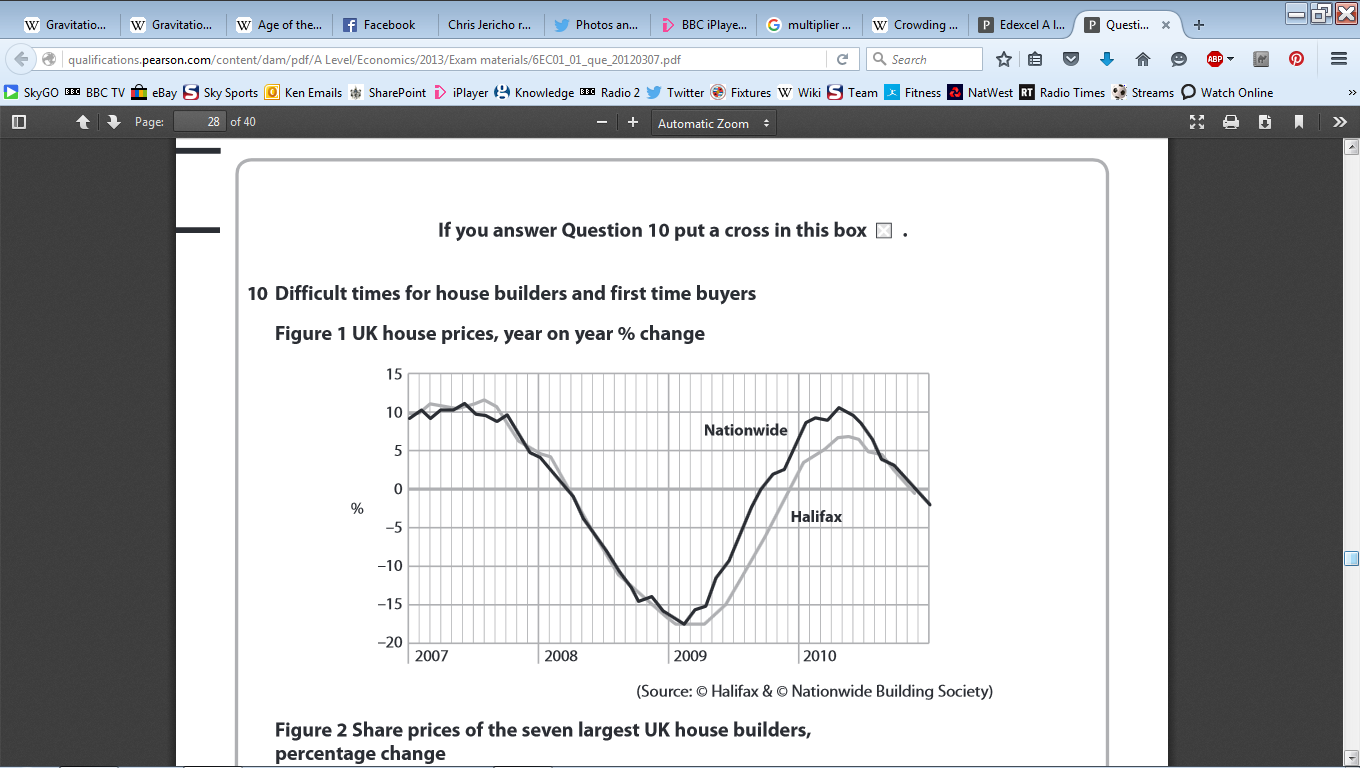
