



GET READY TO STUDY A LEVEL ECONOMICS

If you are planning to study A Level Economics with us in September, please review this document and complete the required activities. Please bring the completed activities with you at induction.

FAQ

What specification will I study?

You will be studying the AQA A Level Economics specification.

Use the weblink to read about the specification and you can also view past papers to see what the assessment looks like.

[AQA A Level Economics Specification](#)

How many lessons will I have a week?

You'll have 4 lessons a week, each lesson is 1 hours and 5 minutes

Who can I contact if I have a question about this subject?

JACK KELSALL: j.kelsall@barnsley.ac.uk

What subjects go well with Economics?

Business Studies, Maths, History, Geography, Politics, Computer Science and IT.

What grades should I have?

In addition to the general sixth form entry requirements, learners must have grade 5 or above in GCSE Maths and English.

WHAT WILL I STUDY

In Year 1, you will study the following topics:

- Economic Methodology and the Economic Problem
- Price Determination in a Competitive Market
- Production, Costs and Revenue
- Competitive and concentrated markets
- The Market Mechanism, Market Failure and Government Intervention in Markets
- The measurement of macroeconomic performance
- How the macroeconomy works
- Economic performance
- Macroeconomic policy

In Year 2, you will study the following topics:

- Individual economic decision making
- The labour market
- The distribution of income and wealth: poverty and inequality
- Financial markets and monetary policy
- Fiscal policy and supply-side policies
- The international economy

WHAT WILL I NEED?

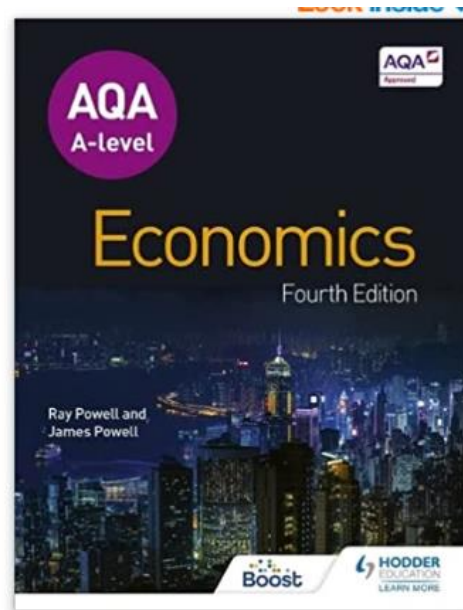
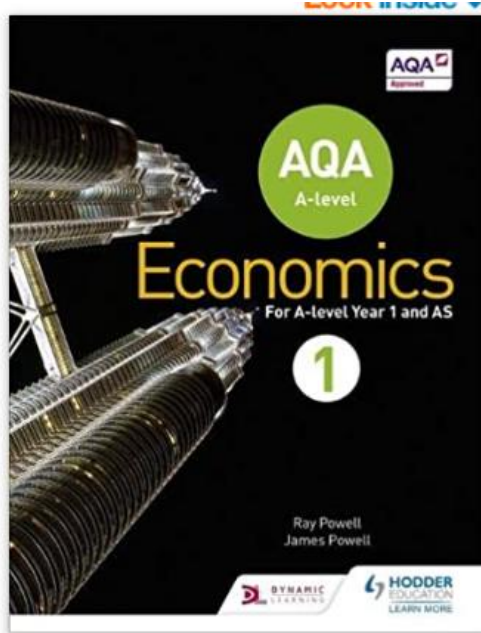
To study the course you will need the following equipment:

- A scientific calculator
- A folder with dividers
- Lined paper
- Pens and pencils
- Highlighters
- A ruler

Students also find it useful to have:

- Blank flashcards
- A whiteboard and whiteboard pens

We recommend all students buy a textbook and these can be purchased from the college at the start of term. Financial support is available for those who may need it.



FIND OUT MORE

These activities are to help broaden your understanding of the subject in preparation for studying this subject at an advanced level.

