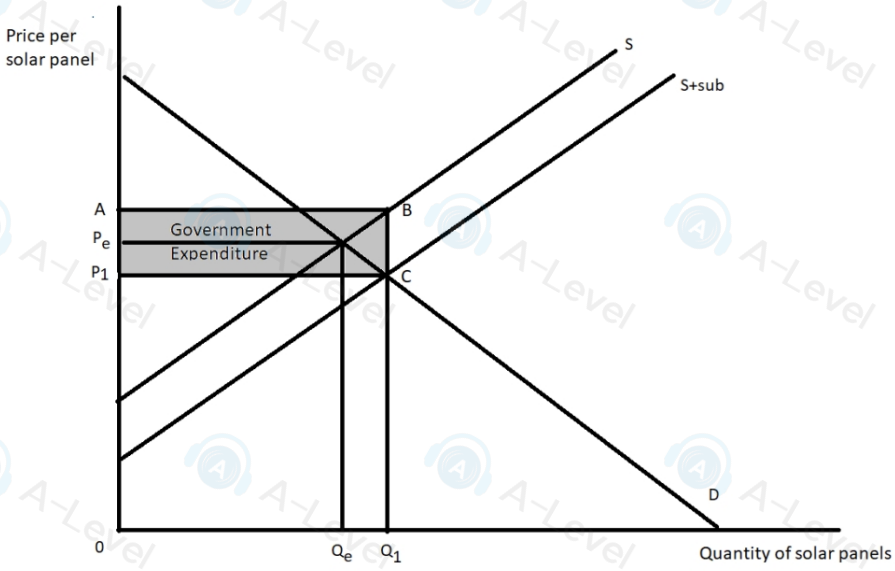
4	**QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms	B	**(1)**

6	**QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms	**The only correct answer is A** ***B*** *is not correct because this represents the total government spending* ***C*** *is not correct because this is the total revenue earned by firms from customers* ***D*** *is not correct because this is the total revenue earned by firms from both customers and the government subsidy*	**(1)**

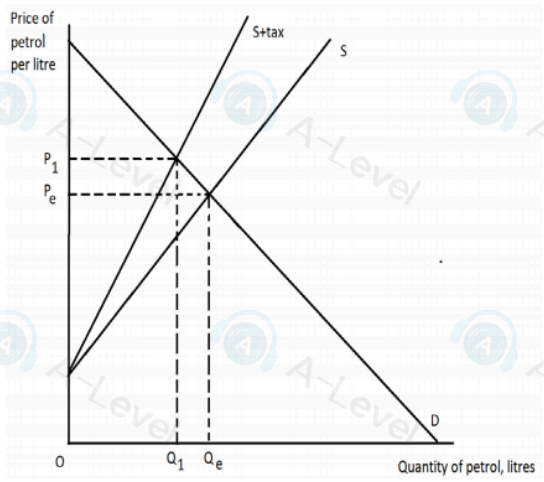
6	**QS4**: Construct and interpret a range of standard graphical forms **QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms	**The only correct answer is B** **A** is not correct because this is the producer incidence **C** is not correct because this is the tax revenue earned by the government/includes both consumer and producer incidence **D** is not correct because this multiplies the Sol 0.60 by the wrong quantity (380 000)	**(1)**

