

Chapter 21 PP Q's Business, the Economy and Government

2019 Short Q4

- (i) Inflation is the **increase / decrease** in the cost of living over a period of time.
- (ii) Bank interest rates for Eurozone members are set by the **Single European Market / European Central Bank**.
- (iii) When the Euro (€) increases in value against the US dollar (\$), the price of Irish exports in the US **increases / decreases**.
- (iv) A decrease in PAYE leads to **more / less** disposable income for an employee.
- (v) An increase in employment should lead to **more / less** revenue for the Irish Government.

2019 Short Q5

- (i) Explain the term **national minimum wage**.
- (ii) Describe **one** possible economic impact on **Irish business** of the increase in the national minimum wage.

(i)

(ii)

2015 Short – Q7

- (a) Explain the term *exchange rate*.
- (b) Describe two possible risks which *exchange rates* could present for businesses in Ireland

(a)

(b) 1.

2.

2014 Q5 – Short

- (a) Explain the term 'interest rate'.
 (b) Outline **two** possible economic impacts of low interest rates for Irish businesses.

(a) _____

(b) 1. _____

2. _____

2013 Q8 – Short

Column 1 - Terms	Column 2 - Explanations
1. Exchange Rate	A. The increase in the value of goods and services produced in an economy from one year to the next.
2. Interest Rate	B. Is measured by the Consumer Price Index (CPI).
3. Taxation	C. Is measured by the live register.
4. Economic Growth	D. Can be progressive or regressive.
5. Inflation	E. The price of one currency expressed in terms of another currency.
	F. The cost of borrowing money.

2016 Q3 Short

True or False:

1. Inflation refers to the decrease in the cost of living from one year to the next. TRUE / FALSE
2. An increase in the value of the euro (€) against sterling (£) has a negative impact on Irish exports to the UK. TRUE / FALSE
3. Decrease in unemployment results in an increase in PAYE revenue for the Government. TRUE / FALSE
4. High interest rates stimulate business expansion. TRUE / FALSE
5. A recession represents an upturn in the economy and an increase in demand. TRUE / FALSE

2016 Q9 Short

Distinguish between VAT and Corporation Tax

2017 – Short – Q10Outline your understanding of the terms **inflation rate** and **interest rate**.

2021 Short – Q5

Insert the correct state agency which corresponds with the explanations below.

MS: 3,3,2,2

Explanation	State Agency
This state agency helps local entrepreneurs establish and grow a business.	
This state agency helps existing indigenous firms to expand.	
This state agency supports the tourism industry and works to promote Ireland as a tourism destination.	
This state agency aims to attract foreign direct investment into Ireland.	

LONG QUESTIONS**2021 Q2 (A)***Inflation hits 10 year low! (Adapted from The Irish Times)*

Illustrate the impact of the following economic variables on Irish businesses:

Interest rates**Inflation rates****Employment**

(20)

MS: 2 x 7m (4+3) 1 x 6m (3+3)**Interest rates**

Inflation rates

Employment

2019 Q2 (B)

Outline the impact of the following economic variables on Irish businesses.

Inflation rate

Interest rate

Employment rate

MS: 7(4+3), 7 (4+3), 6 (3+3)

Inflation rate

Interest rate

Employment rate

2015 Q2 (B)

Discuss the economic effects on the Irish economy of the growth in employment in recent times. (20 marks)

2018 Q2 (B)

Outline the benefits **and** challenges of increasing employment for the Irish economy.

2019 Q2 (C)

Explain the reasons why the Irish government encourages entrepreneurship in Ireland.

MS: 3 @ 5 (2+3)

2013 Q2 (B)

Outline the role of the Irish Government in encouraging **and** in regulating business in Ireland. (20 marks)

2012 Q2 (B)

Outline how the Irish Government's policy of increased taxation and decreased public expenditure is impacting on business. (20 marks)

2021 Q2 (B)

Apart from taxation, discuss the different ways in which the Irish Government affects the labour force in Ireland. (20)

MS: 2 x 7m (4+3) 1 x 6m (3+3)

2016 Q2 (A)

In the Government's Budget 2019, the national minimum wage was increased from €9.55 to €9.80, an increase of 25 cent per hour.

Discuss the different ways in which the Irish Government affects the labour force in Ireland. (20 marks)

2009 Q2 (C)

Discuss how the Irish Government could use the tax system to create a positive climate for business in Ireland. Use examples to illustrate your answer. (20 marks)

2020 Q2 (C)

Outline how the Irish government could use its expenditure policies to support businesses in Ireland. Use examples to illustrate your answer. (20)

MS: 2@7 (4+3) 1@6 (3+3) Statement and Example
