

Commentary on candidate evidence

The candidate evidence has achieved the following marks for each question.

Question 2(a)

Describe the trend in the rate of inflation shown in the graph.

Candidate A

The answer was awarded **1 mark** (out of 1) for this question for:

- inflation steadily decreased (**1 mark**)

Candidate B

The answer was awarded **0 marks** (out of 1) for this question for:

- the candidate has contradicted themselves by saying that inflation both increased and decreased over the same period (**0 marks**)

Question 2(b)(i)

State, using a calculation, what happened to real income in February 2024.

Candidate A

The answer was awarded **1 mark** (out of 2) for this question for:

- giving 2.2% (**1 mark**)
- the candidate did not say whether real income rose or fell (**0 marks**)

Candidate B

The answer was awarded **1 mark** (out of 2) for this question for:

- real income increased (**1 mark**)

- the candidate did the wrong calculation (**0 marks**)

Question 2(b)(ii)

Describe the effects of this change in real income on:

- *UK consumers*
- *UK firms*

Candidate A

The answer was awarded **3 marks** (out of 4) for this question for:

- consumers - standard of living increases (**1 mark**)
- firms - an increase in real income in itself does not allow firms to employ more people (**0 marks**)
- firms - make higher profit (**1 mark**)
- firms - have higher demand (**1 mark**)

Candidate B

The answer was awarded **4 marks** (out of 4) for this question for:

- firms have higher sales (**1 mark**)
- firms can reinvest (**1 mark**)
- consumers have more to spend (**1 mark**)
- consumers' standard of living rises (**1 mark**)

Question 2(c)

Describe the steps used to measure inflation in the UK.

Candidate A

The answer was awarded **4 marks** (out of 4) for this question for:

- survey households' buying habits (**1 mark**)
- create a basket of goods (**1 mark**)

- ask retailers about prices **(1 mark)**
- compare prices over time **(1 mark)**
- calculating the percentage change **(full marks)**

Candidate B

The answer was awarded **1 mark** (out of 4) for this question for:

- shops are not asked about commonly purchased goods **(0 marks)**
- the weight is not based on how commonly bought the goods are **(0 marks)**
- the products with the highest weights are not those added to the basket **(0 marks)**
- comparing prices over time **(1 mark)**

Candidate C

The answer was awarded **1 mark** (out of 4) for this question for:

- creating a basket of goods **(1 mark)**
- the weight is not to do with the cost **(0 marks)**
- the government does not create a basket of goods a few times a year **(0 marks)**
- the prices are compared to a previous time period **(0 marks)**
- the percentage change in prices measures inflation **(0 marks)**

Question 2(d)

Identify the returns to the following factors of production:

- *land*
- *capital*
- *enterprise*

Candidate A

The answer was awarded **3 marks** (out of 3) for this question for:

- land - rent **(1 mark)**

- capital - interest **(1 mark)**
- enterprise - profit **(1 mark)**

Candidate B

The answer was awarded **1 mark** (out of 3) for this question for:

- land - rent **(1 mark)**
- capital – revenue **(0 marks)**
- labour – jobs **(0 marks)**

Question 2(e)

Explain advantages and disadvantages of global trade.

Candidate A

The answer was awarded **4 marks** (out of 6) for this question for:

- linking specialisation with higher quality **(1 mark)**
- linking transportation with pollution **(1 mark)**
- linking job creation with work at ports and in lorries **(1 mark)**
- linking job losses with business closure caused by foreign firms **(1 mark)**
- consumer choice was not explained **(0 marks)**
- destruction of culture was not explained **(0 marks)**

Candidate B

The answer was awarded **6 marks** (out of 6) for this question for:

- linking cheaper prices with affordability **(1 mark)**
- developing affordability to standards of living **(1 mark)**
- linking availability with buying from foreign countries **(1 mark)**
- linking size of marketplace with increase in sales **(1 mark)**
- linking transport with pollution **(1 mark)**

- the point about small businesses is not specifically linked to large foreign businesses **(0 marks)**
- linking excess imports with trade deficit **(1 mark)**