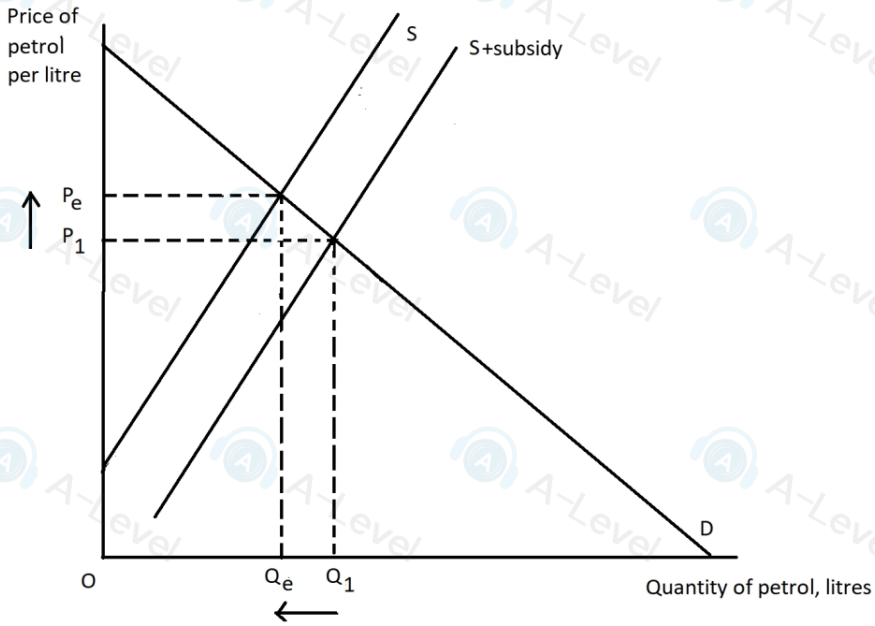
Question	China aims to increase electricity generation from renewable resources. China's Government has introduced a subsidy for solar panel manufacturers. Draw a diagram to illustrate the impact of the introduction of a subsidy on the market for solar panels. Show the new equilibrium price and quantity and the area of government expenditure on the subsidy in your diagram. **Answer**	**Mark**
7	**Knowledge 1, Application 3** Quantitative skills assessed: **QS4**: Construct and interpret a range of standard graphical forms **QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms. **Knowledge** • Original supply and demand with equilibrium price and quantity **(1)** **Application** Up to 3 marks for the following information included on diagram: • Shifting supply to the right **(1)** • The new equilibrium quantity and price **(1)** • The area of government expenditure on the subsidy is P_1ABC **(1)**	

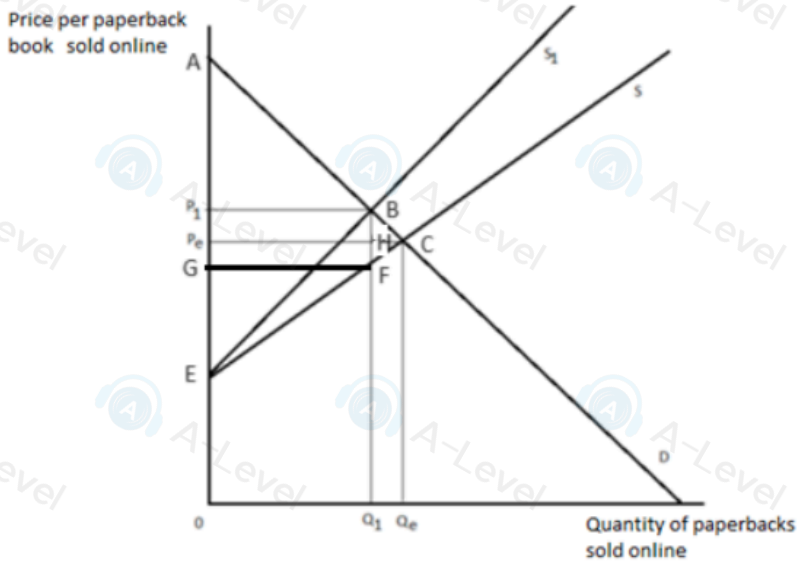


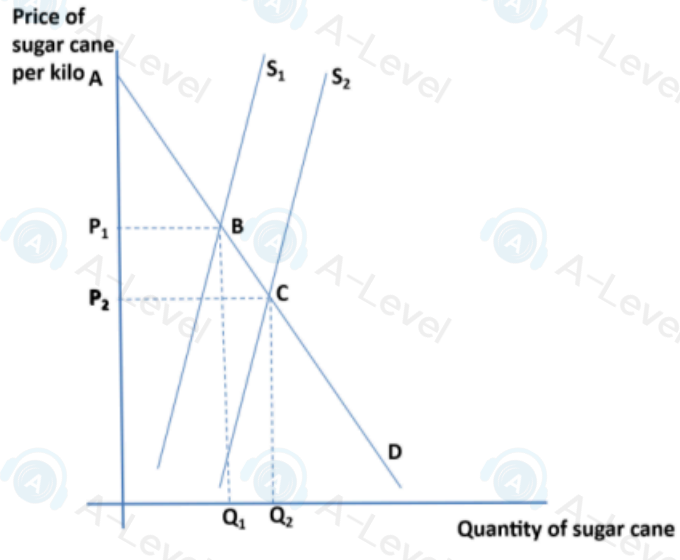
The supply curve may be pivoted or shifted

