



General Certificate of Secondary Education
2019

Centre Number

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Candidate Number

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Economics

Paper 1



G9281

[G9281]
FRIDAY 24 MAY, AFTERNOON

TIME

1 hour 45 minutes.

INSTRUCTIONS TO CANDIDATES

Write your Centre Number and Candidate Number in the spaces provided at the top of this page.

You should answer all questions in the spaces provided.

If you do not have enough space to complete your answer, extra lined pages are provided at the back of the booklet.

Answer **all** questions in **Section A**.

Answer **both** questions in **Section B**.

Answer **one** question from questions 6, 7 and 8 in **Section C**.

INFORMATION FOR CANDIDATES

The total mark for this paper is 90.

Any working should be clearly shown since marks may be awarded for partially correct solutions.

Your quality of written communication will be taken into account in assessing your answers to question 4(d) in **Section B** and the question that you choose to answer from **Section C**.

ADVICE TO CANDIDATES

You should take into account the maximum marks available when deciding how much time to spend on each question.

For Examiner's use only	
Question Number	Marks
Section A	
1	
2	
3	
Section B	
4	
5	
Section C	
6	
7	
8	
Total Marks	

Section B

Answer **both** questions

- 4 Northern Ireland is a major milk producer. As well as being an important consumer product, milk is an important ingredient used by businesses producing food products such as cheese and yogurt. **Figure 1** below shows how the price of milk that producers received varied between January 2016 and July 2017.

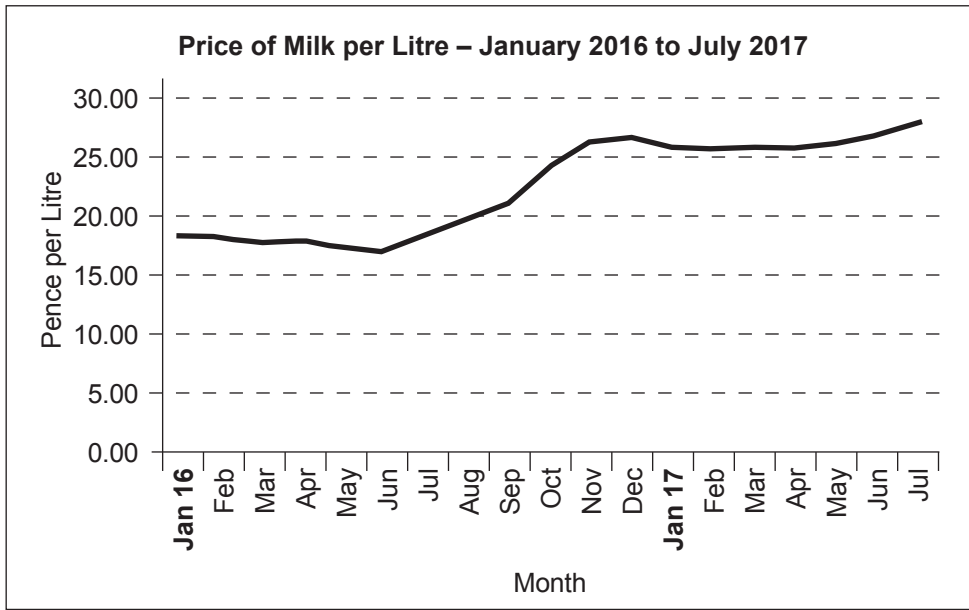


Fig. 1: Milk Prices for Milk Producers in Northern Ireland

© DAERA / Crown Copyright. Adapted from: <https://www.daera-ni.gov.uk/articles/milk-price-quality-and-production-statistics>

- (a) Describe what happened to the price of milk between January 2016 and July 2017.

[4]

Examiner Only	
Marks	Remark

(b) **Table 1** below shows the demand for, and supply of, milk in the summer months of 2017.

Price Per Litre	Quantity Demanded (000 Litres)	Quantity Supplied (000 Litres)
10	250	100
15	225	125
20	200	150
25	175	175
30	150	200
35	125	225

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Using this information, plot the demand and supply curve on the graph paper opposite to show the market for milk in the summer months of 2017.

You should clearly label:

(i) The axes

(ii) The demand curve

(iii) The supply curve

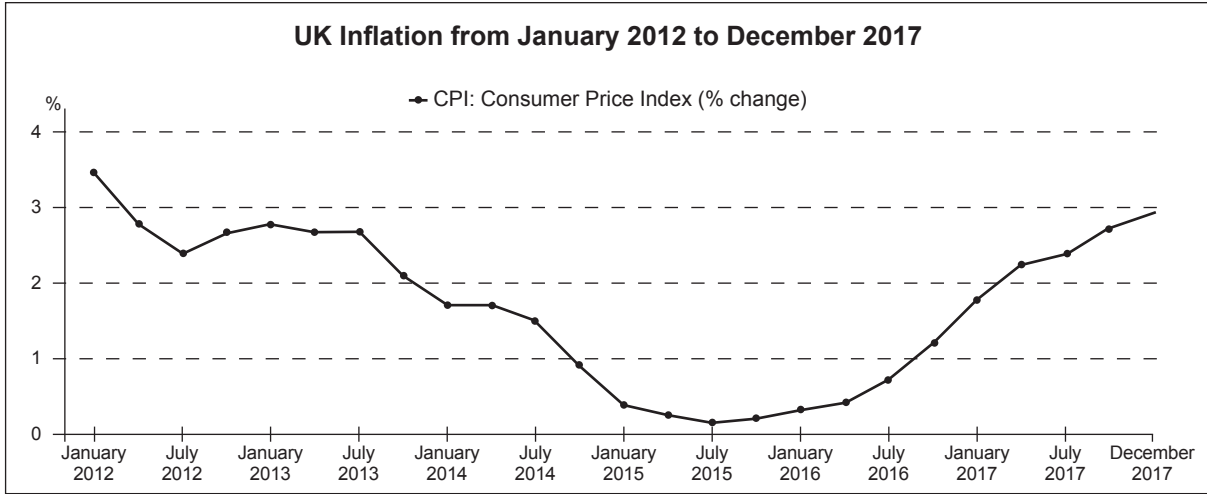
(iv) The equilibrium (market clearing) price

(v) The equilibrium quantity [6]

(c) The supply of milk increases by 25 000 litres at every price. Using your diagram in part (b) opposite, show how this increase in supply will change the equilibrium (market clearing) price and quantity. Label the changes on your diagram. [4]

Examiner Only	
Marks	Remark

5 Study the information below and answer the questions that follow.



Source: Graph by CCEA. Data from: ONS under Open Government Licence v3.0

(a) Explain what is meant by inflation.

[2]

(b) Describe what has happened to UK inflation between January 2012 and December 2017.

[4]

Examiner Only	
Marks	Remark

(c) Explain **two** reasons why the government would be concerned about inflation rising.

1. _____

2. _____

_____ [6]

Examiner Only	
Marks	Remark

[4]

Examiner Only	
Marks	Remark

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