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# Scholarship 2022 Economics

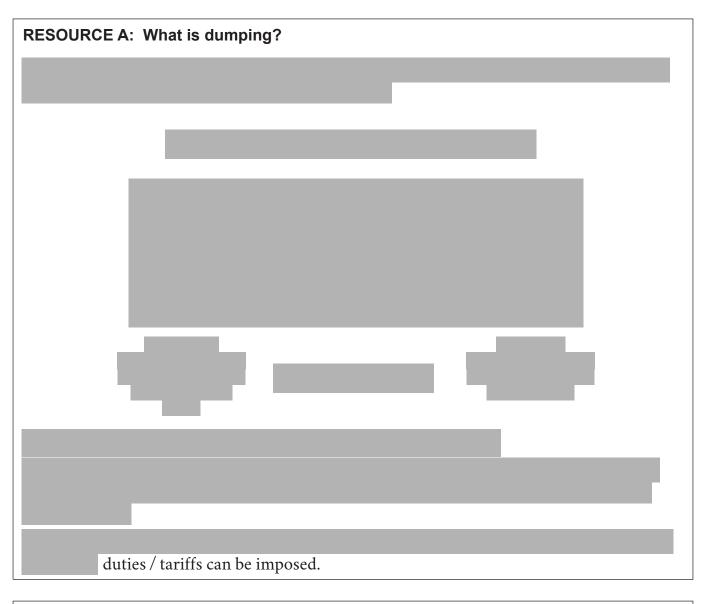
# RESOURCE BOOKLET

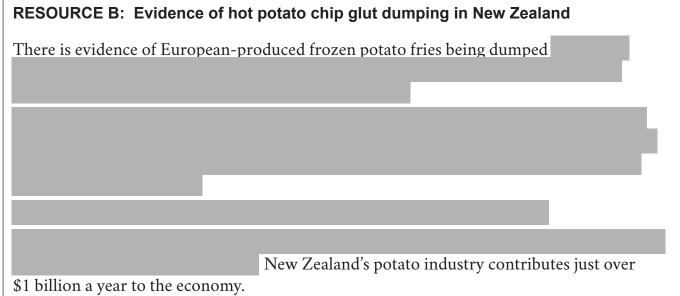
Refer to this booklet to answer the questions for Scholarship Economics.

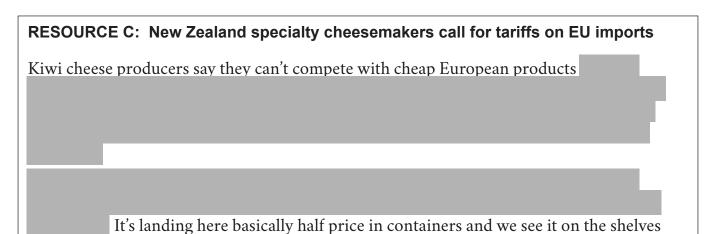
Check that this booklet has pages 2–8 in the correct order and that none of these pages is blank.

YOU MAY KEEP THIS BOOKLET AT THE END OF THE EXAMINATION.

### PROTECTIONIST TRADE POLICIES AND ALLOCATIVE EFFICIENCY







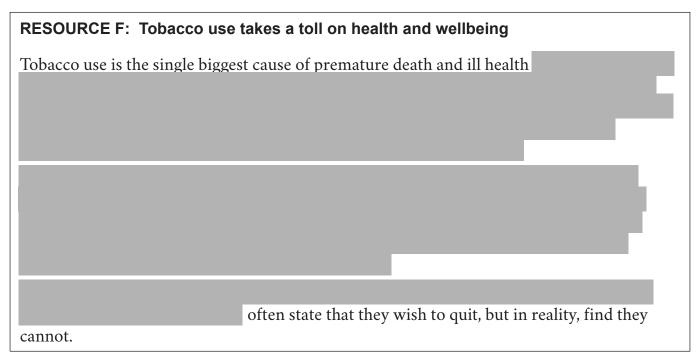
# **RESOURCE D: Protectionist policies**

now."

- Tariff (anti-dumping duty) on potato fries and specialty cheese.
- Research and development grant to increase productivity in New Zealand potato and specialty cheese industries.