<p>Careers</p>	<p>Indeed – Career Advice – Why Study Economics A Level https://uk.indeed.com/career-advice/career-development/why-study-economics-a-level</p> <p>Prospects – Careers Advice – What Can I Do With My Economics Degree https://www.prospects.ac.uk/careers-advice/what-can-i-do-with-my-degree/economics</p> <p>LSE – Careers Information - Economics https://info.lse.ac.uk/current-students/careers/information-and-resources/employment-sectors/economics</p> <p>Barnsley Sixth Form College – Courses - Economics https://www.barnsleysixthformcollege.co.uk/course/economics/</p>
<p>Social Media</p>	<p>Tutor2u (on Facebook, Instagram and Twitter)</p> <p>Econplusdal - Twitter</p>
<p>YouTube</p>	<p>Econplusdal https://www.youtube.com/c/EconplusDal1</p> <p>Tutor2u https://www.youtube.com/c/Tutor2uNet</p>
<p>Further Reading / Useful websites</p>	<p>Econhelp https://www.economicshelp.org/</p> <p>Tutor2u Economics https://www.tutor2u.net/economics</p> <p>Economics Online https://www.economicsonline.co.uk/</p> <p>Physics and Maths Tutor - Economics https://www.pmtcourses.com/economics-a-level/</p> <p>The Economist https://www.economist.com/</p>

REQUIRED ACTIVITIES

It is important that all the required activities are completed in preparation for starting your course. Please bring these completed activities with you at induction.

Choosing your A Levels can be a challenge for some learners therefore if you are undecided around which subjects you are planning to study completing these activities will give yourself greater insight into the course to help ensure you have made the right choice.

Before starting Y12 Economics this September, you are expected to complete the following two numeracy tests, as well as the induction task (see below) Please write all answers on paper. (Make sure your name is on all your pages!)

A Level Economics – Year 12 Initial Numeracy Assessment 1

Q1) Milano's Pizza is a large-scale frozen pizza manufacturer based in Newcastle. They have 4 pizza machines. 1 machine can make 500 margarita pizzas an hour OR 400 ham and pineapple pizzas per hour.

The manager currently has 2 machines making margarita pizzas and 2 machines making ham and pineapple pizzas.

Assuming there are no defects or production problems, what is the maximum number of pizzas the firm makes in 12 hours. Show your workings here:

Q2) The regional demand for Milano's ham and pineapple pizzas increases after two prominent Newcastle footballers post a photo of themselves on Instagram eating them.

To satisfy the extra demand, the manager at Milano's decides that she will use 3 machines to make ham and pineapple pizzas and 1 machine to make margarita pizzas.

Calculate the new maximum number of pizzas made in 12 hours. Show your workings here

Q3) After a few weeks, the manager decides that the only way she can cope with the surging demand is to buy 2 more machines (6 in total). She uses 1 to make margarita pizzas (2 in total) and 1 to make ham and pineapple pizzas (4 in total).

Calculate the percentage change in production in both types of pizza. Show your workings here:

Q4) Geoff sells a house for £650,000 in Harrogate. The estate agent is paid 1.5% of the selling price for her services.

Calculate how much she is paid. Show your workings here:

Q5) Geoff buys a new 1-bedroom apartment in London with the proceeds from his house sale in Harrogate. The apartment costs him £500,000 to buy. This time he has to pay Stamp Duty tax on his purchase. Stamp Duty tax at this price is 3%.

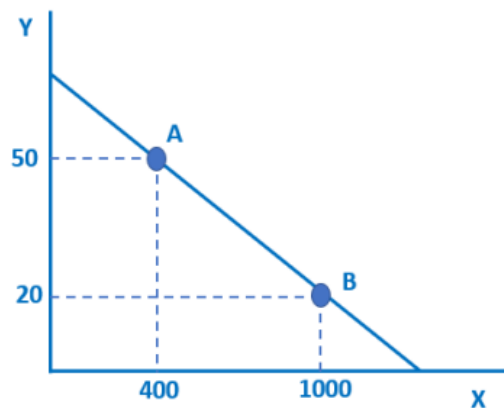
How much tax does he pay? Show your workings here:

Q6) Over the next five years, London house prices go up by 45%. House prices in Harrogate decrease by 1.25%.

