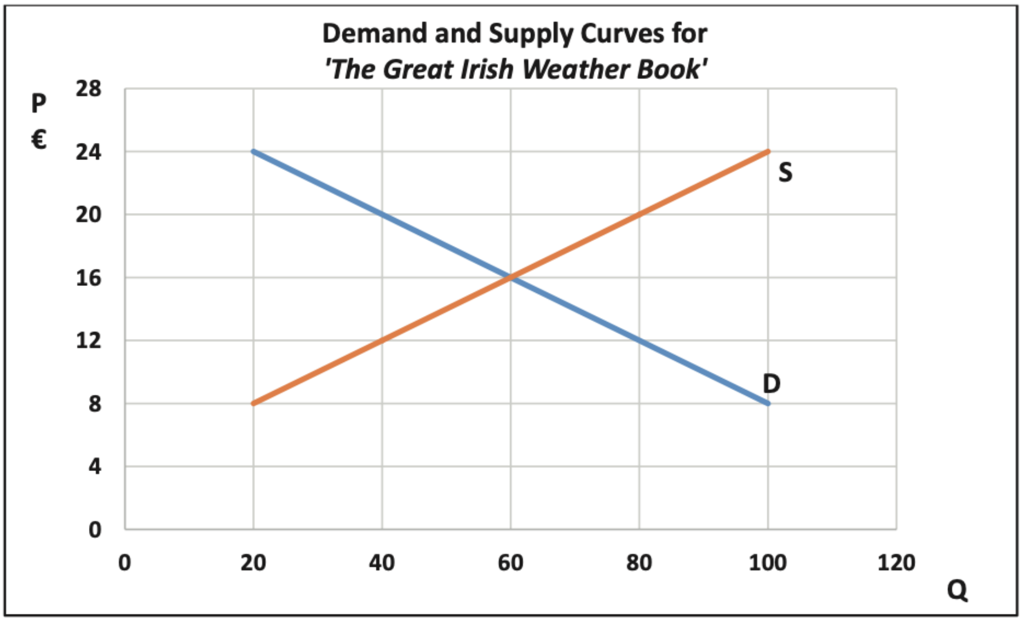
Question 16

(a) New Chapter is an award winning traditional bookshop located in Tinahely, Co Wicklow. The demand and supply curves for one of its books '*The Great Irish Weather Book*' are shown in the diagram below.



Use the above diagram to answer **each** of the following questions.

Write your answers in the spaces provided.

(i) Indicate the quantity supplied of '*The Great Irish Weather Book*' at €20.

(ii) Indicate the quantity demanded of '*The Great Irish Weather Book*' at €8.

(iii) Indicate the equilibrium price of '*The Great Irish Weather Book*'.

Question 2 - 2019 Q16 (a) (iv)

Marks: 12

Question 16

(a) New Chapter is an award winning traditional bookshop located in Tinahely, Co Wicklow. The demand and supply curves for one of its books '*The Great Irish Weather Book*' are shown in the diagram below.

(iv) What impact would the following have on the demand for books in New Chapter? Place a tick (✓) in the correct box.

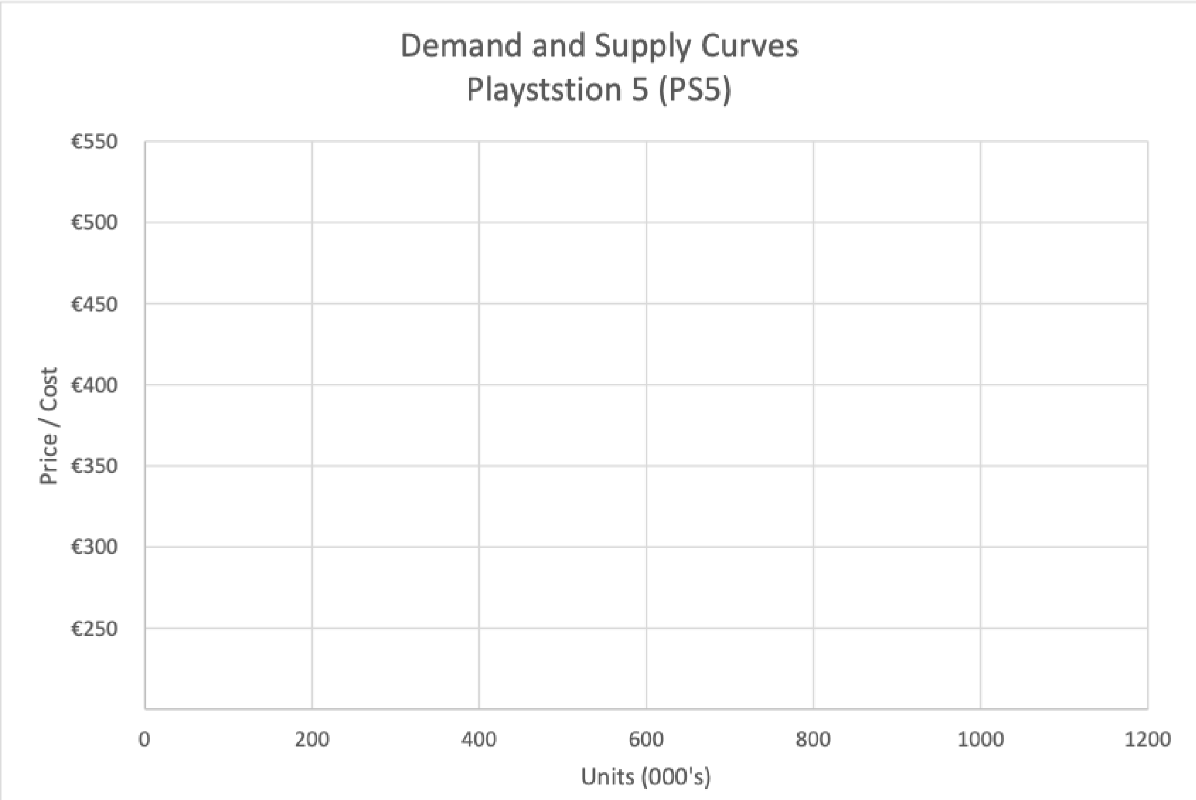
	Increased demand for books in New Chapter	**Decreased demand for books in New Chapter**
A reduction in the price of books		
An increase in taxes (VAT)		
Roll out of broadband to all areas in Wicklow		
An Eason's store opening in the town		