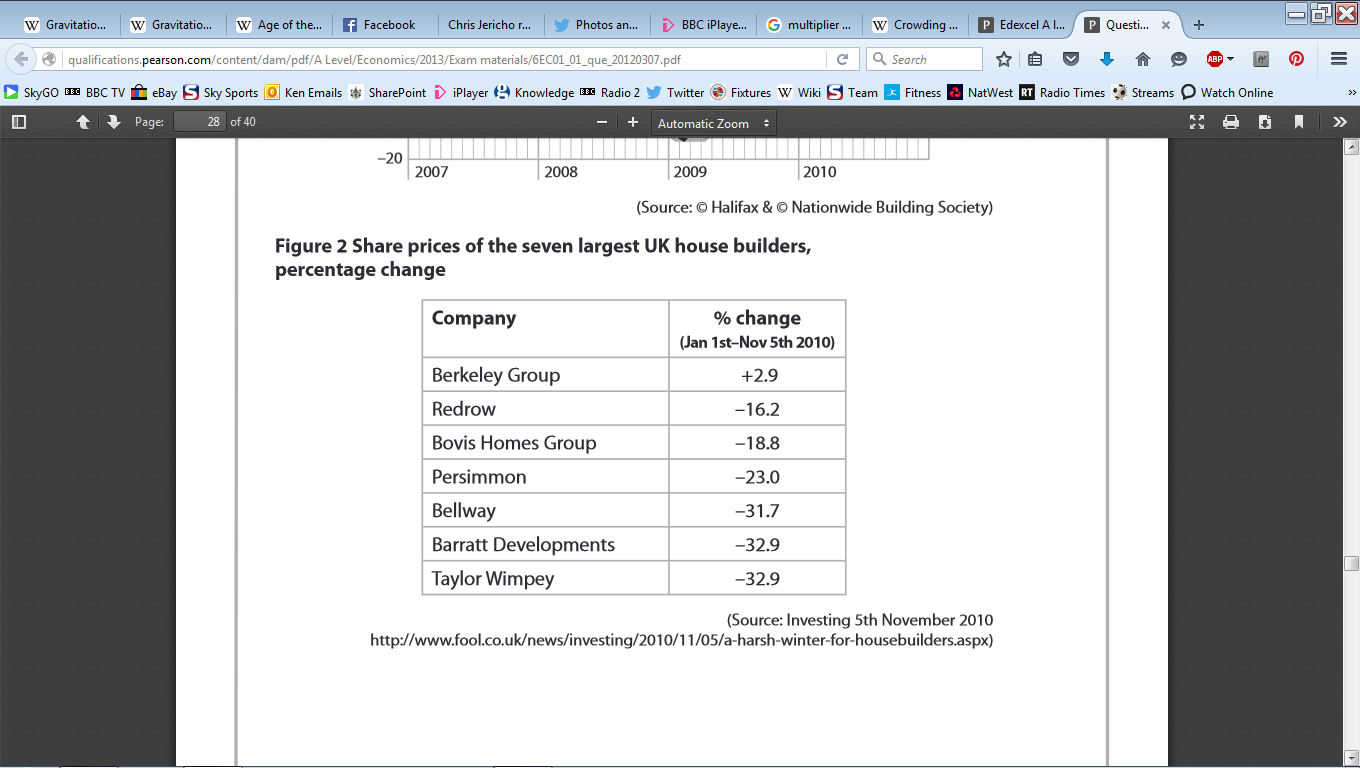
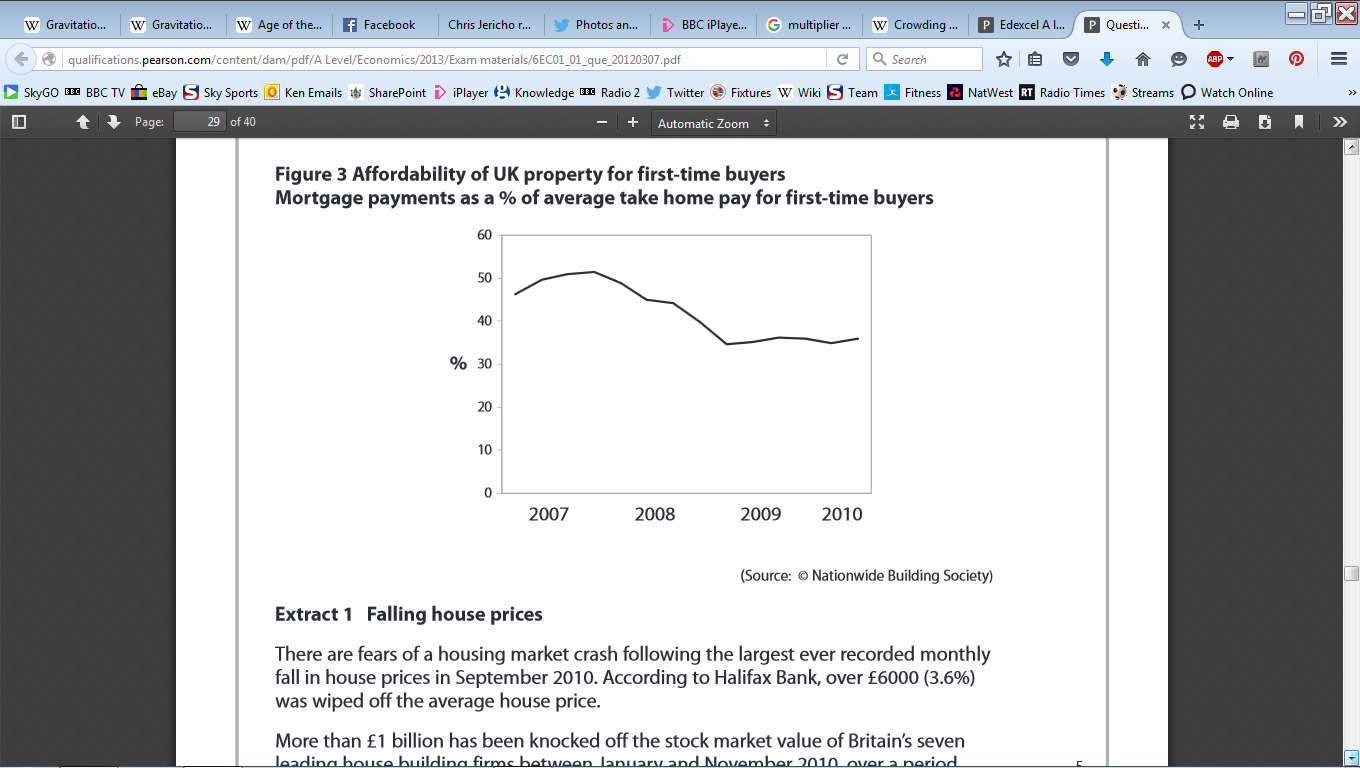