- i) Calculate how much Geoff's London apartment is worth five years later.**
- ii) Calculate how much his house in Harrogate would have been worth if he hadn't sold it.**

Show your workings here:

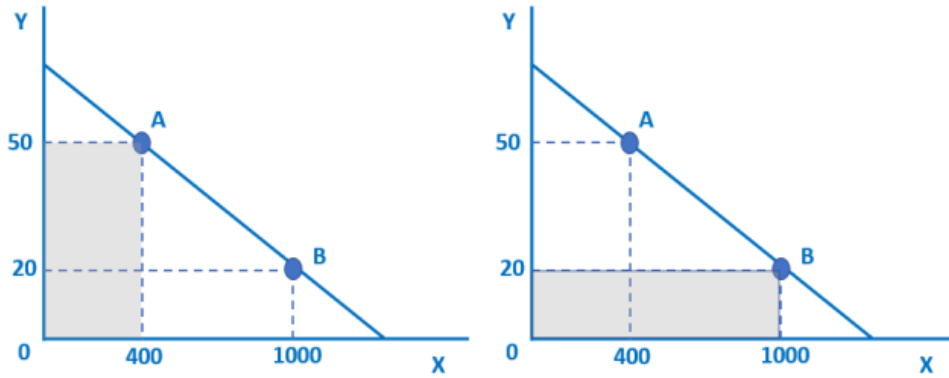
Q7)



A and B are two points on a straight line.

If we move from A to B, how many X units do we gain and how many Y units do we lose? Show your workings here:

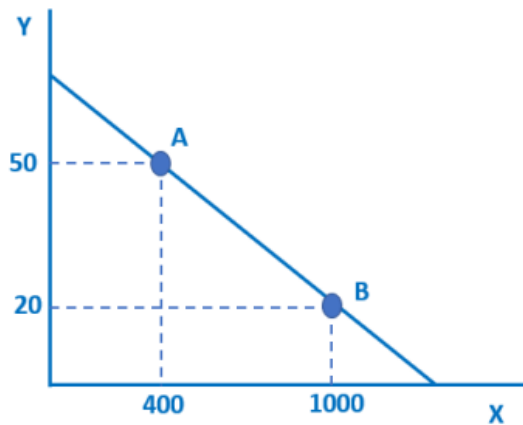
Q8)



Calculate the area of each of the shaded rectangles.

Show your workings here:

Q9)



The gradient does not change but the relationship between Y and X changes. At each amount of Y there are now 400 more units of X.

Adapt the diagram above to illustrate the change. Show any workings you need to do here:

Q10) The owner of a small carpet cleaning business looks at the annual salaries of his five employees.

Employee 1 (duty manager)	£32,000
Employee 2	£14,000
Employee 3	£14,000
Employee 4	£16,000

- i) **Calculate the total expenditure on labour costs**
- ii) **Calculate mean average and median average salary for the five employees.**

Show your workings here

Q11) The boss hires a sixth employee to the business. The employee is highly experienced and very skilled. As a result, she commands a relatively high salary of £26,000.

- i) **Calculate the extra cost of the additional employee.**
- ii) **Calculate the change in the mean average salary in the business.**
- iii) **Calculate the new median average salary for the employees of the carpet cleaning business.**

Show your workings here:

Q12) A British-made car costs £20,000. The current exchange rate is £1 (UK pound) to \$1.30 (US dollars). 6 months ago, the exchange rate was £1 to \$1.50. **Calculate how much the £20,000 car costs in US dollars i) now and ii) 6 months ago.**

