relevant economic principles and/or data to the question - may include some very limited analysis but the analysis lacks focus and/or becomes confused - may include a diagram but the diagram is likely to be inaccurate in some respects or is inappropriate.	1–3 marks

Relevant issues include:

- meaning of 'demand'
- lower relative price and/or greater availability compared with substitute goods
- increased subsidy
- changes in tastes and/or social norms
- changes in income and/or consideration of bus travel as an inferior good
- increased population and/or changes in age structure
- the significance of elasticities.

MAXIMUM FOR QUESTION 25: 10 MARKS

MARK SCHEME – AS ECONOMICS – 7135/1 – JUNE 2020

MAXIMUM FOR QUESTION 30: 4 MARKS**3 1**

Extract E (lines 18–19) states: ‘the growth of e-cigarettes has fallen since, with some smokers switching back to conventional cigarettes.’

Explain **two** factors which could lead to an increase in the demand for conventional cigarettes.

[10 marks]

Level of response	An answer that:	Max 10 marks
Level 3	- identifies two valid factors - shows sound knowledge and understanding of relevant economic terminology, concepts and principles - includes good application of relevant economic principles and/or good use of data to support the response - includes well-focused analysis with a clear, logical chain of reasoning - may include a relevant diagram to support their explanation.	8–10 marks
Level 2	- identifies at least one valid factor - shows reasonable knowledge and understanding of economic terminology, concepts and principles but some weaknesses may be present - includes reasonable application of relevant economic principles and/or data to the question - includes some reasonable analysis but it might not be adequately developed and may be confused in places - may include a relevant diagram to support their explanation.	4–7 marks
Level 1	- identifies at least one valid factor - shows some limited knowledge and understanding of economic terminology, concepts and principles but some errors are likely - demonstrates very limited ability to apply relevant economic principles and/or data to the question - may include some very limited analysis but the analysis lacks focus and/or becomes confused - may include a diagram but the diagram is likely to be inaccurate in some respects or is inappropriate.	1–3 marks

Relevant issues include:

- meaning of ‘demand’
- lower relative price and/or greater availability compared with substitute goods
- reduced regulation and/or tax
- changes in view of health concerns of cigarettes compared with alternatives
- changes in tastes and/or social norms
- changes in income
- increased population and/or changes in age structure
- the significance of elasticities.

MAXIMUM FOR QUESTION 31: 10 MARKS

MARK SCHEME – AS ECONOMICS – 7135/1 – JUNE 2019

SECTION A

The following list indicates the correct answers used in marking the students' responses.

KEY LIST

1	C	11	C
2	C	12	B
3	D	13	C
4	B	14	B
5	B	15	A
6	C	16	D
7	B	17	A
8	D	18	B
9	B	19	B
10	D	20	A

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SECTION A

The following list indicates the correct answers used in marking the students' responses.

KEY LIST

1	C	11	C
2	C	12	B
3	D	13	C
4	B	14	B
5	B	15	A
6	C	16	D
7	B	17	A
8	D	18	B
9	B	19	B
10	D	20	A

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Context 2 ALCOHOL

Total for this context: 50 marks

2	7
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 Define 'income' **Extract F** (line 10).
[3 marks]

Level of response	Response	Max 3 marks
3	A full and precise definition is given.	3 marks
2	The substantive content of the definition is correct, but there may be some imprecision or inaccuracy.	2 marks
1	Some fragmented points are made.	1 mark

Examples of acceptable definitions worth 3 marks:

- a flow of (or over a period of time) money, received by an economic agent/individual/household/firm/country (any of these is acceptable)
- a flow of (or over a period of time) money in exchange for factor services.

Examples of a definition worth 2 marks:

- money received by an economic agent/individual/household/firm/country (no flow or time period)
- return to factors of production
- money from work.

Examples of a definition worth 1 mark:

- an example of a source of income, eg wages, rent, interest, profit, revenue or benefits.

MAXIMUM FOR QUESTION 27: 3 MARKS

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23 Use **Extract A** to identify **two** significant points of comparison between the changes in real income and real food prices for low-income households in the UK over the period shown. **[4 marks]**

Award up to 2 marks for each significant point of comparison made.