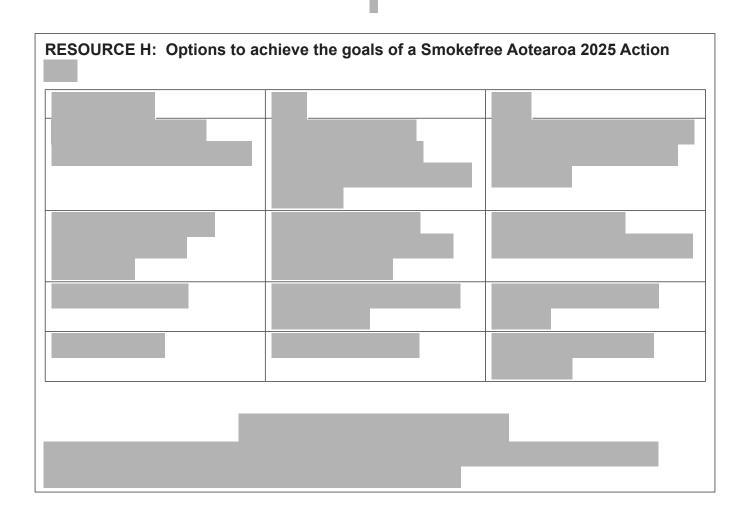
# REDUCING SMOKING INCIDENCE AND INEQUITIES IN NEW ZEALAND

RESOURCE E: An end to cigarettes? New Zealand aims to create a 'smoke-free generation'
New Zealand has announced a suite of
The move also sparked questions about the extent to which the government should intervene in people's lives.



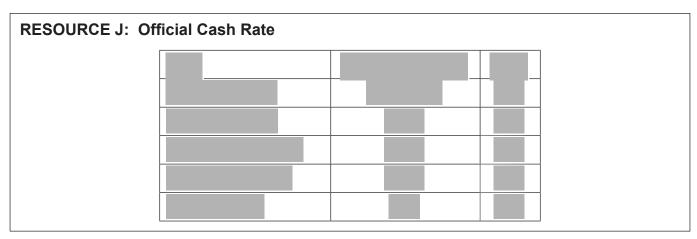
# RESOURCE G: 'Smoke-free generation'

Under this proposed policy, it would be illegal for people currently aged 14 and under to buy tobacco in their lifetime. Banning the sale of cigarettes to younger members of society will create a 'smoke-free generation'.



# **INFLATIONARY PRESSURES AND THE NEW ZEALAND ECONOMY**

RESOURCE I: Further increase	e in the Official Cash Rate (OCR) (as at November 202	<b>?1</b> )
The Monetary Policy Committee	e agreed to raise the OCR to	
		_
	higher oil prices, rising transport costs, and the impact of	of
supply shortfalls.		



# RESOURCE K: Economic forecasts in December 2021 New Zealand economy – annual average % change 2021 2022(f)\* 2023(f)\*

\* - forecast

# RESOURCE L: New Zealand's capacity utilisation

New Zealand economy – annual average % change

	,
Quarter	<b>Capacity Utilisation</b>

RESOURCE M: Inflation expected to reach the highest level in 31 years (as at January 2022)
Inflation is expected to reach its highest level in 31 years in 2022.
, have significantly driven up construction costs.

#### Acknowledgements

Material from the following sources has been adapted for use in this examination:

#### Resource A

 $https://www.mbie.govt.nz/assets/4aac26c6ac/peaches-in-preserving-liquid-from-china-non-conf-initiation-report.pdf \\ https://www.wto.org/english/tratop_e/adp_e/adp_info_e.htm#:~:text=Under%20Article%20VI%20of%20GATT,the%20 importing%20country%20is%20suffering$ 

https://www.mbie.govt.nz/cross-government-functions/regulatory-stewardship/regulatory-systems/trade-regulatory-system/

#### Resource B

https://www.rnz.co.nz/news/business/439390/evidence-of-hot-chip-glut-dumping-in-nz-industry-group-says 29 March 2021 https://www.stuff.co.nz/business/124923439/investigation-finds-dutch-company-dumping-frozen-fries-in-nz

#### Resource C

https://www.farmersweekly.co.nz/cheese-imports-leave-bad-taste/

https://www.newshub.co.nz/home/rural/2020/07/new-zealand-specialty-cheesemakers-call-for-tariffs-on-eu-imports.html

#### Resource E

https://www.theguardian.com/world/2021/apr/16/new-zealand-aims-to-create-smoke-free-generation-cigarettes

#### Resource F

https://www.health.govt.nz/our-work/preventative-health-wellness/tobacco-control/smokefree-aotearoa-2025c https://www.stuff.co.nz/national/politics/103942557/addiction-to-cigarette-taxes-rising-to-22b

#### Resource H

https://www.health.govt.nz/publication/proposals-smokefree-aotearoa-2025-action-plan (15 April 2021)

#### Resource I

https://www.rbnz.govt.nz/news/2021/11/mpc-continues-to-reduce-monetary-stimulus

#### Resource J

https://www.rbnz.govt.nz/monetary-policy/official-cash-rate-decisions

#### Resource K

https://www.anz.co.nz/about-us/economic-markets-research/economic-outlook/

#### Resource L

https://tradingeconomics.com/new-zealand/capacity-utilization#:~:text=Capacity%20Utilization%20in%20New%20Zealand%20 averaged%2091.39%20percent%20from%202008,the%20first%20quarter%20of%202009.

#### Resource M

https://www.stuff.co.nz/business/127576940/inflation-expected-to-reach-the-highest-level-in-31-years-so-what-will-cost-more-in-2022