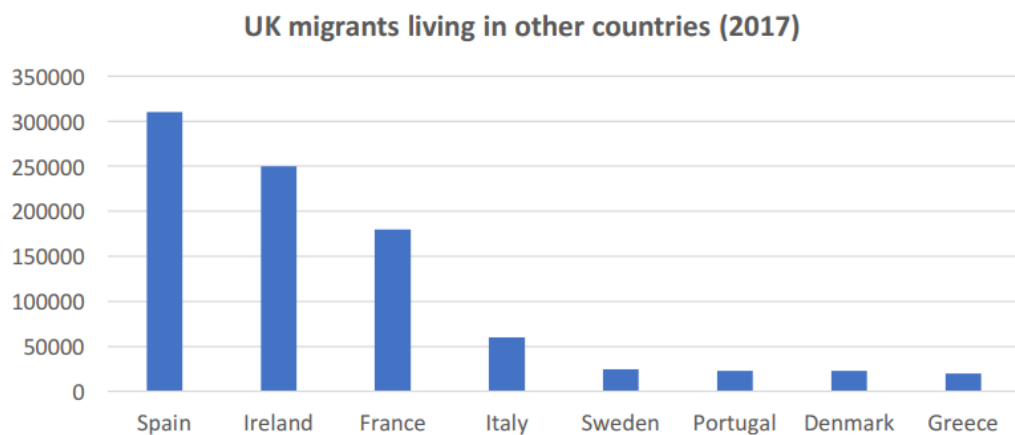
Show your workings here:

Q13) The exchange rate of UK pounds (£) to Euros (€) changes from £1 = €1.10 to £1 = €1.25.

- i) **Calculate the percentage increase of €1.1 to €1.25.**
- ii) **Calculate the UK price (£) of a €500 washing machine made in Italy, after the exchange rate change.**

Show your workings here:

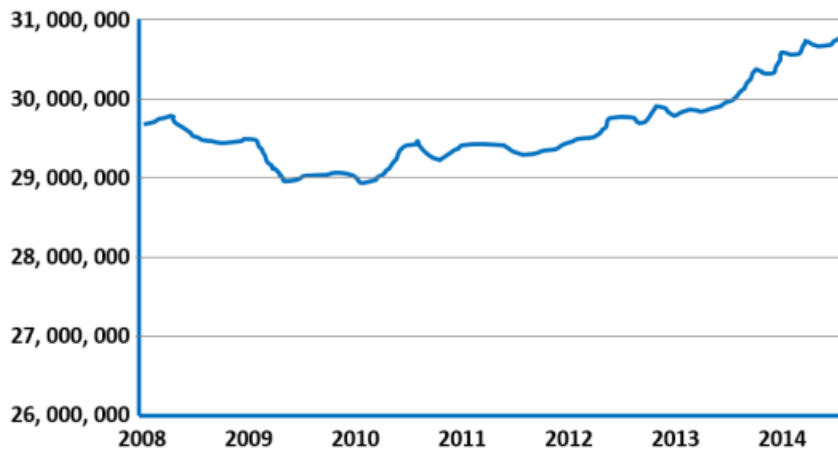
Q14)



- i) **Of the selected countries above, what percentage of UK migrants live in Spain?**
- ii) **Compare the number of UK migrants living in Ireland compared to the number living in Portugal.**

Show your workings here:

Q15)



- i) Calculate the percentage change from the lowest point to the highest point.
- ii) Assuming the UK population was constant at 63m throughout this period (it wasn't, but assume it was!), calculate the number of people in work as a percentage of the population in both 2008 and 2014.

Show your workings here:

Q16) Simon owns a small juice bar. His two most popular juices are 'red juice' and 'green juice'. Each juice has different ingredients. The cost of ingredients for 'red juice' is 60p per juice. The cost of ingredients for 'green juice' is 40p per juice. Simon sells 50 'red juices' and 80 'green juices' per day.

Calculate the daily cost of making the two juices. Show your workings here:

Q17) The price of each juice drink is £2.30. Assuming Simon sells the quantities stated in Q1:

- i) **Calculate how much revenue Simon earns in one day from selling 'red juice and 'green juice'. (revenue = price x quantity)**
- ii) **Using your answer from Q1, then calculate the profit Simon makes (profit = revenue – costs).**

Show your workings here:

Q18) Simon decides to increase the price of his juice drinks by 20%. Sales of 'red juice' fall by 10% and sales of 'green juice' fall by 5%.

