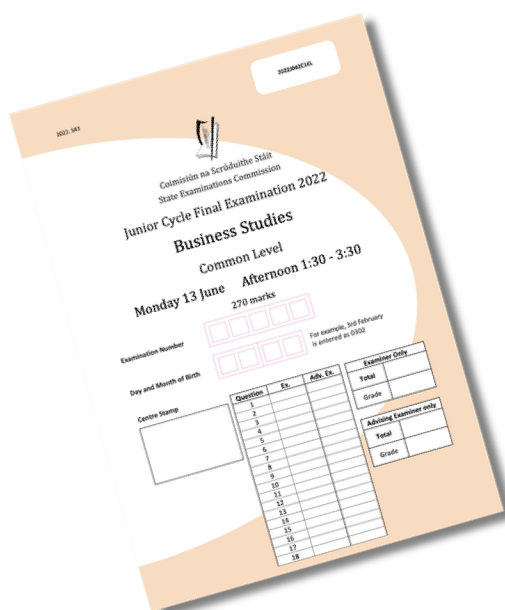


JC BUSINESS

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JC PAST PAPERS WITH SOLUTIONS



Learning Outcome 3.4

3.4 Differentiate between different sources of government revenue and government expenditure

Summary of Qs asked 2019-2025 on Learning Outcome 3.4

2019 Sample Paper Q7 (a)	Identifying levels of government spending / revenue from a graph (the highest)	Reading a graph to identify a value	-
2019 Sample Paper Q7 (b)	Stating an example of capital and current expenditure by department (health)	Current / Capital expenditure by govt department	-
2019 Q13	Stating an example of capital or current expenditure by department (health, education and skills, transport tourism and Sport)	Current / Capital expenditure by govt department	6m
2023 (c) (i)	Prepare a National Budget and state if it is a surplus or deficit	Calculate National Budget from figures in a graph	11m
2023 (c) (ii)	Identifying levels of government spending / revenue from a graph (the highest)	Reading a graph to identify a value	4m
2023 (c) (iii)	Advise the Minister for Finance of what to do with a surplus	Recommend action based on a budget surplus/deficit	2m
2023 (c) (iv)	Stating an example of capital and current expenditure by department (dept education)	Current / Capital expenditure by govt department	4m
2025 Q16 (c) (ii)	Apart from taxation, explain two other sources of income for the Irish Government	Sources of government revenue/ income	6m

Key skills required so far answering the JC Exam:









1. Explain sources/examples of government revenue other than tax
2. Explain sources/examples of current and capital government expenditure
3. Read a graph with budget figures to identify the highest value
4. Calculate a National Budget and state surplus/deficit
5. Recommend government action for a surplus budget



2019 Sample Paper

Question 7

The graphic below shows Irish Government spending by category for 2018.

2018 Total Expenditure: €72.5 billion			
Justice  €2.6 billion	Health  €15.3 billion	Education  €10.1 billion	Social Protection  €20.0 billion
Agriculture  €1.5 billion	Debt Servicing, EU Payments  €10.8 billion	Transport  €2.0 billion	Other  €10.2 billion

- (a) In which category does the Government spend most?

- (b) State **one** capital and **one** current expenditure under the health category.

Capital:

Current:



2019 Paper

Question 13

**Gardaí to recruit 800 new officers with
€60 million funding increase.**

The Journal, October 2018



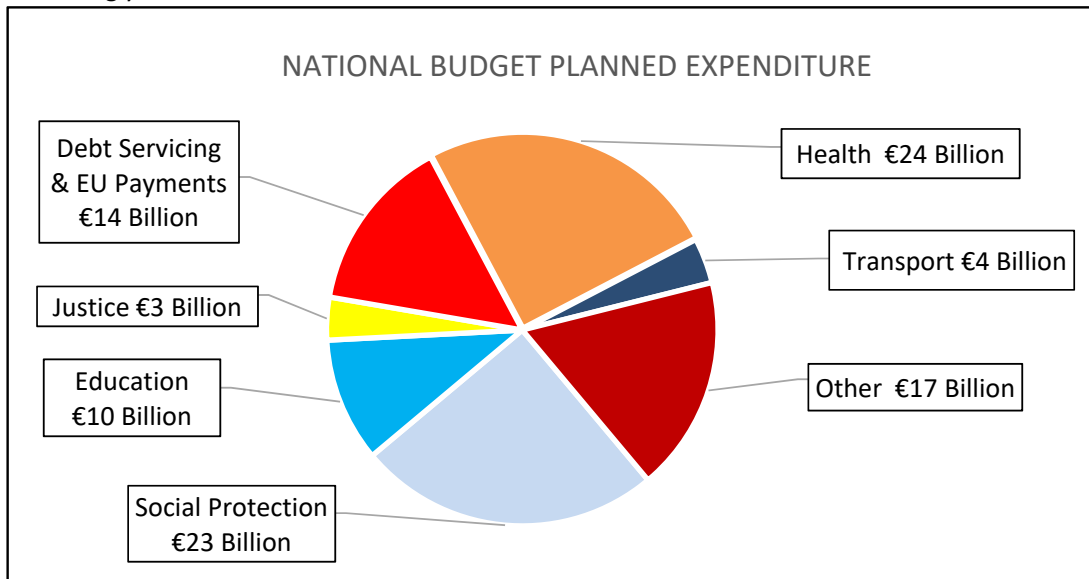
The Government will spend €60 million in the Department of Justice and Equality to recruit additional Gardaí in 2019. State **one** example of expenditure in the Government Departments below:

Government Department:	Example of expenditure:
1. Health	
2. Education and Skills	
3. Transport, Tourism and Sport	



2023 Paper Q18 (c)

(c) The figures below were presented on budget day for a country as projections for the following year.



