

Centre Number						Candidate Number				
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Other Names										
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For Examiner's Use	
Examiner's Initials	
Question	Mark
1	
2	
3	
TOTAL	



General Certificate of Secondary Education  
January 2012

# Economics

# 413011

## Unit 11 Personal Economics

Friday 27 January 2012 1.30 pm to 2.45 pm

**You will need no other materials.**  
You may use a calculator.

### Time allowed

- 1 hour 15 minutes

### Instructions

- Use black ink or black ball-point pen.
- Fill in the boxes at the top of this page.
- Answer **all** questions.
- You must answer the questions in the spaces provided. Do not write outside the box around each page or on blank pages.
- Do all rough work in this book. Cross through any work you do not want to be marked.

### Information

- The marks for questions are shown in brackets.
- The maximum mark for this paper is 70.
- You are reminded of the need for good English and clear presentation in your answers. Quality of Written Communication will be assessed in questions 1(f), 2(d) and 3(c).



J A N 1 2 4 1 3 0 1 1 0 1

Answer **all** questions in the spaces provided.

**Total for this question: 30 marks**

**1** Read **Item A** and then answer the questions that follow.

**Item A**

**Buying a Laptop**

Natasha is 18 and lives at home with her parents and younger brother. She is at college studying for her A-levels and hopes to go to university in October. She has a part-time job at a large music store. She works there usually one day a week, on Saturday or Sunday.

Natasha would like to buy a laptop computer. She thinks that a laptop would be useful for university, as well as for college work and personal use. Her preferred laptop will cost £450 but she has savings of only £250. Natasha's friends have said that she should get a credit card so that she can buy the laptop immediately. Her father is against credit cards because of their high interest rates and possible penalty charges that might have to be paid. He thinks that it would be much better for Natasha to save and not to get into debt.

Natasha has drawn up a budget for a typical month to see whether she can increase her savings. She gives £60 per month from her part-time job to her parents towards housekeeping. They want her to get into good habits for when she leaves home. Natasha thinks that she might be able to increase her saving to £25 per month if she cuts back on her spending.

**Natasha's Monthly Budget**

<b>Monthly Income</b>	<b>£</b>	<b>Monthly Outgoings</b>	<b>£</b>
Earnings from part-time job	180	Housekeeping	60
		Clothes	40
		Mobile phone	30
		Going out with friends	30
		Travel to work/college	15
		Saving	5
<b>Total</b>	180	<b>Total</b>	180



1 (a) Identify **two** advantages of a credit card.

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(2 marks)

1 (b) Explain **one** reason why it was a good idea for Natasha to draw up a budget.

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(3 marks)

1 (c) Calculate how many months it will take for Natasha to save the extra £200 she needs to buy the laptop computer if she saves £25 a month.

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(3 marks)

**Question 1 continues on the next page**

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**1 (d)** Using Natasha's budget in **Item A**, suggest, giving reasons, how she could reduce her spending so she can save £25 per month.

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**1 (e)** Do you think that by buying a laptop computer, Natasha is satisfying a need or a want?  
Explain your answer.

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1 (f) If Natasha decides to buy the laptop computer, she could:

- wait until she has saved up enough money to buy it
- get a credit card and buy it now
- work extra hours at the music store.

What would you advise Natasha to do? Give reasons for your advice.

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**Total for this question: 20 marks**

**2** Read **Item B** and then answer the questions that follow.

**Item B**

**Changing Jobs**

Natasha’s father, Clive, works in a small factory that manufactures machine parts. He enjoys working with his mates although the work lacks variety because it is highly specialised. Clive works shifts so he often has to work weekends and nights. He is thinking about changing his job and would like to be his own boss one day.

Clive has heard that a lot of new jobs are being created by businesses fitting solar panels. They are offering opportunities to earn high wages. The basic wage is slightly lower than Clive’s current wage but, with bonuses, he would earn more. The bonuses depend on how many solar panels he fits. The UK government wants to encourage people to fit solar panels to their homes to generate clean, renewable electricity from the sun. Therefore, the government is offering grants to people to encourage them to fit solar panels.

Clive will need to be trained in fitting solar panels. However, once his training is complete and he has spent a few years working for a solar panel company, there are opportunities for him to run his own business fitting solar panels. Natasha is worried about her father moving into this new type of work. She thinks that he should stay at the factory where he receives a regular wage.

**2 (a)** State **two** disadvantages of specialisation.

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*(2 marks)*





**2 (b)** Explain **one** reason why solar panel businesses are offering opportunities to earn high wages.

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(2 marks)

**2 (c)** Apart from wages, explain **two** other factors that might attract workers, such as Clive, to work for a solar panel company.

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**Total for this question: 20 marks**

**3** Read **Item C** and then answer the questions that follow.

**Item C**

**Impact of Migration**

Natasha has a friend called Abena who comes from Ghana. Abena is a maternity nurse who works in a specialist baby unit near to Natasha’s home. There is a skills shortage for specialist nurses in the UK, so the government encourages trained people from abroad to fill these job vacancies.

Natasha has overheard people in her area complaining about immigrants. Some were complaining that wages for certain jobs had gone down because immigrant workers were willing to work for lower pay, even though they met local community needs. Others were complaining that, due to the increased number of immigrants, there was greater pressure on schools, hospitals, housing and government benefit payments.

Natasha does not agree with these views as she knows the benefits that Abena has brought to the local community, as well as the benefits which other such skilled workers from abroad have brought to the UK economy. Natasha also knows that there are opportunities for her to work abroad once she has obtained her university qualifications.

**3 (a)** Identify **two** reasons why people may want to migrate.

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*(2 marks)*



**3 (b)** Explain the possible benefits that Abena, and other such skilled workers from abroad, may have brought to Natasha's local community.

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<b>20</b>

**END OF QUESTIONS**



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ANSWER IN THE SPACES PROVIDED**