Identifies a significant point of comparison. Makes accurate use of the data to support the comparison identified. Unit of measurement given accurately.	2 marks
Identifies a significant point of comparison but only one piece of data is given when two are needed and/or no unit of measurement is given and/or the unit of measurement is inaccurate and/or the wrong date is given. OR Identifies a significant feature of one data series with accurate use of the data (including the unit of measurement) but no comparison is made.	1 mark

If a student identifies more than 2 significant points of comparison, reward the best two.

Significant points include:

- real income was lower at the end of the period than the beginning, falling from an index of 100 to 92, whereas real food prices increased from an index of 100 to 112
- real income was highest in 2002-03 **and/or** 2004-05 at 100 on the index, whereas real food prices peaked at an index of 112 in 2013-14
- real income was lowest in 2008-09 at 84 on the index, whereas real food prices were lowest at an index of 99 from 2004-2007 (allow any year in this period)
- the range of the index of real income (84 to 100, ie 16) was greater than the range of the index of real food prices (99 to 112, i.e.13)
- the greatest decreases in the index of real incomes was 7 (points) from 98 to 91 in 2005-06 to 2006-07 and from 91 to 84 (this was the greater relative decrease) in 2007-08 to 2008-09, whereas the greatest/only decrease in the index of real food prices was from 100 to 99 in 2003-04 to 2004-05
- the greatest increase in the index of real incomes was 7 (points), from 84 to 91 in 2008-09 to 2009-10, whereas the greatest increase in the index of real food prices was an increase of 5, from 101 to 106 in 2007-08 to 2008-09
- the index of real incomes fluctuated throughout the period, eg in 2007-08 to 2008-09 it fell from 91 to 84 before rising the following year back to 91, whereas the index of real food prices only fell in 2003-04 to 2004-05 from 100 to 99 while in every other year, it rose or stayed the same.

Notes: Do not allow that real food prices are higher than real incomes for most of the period.

Index numbers have no units but valid points should refer to 'the index'.

Allow a margin of ± 1 on both indices.

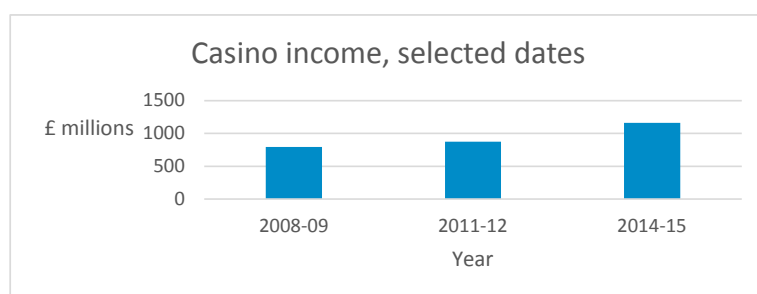
MAXIMUM FOR PART 23: 4 MARKS

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30 Use the data in **Extract D** to draw a bar chart to show income from casinos for the years 2008-09, 2011-12 and 2014-15. **[4 marks]**

The correct diagram involves three bars, with the correct height and labels: 2008-09 = £796m, 2011-12 = £873m and 2014-15 = £1161m **and/or** a key.



Accurately drawn and fully labelled bar chart, ie a labelled vertical axis, with all three bars correct plus a clear indication of which bar is which.	4 marks
Accurately drawn bar chart with vertical axis label missing/incorrect and/or no/incorrect indication of years. OR Accurately labelled bar chart but with one bar out of tolerance.	3 marks
Bar chart with vertical axis label missing/incorrect and/or no indication of years and one bar out of tolerance. OR Accurately labelled bar chart but with two bars out of tolerance.	2 marks
Bar chart with one bar in tolerance but missing/incorrect labelling. OR All bars labelled including the vertical axis (£m)/key but all bars out of tolerance.	1 mark

Notes: A chart with gaps between the bars is expected but do not penalise one with no gaps. Also accept bars with a discontinuity but if they start at a value above zero, deduct one mark from the mark obtained using the grid above.

The bars need to be named according to the year and/or a key added, but the figures do not need to be written on the bars.

A title is not required.

Allow a margin of $\pm$ £25m.

MAXIMUM FOR PART 30: 4 MARKS