(i) Using the information from the pie chart above prepare the National Budget for the following year.

National Budget for the year		
	€ Billions	€ Billions
Income		105
Expenditure		
	Answer:	€
Is the government budget for the year a deficit or surplus?		



- (ii) Using the pie chart of National Budget Planned Expenditure, on the previous page, identify the sector the government plans to spend most money on next year.

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- (iii) In the event of a surplus in the National Budget, advise the Minister for Finance what to do with the surplus money?

- (iv) Identify **one** example of capital expenditure and **one** example of current expenditure for the Department of Education.

Capital expenditure:

Current expenditure:



2025 Paper Q16 (c)

- (ii) Taxation is the main source of income in Ireland's National Budget.
Apart from taxation explain **two** sources of income for the Irish Government.

1.

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2.

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2019 Sample Paper – Solution

- (a) Social Protection
- (b) Capital: Building the new children's hospital
Current: Paying doctors wages

2019 Paper - Solution

Question 13

One example of expenditure in the Government Departments below:

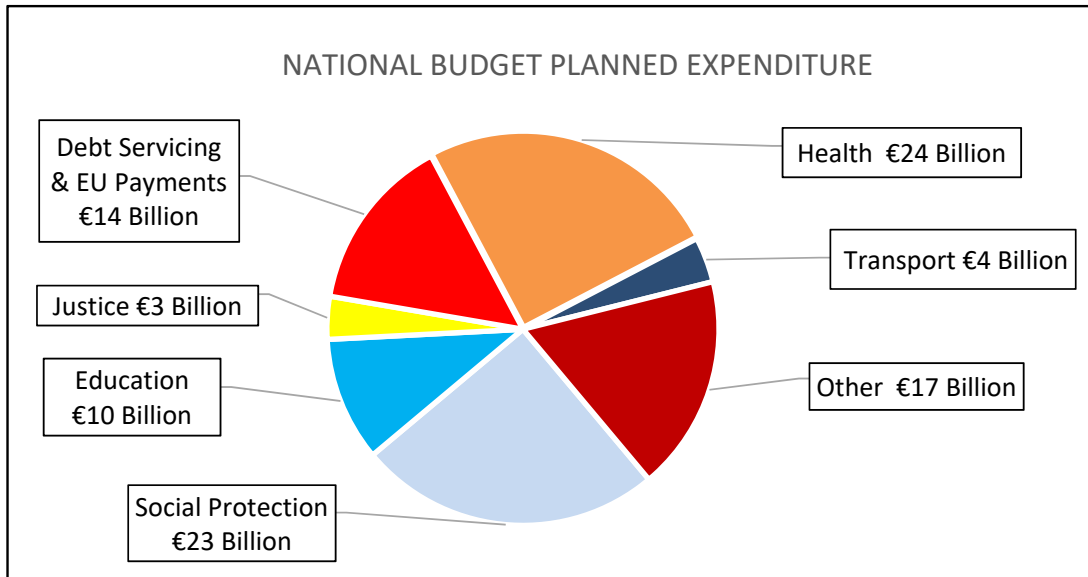
Government Department:	Example of expenditure:
1. Health	Building of hospitals
2. Education and Skills	Teacher's salaries
3. Transport, Tourism and Sport	Promote Ireland abroad

Writing "salaries/wages/pay" by itself would not score marks – make your answer specific to the Government department e.g. "teachers pay"



2023 Paper - Solution

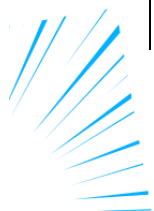
- (c) The figures below were presented on budget day for a country as projections for the following year.



- (i) Using the information from the pie chart above prepare the National Budget for the following year.

National Budget for the year		
	€ Billions	€ Billions
Income		105
Expenditure		
Health	24 1m	
Transport	4 1m	
Other	17 1m	
Social Protection	23 1m	
Education	10 1m	
Justice	3 1m	
Debt Servicing & EU Payments	14 1m	
Total Expenditure		95 1m
	Answer:	€ 10 1m O.F
Is the government budget for the year a deficit or surplus?		Surplus 2m O.F

The title of the pie chart gave a clue that all figures shown were planned expenditure so should be added together



- (ii) Using the pie chart of National Budget Planned Expenditure, on the previous page, identify the sector the government plans to spend most money on next year. **(4m)**

Health

- (iii) In the event of a surplus in the National Budget, advise the Minister for Finance what to do with the surplus money? **(2m)**

Repay some of the National Debt.

Increase Government spending on any Government Dept. e.g., Education.

Use some of the surplus to improve public services e.g., build more hospitals and employ more doctors

Invest the surplus money.

- (iv) Identify **one** example of capital expenditure and **one** example of current expenditure for the Department of Education. **(4m)**

Capital expenditure: Building schools/colleges/buying school equipment, school chairs/school tables.

Current expenditure: Paying teachers/ staff/ lecturers/SNA's wages.

Other examples fine e.g. paying for the schoolbook scheme/schoolbooks for schools for current



2025 Paper Q16 (c) - Solution

(ii) Taxation is the main source of income in Ireland's National Budget.

Apart from Taxation, explain **two** other sources of income for the Irish Government. **6m**

EU Grants, money received from the EU for a specific purpose or conditions attached that does not have to be paid back e.g., Covid, motorways etc.

EU Loans, money received that has to be paid back with interest and the loan may be for a specific purpose e.g., bailout or children's hospital

Fees/Fines charged by State Bodies which helps aid certain Government projects.

The sale of state bodies (Privatisation) is important for the Government as it gives much needed income for certain capital projects.

Any time you mention a grant, it would be good to mention that it "does not have to be paid back", and when you mention a loan you should include "must be repaid with interest".

