

# Commentary on candidate evidence

The evidence has achieved the following marks for each question of this Course Assessment component.

## Evidence for Question 4 (a)

### Candidate 1

- ◆ One mark awarded for description of skilled labour force.
- ◆ No mark awarded for second paragraph as educated workforce deemed too similar to skilled labour force.
- ◆ One mark awarded for description of availability of government financial assistance.
- ◆ One mark awarded for description of cheap labour costs.
- ◆ One mark awarded for description of avoidance of trade barriers.

### Candidate 7

- ◆ No marks awarded for definition of multinational.
- ◆ Five marks awarded for description of the importance of:
  - language barriers
  - skilled labour
  - stable government
  - proximity to potential markets
  - availability of cheap labour

## Evidence for Question 4 (b)

### Candidate 2

- ◆ One mark awarded for description of price transparency.
- ◆ One mark awarded for description of loss of control over interest rates.
- ◆ One development mark awarded for the possible impact of this on the UK economy.

**Candidate 6**

- ◆ This candidate achieved no marks as they confused Eurozone with EU.

**Candidate 5**

- ◆ One mark awarded for description of the costs of changing over.
- ◆ One mark awarded for description of no transaction costs.
- ◆ One development mark awarded for description of increased 'certainty' due to the lack of need to change currency.
- ◆ No mark awarded for description of price transparency as this candidate got it the wrong way around.
- ◆ No mark awarded for reference to visiting other countries without converting currency as this was a repeat.
- ◆ One mark awarded for description of ECB setting interest rates.
- ◆ One development mark awarded for effect of this on UK house buyers in particular.

**Evidence for Question 4 (c)****Candidate 2**

- ◆ This candidate achieved no marks as they failed to describe any advantages or disadvantages of a floating exchange rate.

**Candidate 3**

- ◆ One mark awarded for description of the lack of need for government intervention.
- ◆ One development mark awarded for description of alternative use of government spending.
- ◆ One mark awarded for description of self-correcting nature of floating exchange rates.
- ◆ One development mark awarded for description of the effects of increasing demand for UK exports on the price of sterling.