Calculate Simon's new level of revenue.

Q19) Income tax in the UK is applied in bands. Nobody pays tax on the first £11,850 that they earn. People pay 20% tax on the next £34,500 earned above £11,850. People pay 40% tax on the next £103,659 after that.

If Evelyn earns £60,000 per year as a lawyer, prove that she has to pay £12,360 in income tax. Show your workings here:

Q20) If the top rate of tax increases to 50%, **calculate:**

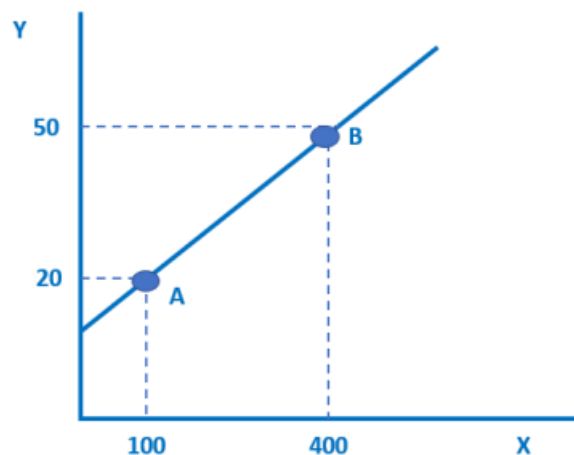
- i) how much tax Evelyn pays now**
- ii) how much income she has left over after paying her income tax**

Assume that Evelyn's income does not change and the other tax bands remain the same. Show your workings here:

Q21) Nomo takes a loan from a payday company. Nomo takes a £300 loan at 0.8% per day. **How much will Nomo owe the lender after a week.**

Show your workings here:

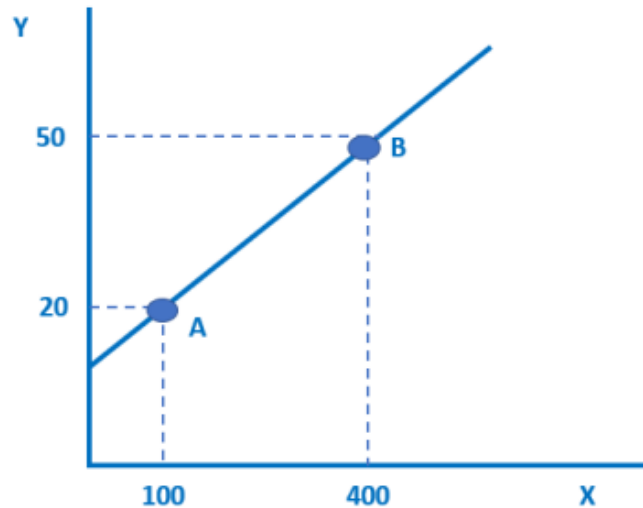
Q22)



A and B are two points on a straight line.

If we move from A to B, how many Y units do we gain and how many X units do we lose? Show your workings here:

Q23)



The gradient does not change but the relationship between Y and X changes. For every value of Y there are now 50 fewer units of X.

Adapt the diagram above to illustrate the change.

Show any workings you need to do here:

Q24) A currency investor thinks that she can make a profit by buying Russian Roubles. She exchanges £10,000 to Roubles when the exchange rate is £1 = 96 Roubles.

