

Past Paper Questions on Chapter 21

2015 Short – Q7

- (a) Explain the term *exchange rate*.
- (b) Describe two possible risks which *exchange rates* could present for businesses in Ireland

(a) \_\_\_\_\_  
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(b) 1. \_\_\_\_\_  
 \_\_\_\_\_

2. \_\_\_\_\_  
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2014 Q5 – Short

- (a) Explain the term ‘*interest rate*’.
- (b) Outline **two** possible economic impacts of low interest rates for Irish businesses.

(a) \_\_\_\_\_  
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(b) 1. \_\_\_\_\_  
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2. \_\_\_\_\_  
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2013 Q8 – Short

Column 1 - Terms	Column 2 - Explanations
1. Exchange Rate	A. The increase in the value of goods and services produced in an economy from one year to the next.
2. Interest Rate	B. Is measured by the Consumer Price Index (CPI).
3. Taxation	C. Is measured by the live register.
4. Economic Growth	D. Can be progressive or regressive.
5. Inflation	E. The price of one currency expressed in terms of another currency.
	F. The cost of borrowing money.

**2016 Q3 Short**

True or False:

1. Inflation refers to the decrease in the cost of living from one year to the next. TRUE / FALSE
2. An increase in the value of the euro (€) against sterling (£) has a negative impact on Irish exports to the UK. TRUE / FALSE
3. Decrease in unemployment results in an increase in PAYE revenue for the Government. TRUE / FALSE
4. High interest rates stimulate business expansion. TRUE / FALSE
5. A recession represents an upturn in the economy and an increase in demand. TRUE / FALSE

**2016 Q9 Short**

Distinguish between VAT and Corporation Tax

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**2017 – Short – Q10**

Outline your understanding of the terms **inflation rate** and **interest rate**.

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**LONG QUESTIONS**

**2015 Q2 (B)**

Discuss the economic effects on the Irish economy of the growth in employment in recent times. (20 marks)

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2018 Q2 (B)

Outline the benefits **and** challenges of increasing employment for the Irish economy.

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2013 Q2 (B)

Outline the role of the Irish Government in encouraging **and** in regulating business in Ireland. (20 marks)

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2012 Q2 (B)

Outline how the Irish Government's policy of increased taxation and decreased public expenditure is impacting on business. (20 marks)

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# The Business Guys

2016 Q2 (A)

*In the Government's Budget 2019, the national minimum wage was increased from €9.55 to €9.80, an increase of 25 cent per hour.*

Discuss the different ways in which the Irish Government affects the labour force in Ireland. (20 marks)

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*The Business Guys*

2009 Q2 (C)

Discuss how the Irish Government could use the tax system to create a positive climate for business in Ireland. Use examples to illustrate your answer. (20 marks)

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