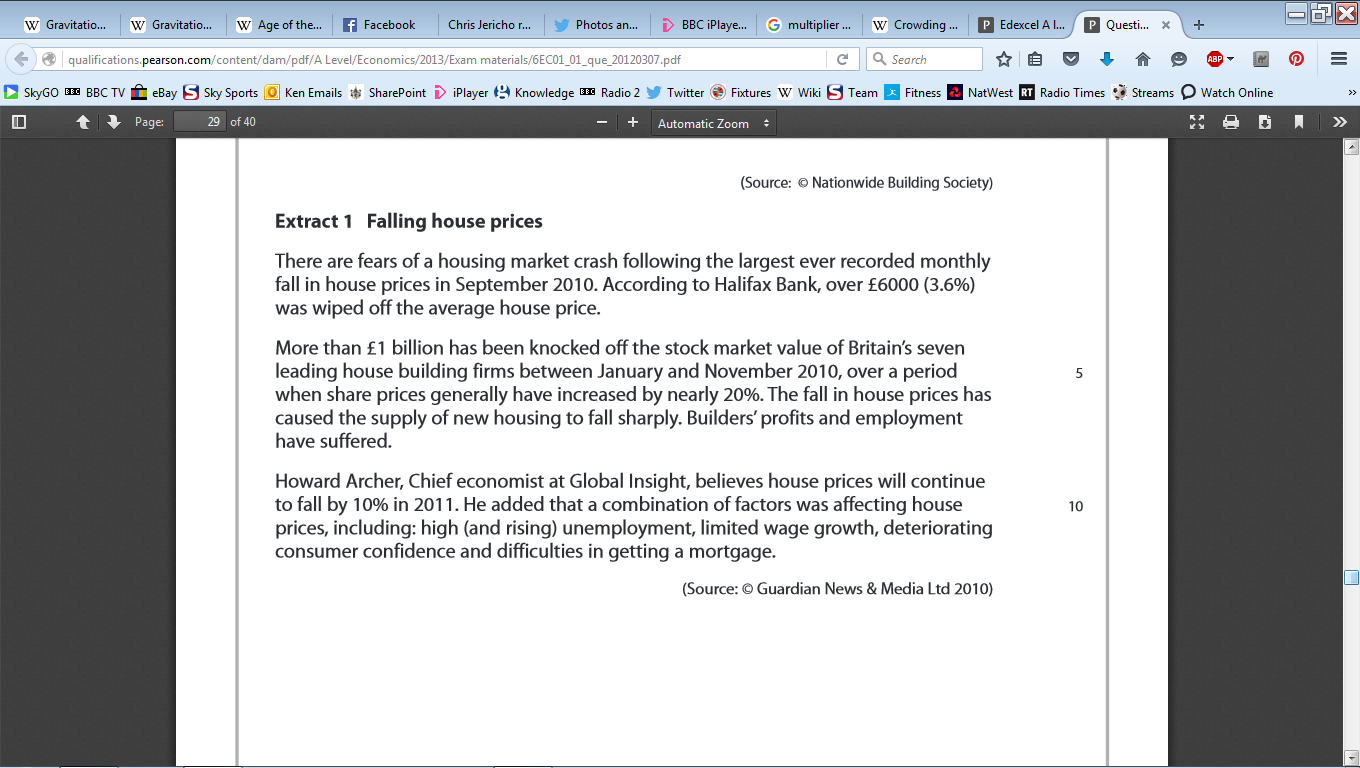