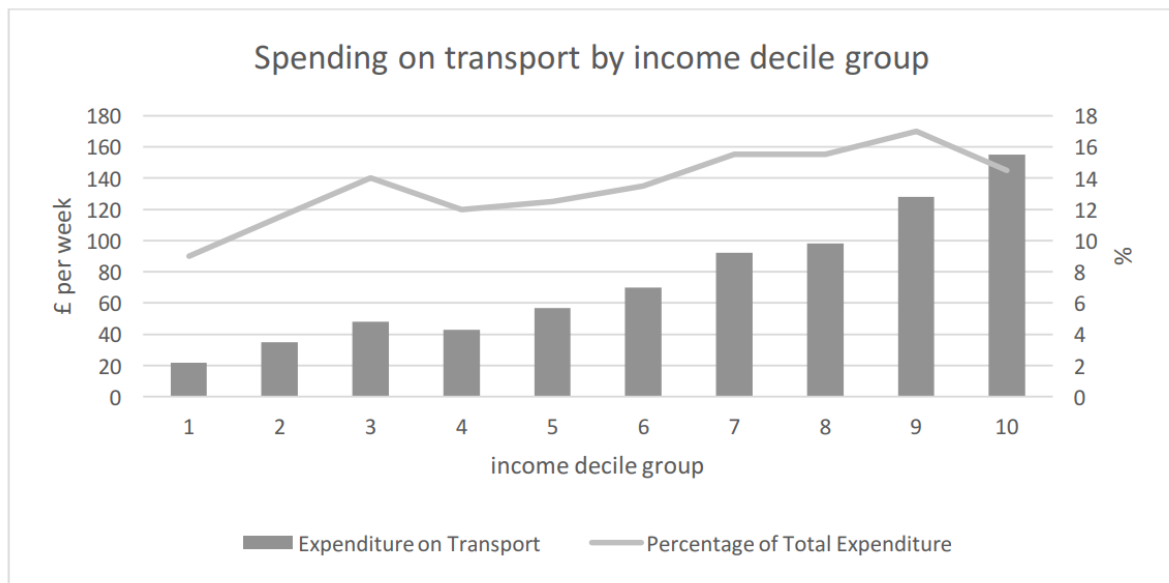
Later in the year, the exchange rate changes to £1 = 55 Roubles and she changes her Roubles back to Pounds.

How much profit did she make? Show your workings here:

Q25) George likes to spend his income in the same way every month; 20% savings; 40% necessities and household bills, 10% on watching football, 30% on luxuries.

If George earns £28,000 a year (after tax), calculate how much he spends on these 4 areas per year. Show your workings here:

Q26)



Income decile group is a way of splitting up the population for statistical analysis: imagine lining up the population from poorest to richest; income decile group 1 would contain the poorest 10% of people, income decile group 2 would contain the next poorest 10%, and so on.

- i) Calculate the mean average expenditure on transport of the lowest 3 income deciles.**
- ii) Calculate the mean average expenditure on transport of the highest 3 income deciles.**

Show your workings here:

Q27) The table below shows the total output figures for a firm as it adds more workers to its production process. **Fill in the right-hand column.**

Workers	Total Output	Output per worker
1	18	
2	24	
3	36	
4	44	
5	48	

Show your workings here:

