
3.4

Managing Resources

Government Revenue & Expenditure

Learning Outcome Notes

LO 3.4 - Differentiate between different sources of government revenue and government expenditure.

3.4

Managing Resources

Government Revenue & Expenditure

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

2022 - Question 15

- (i) Name a government department that will be affected by an older Irish population

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- (ii) Explain two ways this change in age profile will increase Government expenditure

1	
2	









2019 - Question 13

The Government will spend €60 million in the department of justice and equity to recruit additional gardai in 2019. State one example of expenditure in the Government Departments below

Government Department	Examples of expenditure
1. Health	
2. Education and skills	
3. Transport, Tourism and Sport	

2019 - SEC - Question 7

The graphic below shows Irish Government spending by category for 2018.

2018 Total Expenditure: €72.5 billion			
Justice  €2.6 billion	Health  €15.3 billion	Education  €10.1 billion	Social Protection  €20.0 billion
Agriculture  €1.5 billion	Debt Servicing, EU Payments  €10.8 billion	Transport  €2.0 billion	Other  €10.2 billion

(a) In which category does the government spend most

(b) State one capital and one current expenditure under the health category

Capital :
Current :

(b) Karina operates a small restaurant called Waves in her Hotel. The Government has announced that the current 9% VAT rate for the hospitality sector will be increased to 13.5% in January 2019

2019 - SEC - Question 17

State one effect, for restaurant owners like Karina of this increased VAT rate

SUGGESTED SOLUTIONS

2022 - Question 15

(i) Name a government department that will be affected by an older Irish population

Department of Health / Department of Social Protection / Department of Finance / Department of Transport / Department of Environment, Change and Reform
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(ii) Explain two ways this change in age profile will increase Government expenditure

- | |
|---|
| 1. Demand for Pensions - There will be an increase in the demand for pensions as people will |
| Retire they will be entitled to the state pension which is €248.30 and is a full contributory |
| pension |
| 2. Increase in the Free Travel Scheme - Everyone over the age of 66 years is entitled to free |
| Travel. This means the Government will have to invest more money into Irish rail and Bus |
| Eireann to cope with the increase |









2019 - Question 13

The Government will spend €60 million in the department of justice and equity to recruit additional gardai in 2019. State one example of expenditure in the Government Departments below

Government Department	Examples of expenditure
1. Health	Buildings of Hospitals
2. Education and skills	Teacher's Salaries
3. Transport, Tourism and Sport	Promote Ireland Abroad

2019 - SEC - Question 7

The graphic below shows Irish Government spending by category for 2018.

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(a) In which category does the government spend most

Social Protection - €20.0 Billion

(b) State one capital and one current expenditure under the health category

Capital : The Building of the new children's hospital is an example of capital expenditure

As it is a once off expenditure and doesn't happen every day or week

Current : The payment of the doctors and nurses wages is an example of current expenditure

This is day to day expenditure and happened every day / week

2019 - SEC - Question 17

(b) Karina operates a small restaurant called Waves in her Hotel. The Government has announced that the current 9% VAT rate for the hospitality sector will be increased to 13.5% in January 2019

State one effect, for restaurant owners like Karina of this increased VAT rate

Tax they pay will increase - One affect of the increase VAT rate for restaurant owners is

That they will have to pay more Value Added Tax to the Government. This means that there

Will be less profit for the owners and if they have shareholders, they will receive less

dividends