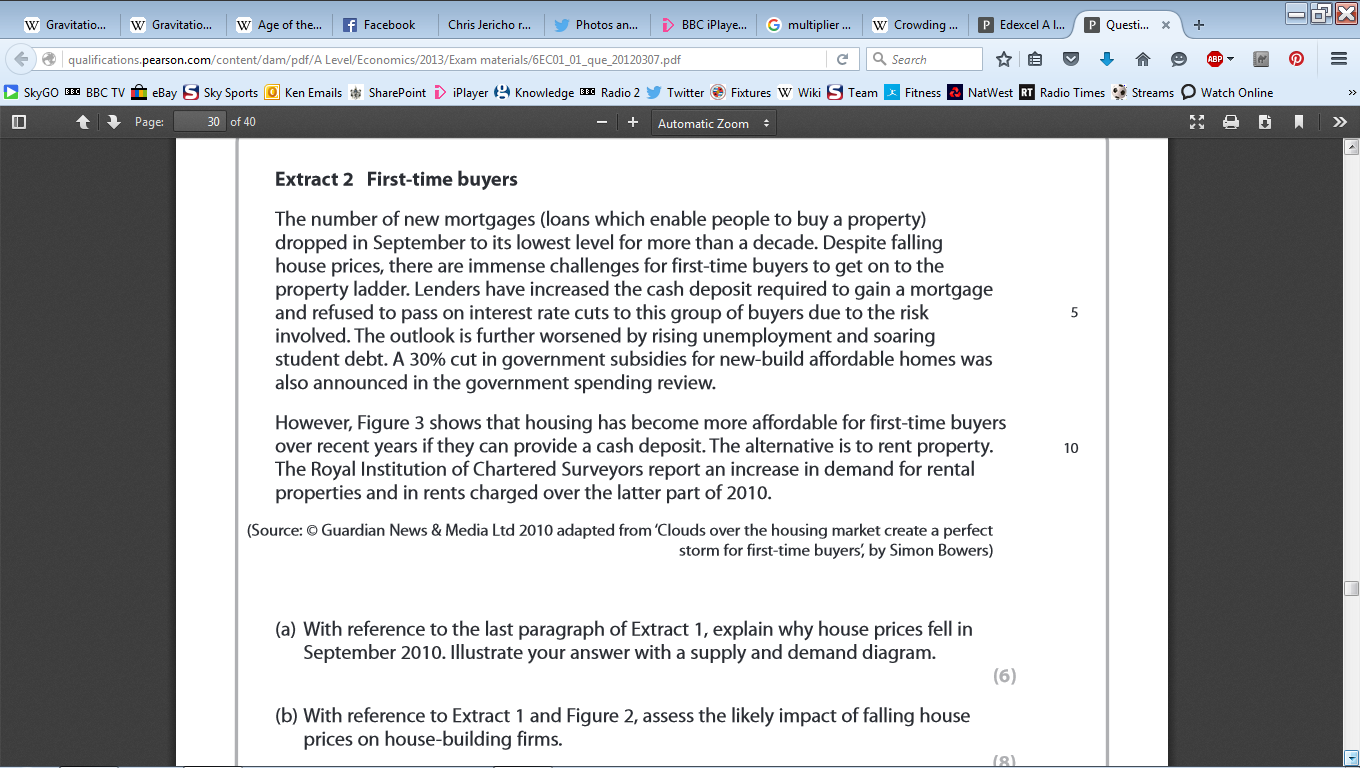
Discuss the possible economic effects of the government providing subsidies to support sustainable development projects such as those referred to in Extract 2 (15)