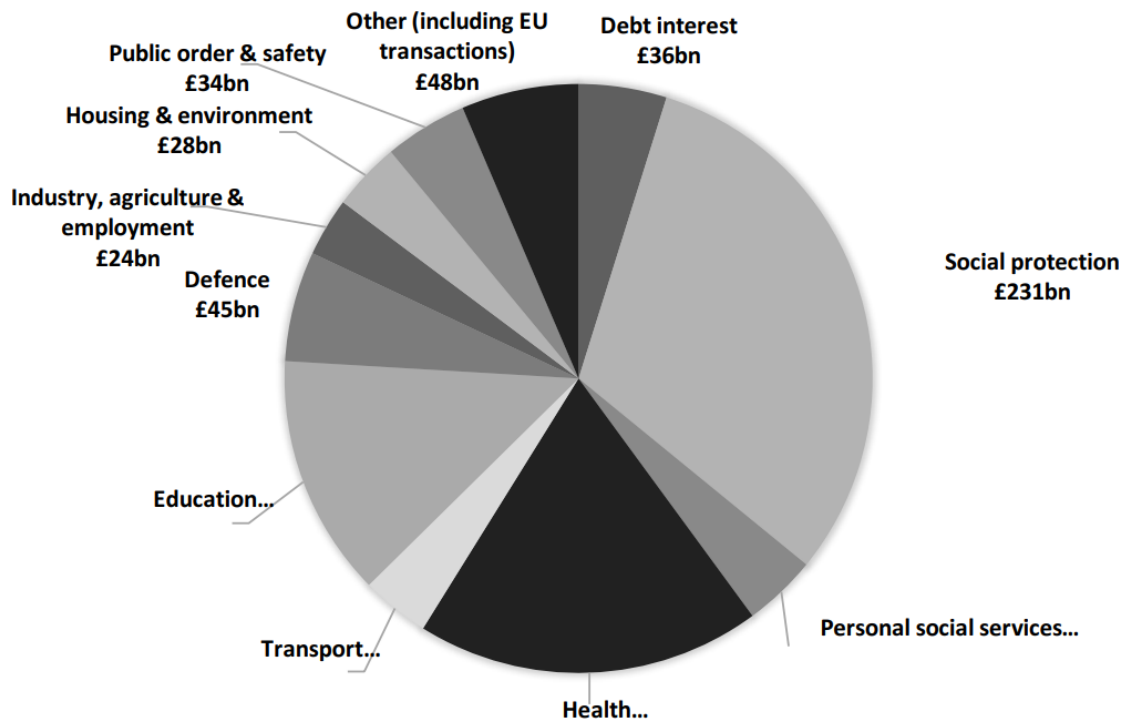
Q28) Gunter brews beer. He brews 100 pints of beer per week. Rosa makes wine. She bottles 125 bottles of wine per week. However, Gunter likes wine and Rosa likes beer. So, they agree to trade. They trade at a ratio of 5 beers: 2 wine. Every week Gunter trades 20 pints of beer for bottles of wine.

After 4 weeks, how many pints of beer and bottles of wine does Gunter have.
Show your workings here:

Q29) Canada has a population of 36.2 million people. Canada has a total national income of \$1.6 billion. **Calculate the average income per person.**

Show your workings here:

Q30) The chart below shows Government spending by area 2015/16:



Total Government spending in the 2015/16 financial year was £722bn. **Calculate the % of Government spent on Social Protection, Health and Education in that year.** Show your workings here:

INDUCTION TASK

Before you complete your induction task, I would recommend that you access these resources.

Source A - 'World's biggest pilot of four-day week begins - BBC News' - <https://www.youtube.com/watch?v=bNc4nzhb22M>

Source B – BBC News – 'UK inflation hits 40-year high of 9% as energy bills soar' - https://www.bbc.co.uk/news/business-61483175?mc_cid=eb2172cf93&mc_eid=UNIQID

Source C – BBC News – 'Interest rates: What are they and how high could they go?' - <https://www.bbc.co.uk/news/business-57764601>

Refer to Source A to answer Questions 1-3

Q1) According to the BBC video 'World's biggest pilot of four-day week begins - BBC News', how many UK firms have signed up to the trial? (1 mark)

Q2) Explain one reason why a four-day working week would benefit each of the following:

2a) employees (4 marks)

2b) employers (4 marks)

2c) the economy in general (4 marks)

Q3) There has been a growing shift towards flexible working patterns in the last 24 months, due to the pandemic. Analyse two benefits of an IT support firm allowing its workers to work from home, two days per week (9 marks)

Q3) To what extent do you believe that the implementation of a four-day week would benefit to all jobs and industries? Justify your opinion (16 marks)

Refer to Sources B and C to answer Questions 4-8

Q4) Give a definition of inflation (2 marks)

Q5) What is the current rate of inflation in the UK? (1 marks)

Give the date which you completed this question for reference, as this figure changes frequently.

Q6) Explain one effect on consumers and business of an increase in inflation (8 marks)

Q7) What has happened to interest rates over the last twelve months? Give data to support your answer (4 marks)

Q8) Explain two ways in which interest rates can be used to affect inflation (8 marks)