
3.11

Using Skills for Business

Economic Policy

Learning Outcome Notes

LO 3.11 - Evaluate the benefits and costs of a government economic policy and assess who enjoys the benefits and who bears the costs.

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Past Exam Questions and Answers

NOTE - Very Important

It is very important when answering exams question that you use the following steps -

1. That you know the information for the learning outcome
2. That you understand the information form the learning outcome
3. That you can apply the information form the learning outcome to the question
4. Be able to give at least two full sentences for your answer (Fill up the space)

Questions are changing from rote learning to applying the knowledge to the question

QUESTIONS**2019 - Question 19 - Part C (i)**

New Chapter has decided to diversify and start selling take away coffee which is very much in demand by their customers and would also entice passers-by into the bookstore. They are concerned about a new proposal outlined below which appeared in a newspaper.

'A proposed 'latte levy' could reduce disposable coffee cups by 250,000 a day.' The Government has proposed a new 15 cent levy on disposable coffee cups. The Irish Times, March 2018

Outline two benefits of the proposed 'latte levy'.

1.

2.

SUGGESTED SOLUTIONS

2019 - Question 19 - Part C (i)

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'A proposed 'latte levy' could reduce disposable coffee cups by 250,000 a day.' The Government has proposed a new 15 cent levy on disposable coffee cups. The Irish Times, March 2018

Outline two benefits of the proposed 'latte levy'.

1. **Increased Revenue** - This proposed tax will Increase the tax revenue for the government

This will mean the government will have extra money to spend on essential service such

As infrastructure or redistribute to people who need money in the form of social welfare

protection

2. **Helps the Environment** - The increased of 15c for the cup may encourage consumers to use

re-usable cups. This hopefully will decrease the amount of number of cups being thrown out

And going to land fill.