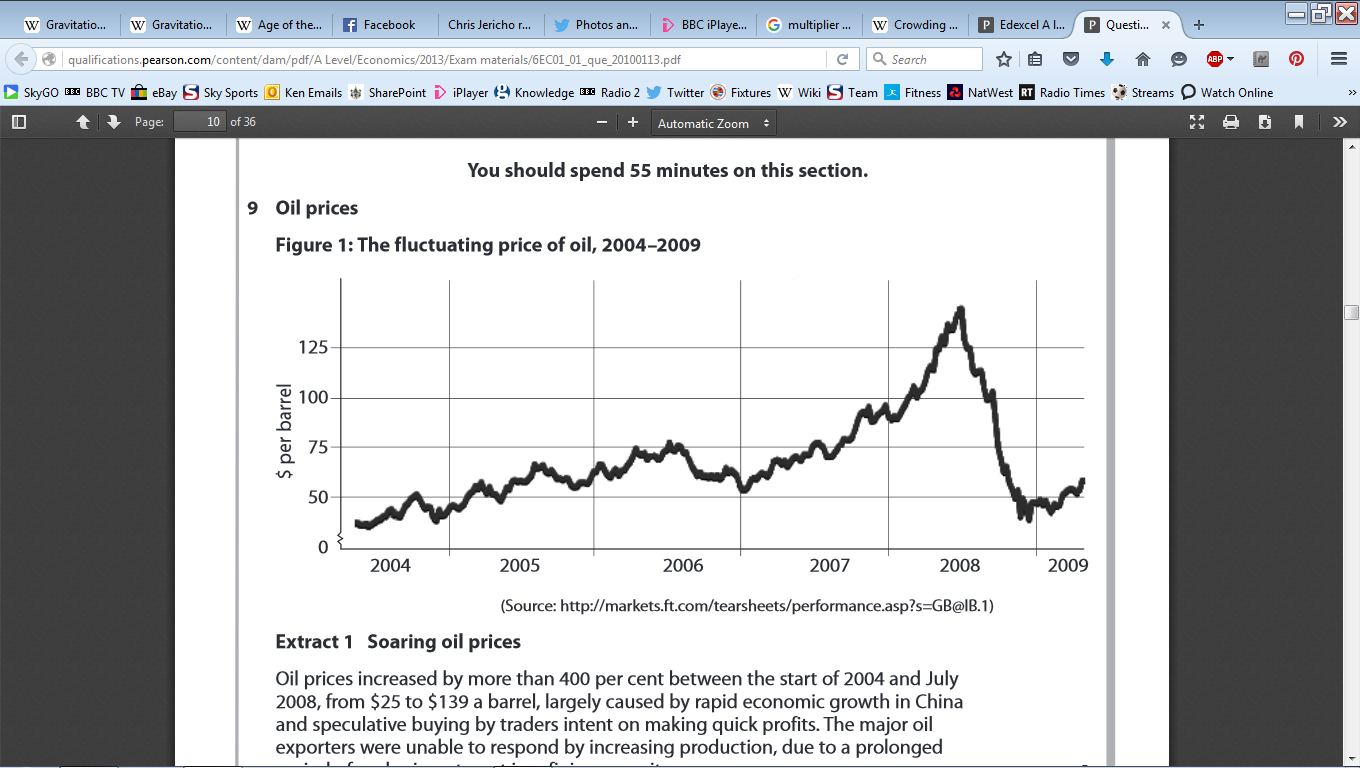


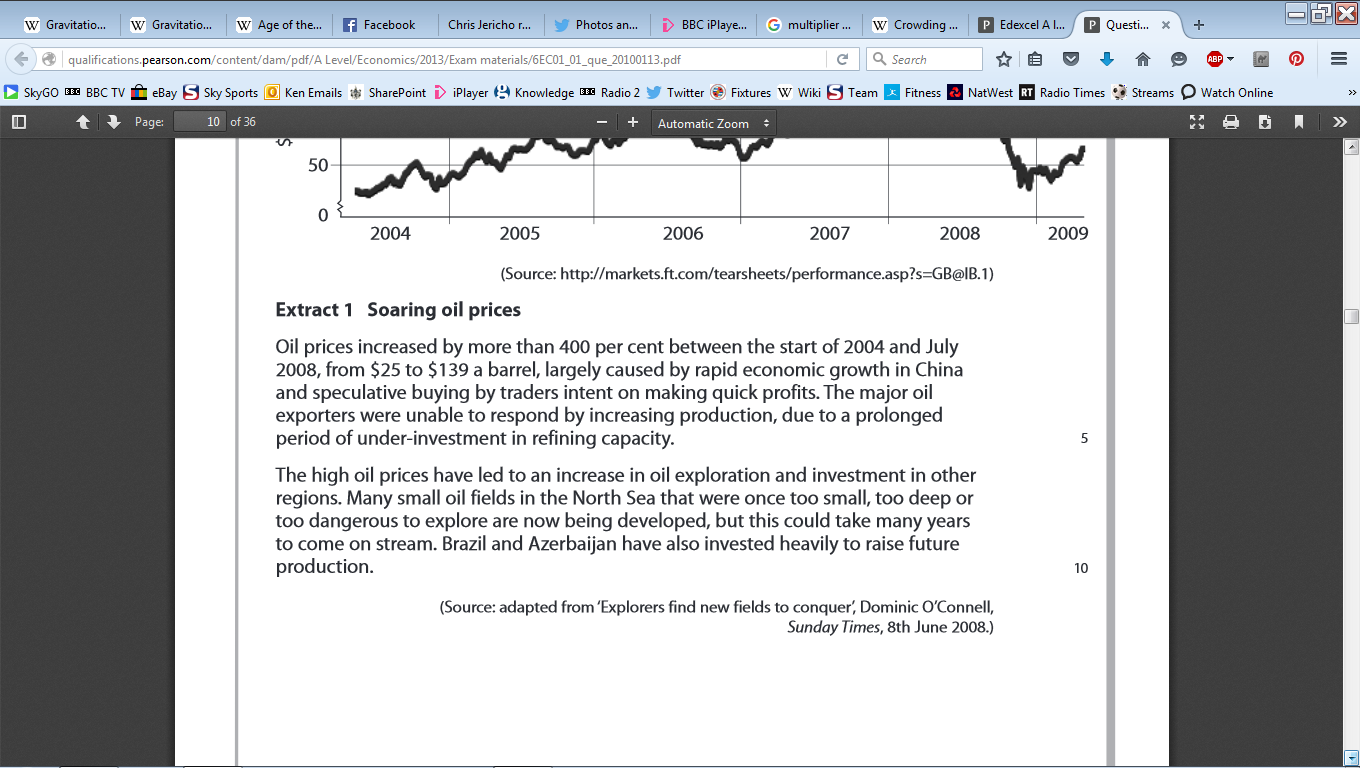


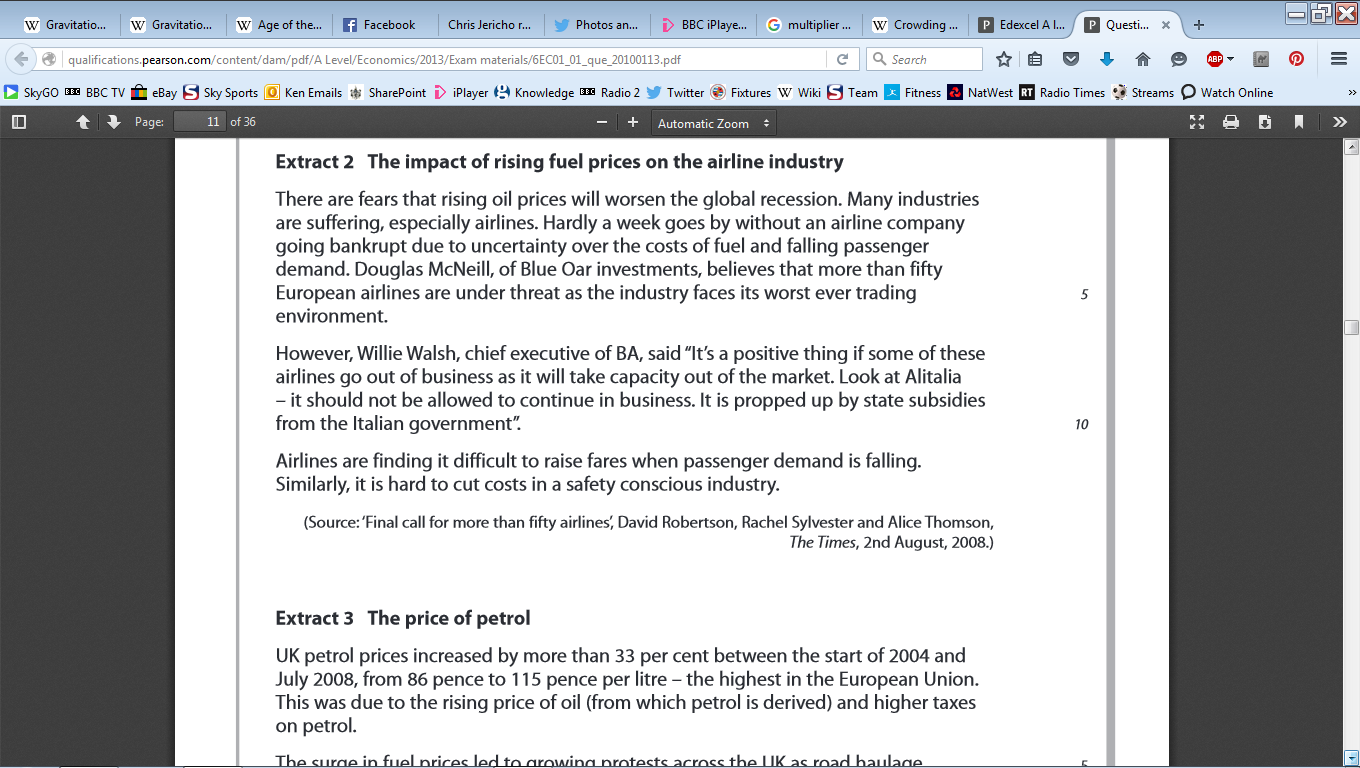


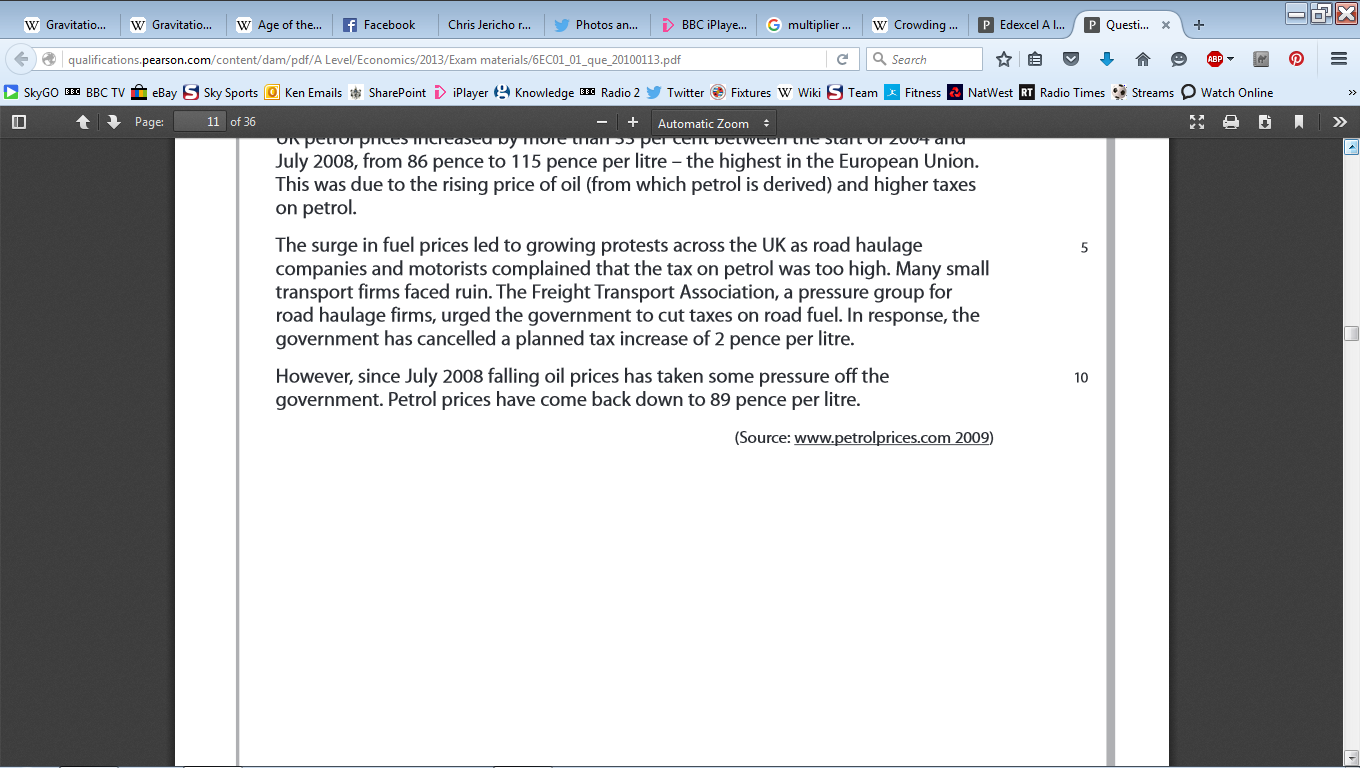


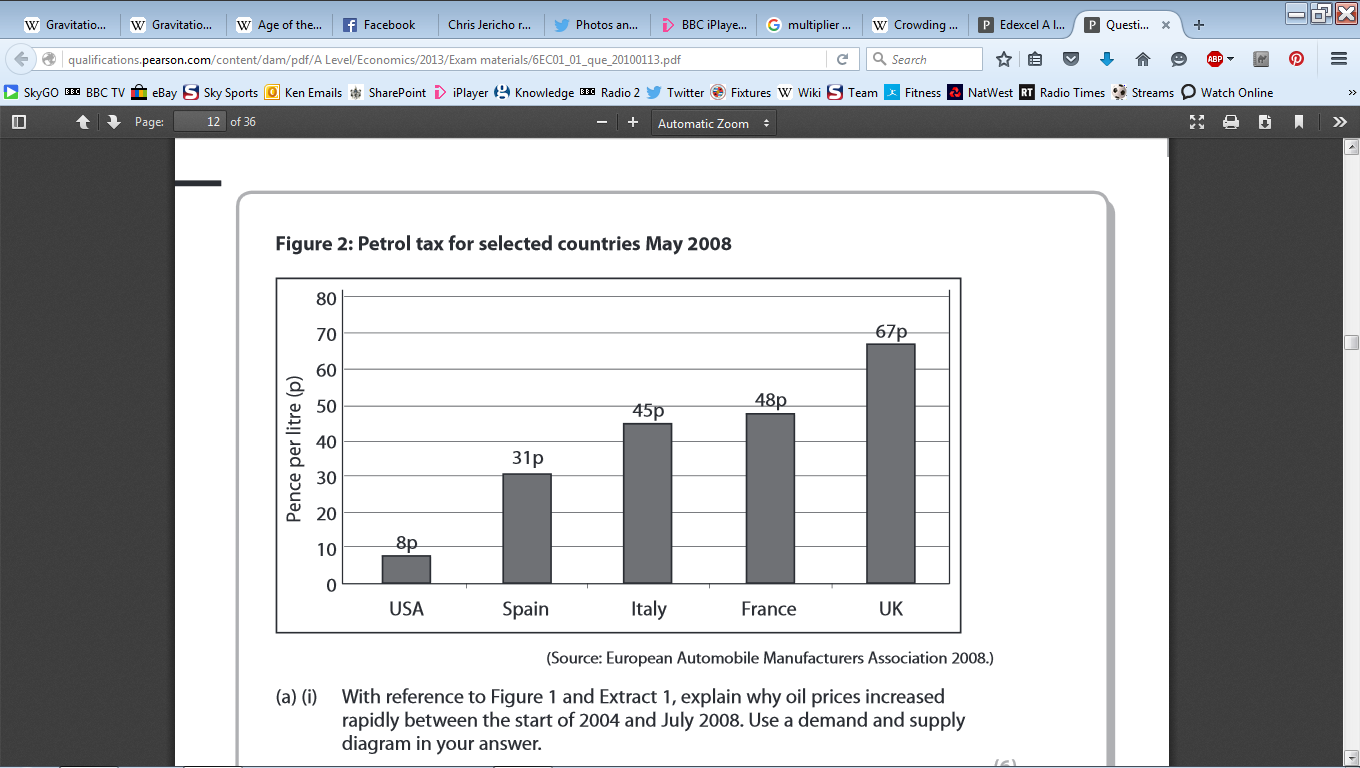
Discuss the likely economic effects of ‘a 30% cut in government subsidies for new-build affordable homes’ (Extract 2, line 7). Use an appropriate diagram in your answer.











Evaluate the likely economic effects of an increase in the tax on petrol in the UK (15)

FIRST OIL QUESTION Q Jan 2012 9 e

