

Write your name here

Surname

Other names

Centre Number

Candidate Number

Edexcel GCE

Economics and Business

Advanced

Unit 4B: The Wider Economic Environment and Business

Wednesday 1 February 2012 – Morning
Time: 1 hour 30 minutes

Paper Reference
6EB04/01

You must have:

Insert containing all source material (enclosed)

Total Marks

Instructions

- Use **black** ink or ball-point pen.
- **Fill in the boxes** at the top of this page with your name, centre number and candidate number.
- Answer **all** questions in Section A and Section B.
- Answer the questions in the spaces provided – *there may be more space than you need.*
- You may use a calculator.

Information

- The total mark for this paper is 80.
- The marks for **each** question are shown in brackets – *use this as a guide as to how much time to spend on each question.*
- Quality of written communication will be taken into account in the marking of your response to Questions 7(a) and 7(b) in Section B. These questions are indicated with an asterisk* – *you should take particular care on these questions with your spelling, punctuation and grammar, as well as the clarity of expression.*
- Candidates are expected to be familiar with Evidence A to I for this paper before the examination.

Advice

- Read each question carefully before you start to answer it.
- Keep an eye on the time.
- Try to answer every question.
- Check your answers if you have time at the end.

Turn over ►

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PEARSON

SECTION A

Evidence A to I was pre-issued before the date of the examination.

Using ALL the evidence and your own knowledge, answer all six questions (total 30 marks).

Time allowed (35 minutes).

Additional Evidence J

The country's first Workplace Parking Levy (WPL) is likely to be introduced in Nottingham in April 2012. The tax will charge 500 companies £1 a day for each staff parking space provided by businesses. The WPL will generate around £12m a year to help fund a tram extension, railway station redevelopment and the Link Bus which transports people to and from some of the city's major employers. The transport improvements are forecast to take 2.5m cars off Nottingham's roads by 2015.

5

The Nottingham Local Transport Plan (LTP) has been produced to encourage an optimum allocation of resources. Nottingham has achieved increased bus usage and halted traffic growth, whilst successfully managing significant economic growth, as indicated by rapid job creation.

10

Boots, the largest Nottingham employer, has threatened to relocate, possibly abroad. The Chamber of Commerce claim that if implemented nationally, WPLs will cost the economy £3.4 billion a year, but save over £10 billion a year in traffic congestion costs and yield a social benefit.

(Source: adapted from European Commission Directorate for Energy & Transport report, Nottingham City Council website and Nottingham Evening Post. April 2010)

- 1** What is meant by the term 'optimum allocation of resources' (see Additional Evidence J, line 7)?

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(Total for Question 1 = 2 marks)



2 What is meant by the term 'social benefit' (see Additional Evidence J, line 14)?

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(Total for Question 2 = 2 marks)

3 Explain **one** likely impact of the Workplace Parking Levy on business competitiveness in Nottingham.

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(Total for Question 3 = 4 marks)



6 Assess **two** likely consequences for the UK economy of the car scrappage scheme.

A series of horizontal dotted lines for writing the answer.



(Total for Question 6 = 10 marks)

TOTAL FOR SECTION A = 30 MARKS



Handwriting practice area with 20 horizontal dotted lines.



*(b) Evaluate the case for the MPC decision not to increase interest rates during 2010
(See Evidence B) .

(30)

A series of horizontal dotted lines for writing the answer.



Handwriting practice area with 25 horizontal dotted lines.



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