(4)

Question Number	Saudi Arabia introduced its first indirect tax on the sale of goods and services in 2018. The tax is charged at 5% of the price of goods and services. Draw a diagram to illustrate the impact of the introduction of the indirect tax on the equilibrium price and quantity of petrol in Saudi Arabia.	Mark
7	**Knowledge 1, Application 3** Quantitative skills assessed: **QS4**: Construct and interpret a range of standard graphical forms **QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms. **Knowledge** • 1 mark for drawing original supply and demand (they do not have to include market equilibrium). OR • 1 mark for definition of indirect tax e.g. tax on expenditure OR • 1 mark for definition/identification of ad valorem **Application** Up to 3 marks for the following information included on diagram: • 1 mark for drawing a supply curve to the left of original • 1 mark for the new supply curve pivoting rather than parallel to old supply curve • 1 mark for labelling the new higher price and lower quantity.  	**(4)**

Question Number	In 2016 the Nigerian Government removed the subsidy on petrol. Draw a diagram to illustrate the impact of the removal of the subsidy on the equilibrium price and quantity of petrol. Answer	Mark
7	**Knowledge 1, Application 3** Quantitative skills assessed: **QS4**: Construct and interpret a range of standard graphical forms **QS9**: Interpret, apply and analyse information in written, graphical and tabular forms. **Knowledge** • 1 mark for drawing original supply and demand (they do not have to include market equilibrium). **Application** Up to 3 marks for the following information included on diagram: • 1 mark for drawing a supply curve to the left of original • 1 mark for labelling the new higher price • 1 mark for labelling the new lower quantity.  	**(4)**

Question	Explain the impact of the introduction of this indirect tax on the market for paperback books sold online in Vietnam. Illustrate your answer with an appropriate diagram. **Answer**	Mark
11	**Knowledge 1, Application 1, Analysis 2** Quantitative skills assessed: **QS4**: Construct and interpret a range of standard graphical forms **QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms. **Knowledge** • 1 mark for definition of indirect tax e.g.: tax on expenditure/spending/goods and services **(1)** **Application** 1 mark for pivoting supply to the left **(1)**  **Analysis** Up to 2 marks for explaining or showing diagrammatically an impact e.g.: • Price rises/ from P_e to P_1 **(1)** • Quantity falls/ from Q_e to Q_1 **(1)** • Government revenue is $BFGP_1$ **(1)** • Producer incidence is $HFGP_e$ **(1)** • Consumer incidence is BHP_eP_1 **(1)** • Producer surplus decreases **(1)** from CEP_e to BEP_1 **(1)** • Consumer surplus decreases **(1)** by BCP_eP_1 **(1)**/ ACP_e to ABP_1 **(1) OR** • Consumer surplus ACP_e to ABP_1 **(1+1)**	**(4)**

Question	The Government of the Philippines provides subsidies to sugarcane farmers. Draw a diagram to illustrate the impact of this subsidy on the market for sugarcane. Identify the increase in consumer surplus on your diagram. **Answer**	Mark
7	**Knowledge 1, Application 3** Quantitative skills assessed: **QS4**: Construct and interpret a range of standard graphical forms **QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms. **Knowledge** 1 mark for showing knowledge on the diagram • Original supply, demand and equilibrium price and quantity labelled **(1)** **Application** Up to 3 marks for the following information included on the diagram: • Correct shift of supply to the right **(1)** • New equilibrium price and quantity **(1)** • Area showing increase in consumer surplus **P_1BCP_2 (1) OR** correct identification of original **and** new consumer surplus **ABP_1** to **ACP_2 (1)**  **NB** Also allow a pivot of the supply curve.	**(4)**