<http://qualifications.pearson.com/content/dam/pdf/A%20Level/Economics/2013/Exam%20materials/6EC01_01_msc_20120307.pdf>

p15-16

SECOND HOUSING QUESTION Q Jan 2012 10e

<http://qualifications.pearson.com/content/dam/pdf/A%20Level/Economics/2013/Exam%20materials/6EC01_01_msc_20120307.pdf>

P24-25

THIRD TAX PETROL Q Jan 2010 9d

<http://qualifications.pearson.com/content/dam/pdf/A%20Level/Economics/2013/Exam%20materials/6EC01_01_msc_20100212.pdf>

P13-14

<http://qualifications.pearson.com/content/dam/pdf/A%20Level/Economics/2013/Exam%20materials/6EC01_01_que_20100528.pdf>

10 e

Evaluate the possible economic effects of a decrease in fuel taxes, as recommended by The Society of Motor Manufacturers and Traders. Use an appropriate diagram in your answer.

<http://qualifications.pearson.com/content/dam/pdf/A%20Level/Economics/2013/Exam%20materials/6EC01_01_msc_20100716.pdf>

p20-21

Examine the effectiveness of indirect taxation as a means of reducing cigarette and tobacco consumption. Use an appropriate diagram in your answer. (15)

<http://qualifications.pearson.com/content/dam/pdf/A%20Level/Economics/2013/Exam%20materials/6EC01_01_que_20090116.pdf>

