

Candidate Name

Candidate Number

Centre Name

Centre Number

Paper 2: Economics

Exam Series: May/June 2024

(2 hours)

It is necessary to respond to the questions set out in the paper. Responses must be provided in the lined sections under each question.

INSTRUCTIONS:

- You must write your name, candidate number, centre name and centre number in the section above.
- Attempt all the questions using a dark blue or black pen.
- It is important to follow the instructions provided in this document.
- Do not use correction fluid.
- Avoid writing on any bar codes.

INFORMATION:

The total number of marks for this paper is **70**. The number of marks assigned for every question or its parts is indicated within brackets [].

Scenario A

The UK government announces a significant increase in the minimum wage, aiming to tackle income inequality and boost consumer spending. The move comes amidst rising concerns about stagnant wages and growing poverty levels in certain regions of the country. Businesses across various sectors express mixed reactions, with some welcoming the move as a step towards fairer wages, while others voice concerns about increased operational costs and potential job losses.

(Q1a) Explain the likely impact of the minimum wage increase on income distribution in the UK.

(4 marks)

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(6 marks)

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(8 marks)

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(8 marks)

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(10 marks)

[illegible]

(12 marks)

[illegible]

(16 marks)