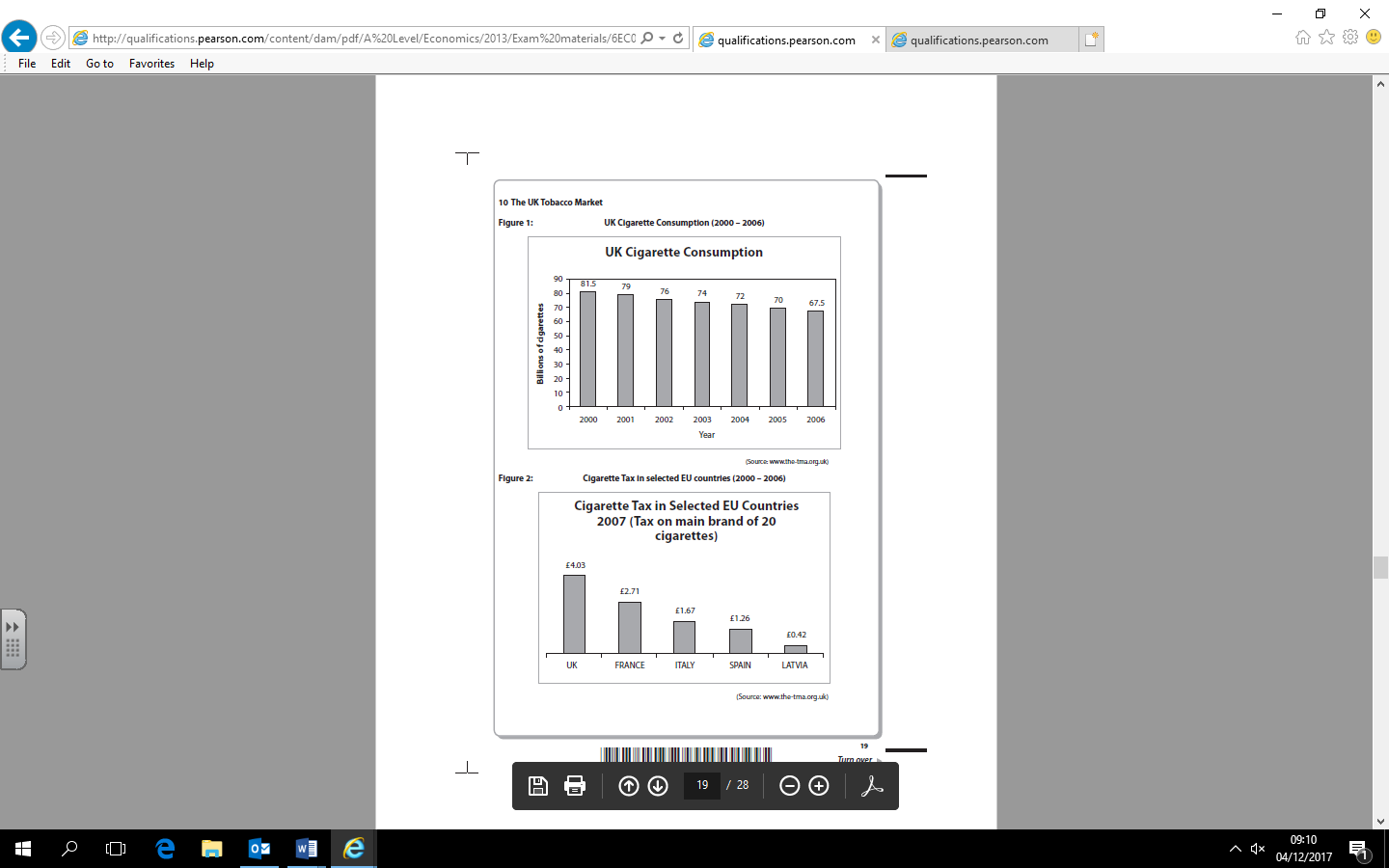
P19-20

<http://qualifications.pearson.com/content/dam/pdf/A%20Level/Economics/2013/Exam%20materials/6EC01_01_rms_20090312.pdf>

P17-18

Examine the effectiveness of indirect taxation as a means of reducing cigarette and tobacco consumption. Use a demand and supply diagram in your answer. (15)

Assess the effectiveness of indirect taxation as a means of reducing cigarette and tobacco consumption. Use an appropriate diagram in your answer. (10)



**Extract One Tobacco smoking in decline**

The government can be proud of its achievements in implementing strong tobacco control measures over recent years. The ban on tobacco advertising in 2003 and effective public health campaigns have helped smokers to give up. The ban on smoking in pubs, clubs and restaurants in July 2007 means the decline is set to continue.

However, smoking is hardly declining among socially disadvantaged groups. Currently, the government is unlikely to reduce health inequalities and in fact the gap is set to widen.

It is vitally important that the government increases measures to help poorer smokers to quit by widening access to ‘stop smoking’ treatments and maintaining funding of its mass media educational campaigns. The use of nicotine patches and gum, which are intended to reduce dependency on cigarettes, has helped many smokers give up. The government should also renew its efforts to reduce the illegal practice of tobacco smuggling which has encouraged smoking.

**Extract Two Tobacco taxes too high**

The UK has a higher tax rate on cigarettes than any other European Union country and according to figures from Her Majesty’s Revenue and Customs, as much as £25 billion

in revenue has been lost since 2000 due to smuggling and cross-border shopping. The

Tobacco Manufacturer’s Association estimate that UK tax was not paid on 27 per cent of cigarettes consumed in 2006.

Despite the introduction of a smoking ban in pubs, clubs and restaurants in England in

July 2007 more than twenty-five per cent of the adult population continue to smoke.

Many pubs, clubs and restaurants have invested in comfortable outdoor smoking areas in order to keep as many customers as possible.

The minimum legal age of sale for tobacco was increased from 16 to 18 years of age in

October 2007 but this seems to have had little impact on reducing the numbers of young people who smoke, according to a Trading Standards survey in North West England.

It found that many young people are still able to obtain tobacco from the informal economy, for example, street markets or neighbours.

Assess the effectiveness of indirect taxation as a means of reducing cigarette and tobacco consumption. Use an appropriate diagram in your answer. (10)