Question 3 - 2022 Q16 (c)(i) Marks: 17

(c) Sam, a former Lohan Ltd employee secured a job as a buyer of electrical goods for resale for an electrical retailer. As a buyer of stock for resale, they need to project demand for various products to ensure that the store has the correct quantity to meet consumer demand.

(i) Use the information in the table below to draw the demand and supply curves for the Playstation 5 (PS5).

Price	Quantity Demanded (000's units)	Quantity Supplied (000's units)
€300	1,000	200
€350	800	400
€400	600	600
€450	400	800
€500	200	1,000



(ii) Use your diagram to identify the equilibrium price and equilibrium quantity.

Write your answers in the table below.

Equilibrium Price of the PS5	
Equilibrium Quantity of the PS5	

Question 4 - 2022 Q16 (c)(iii) **Marks: 8**

(iii) The price of substitute goods and complementary goods are factors that affect the level of demand for a product.

Indicate whether the following items are substitutes for or complimentary to a PS5 by placing a tick (✓) in the correct box.

	Substitute	Complimentary
Xbox		
PS5 Controller		
Headset		
Gaming chair		

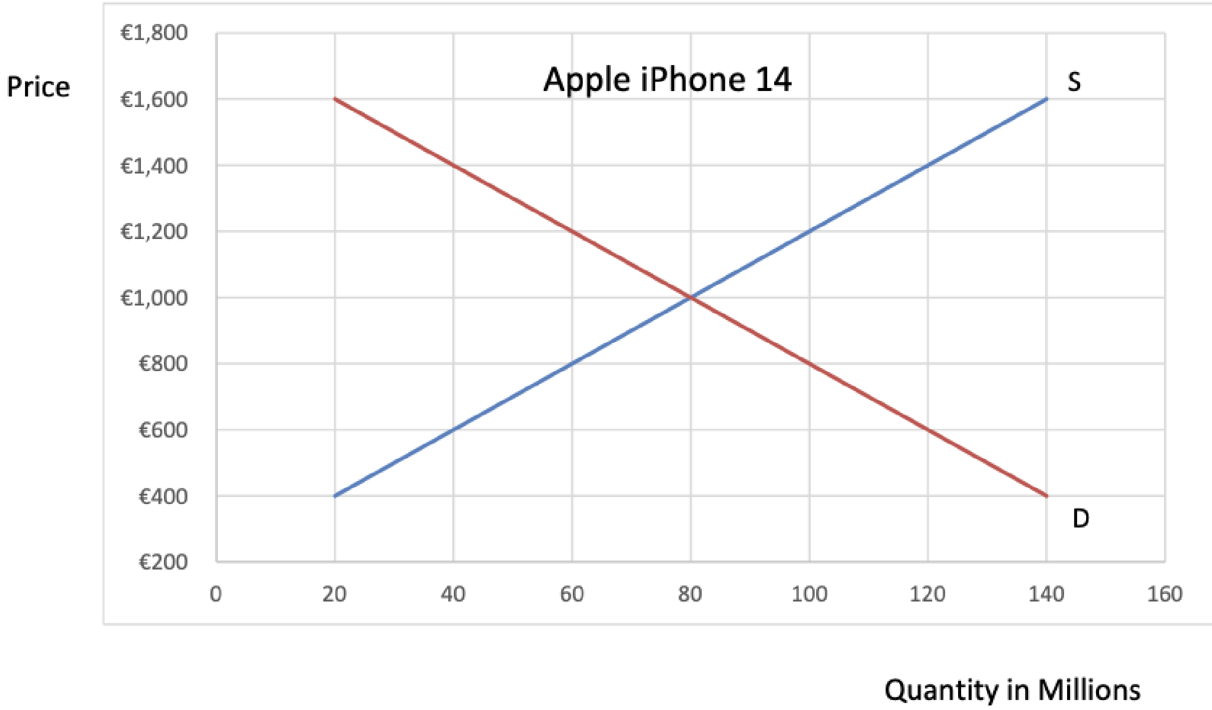
Question 5 - 2022 Q16 (c)(iv) **Marks: 2**

(iv) When demand for a product remains high despite limited supply, consumers often turn to the black market, also known as the shadow economy.

Indicate which of the following statements are true or false by placing a tick (✓) in the correct box.

Statement	True	False
Participation in the black market is illegal		
The black market is beneficial for businesses in Ireland		

(b) Apple iPhone 14



(i) Use the above diagram to answer each of the following questions.
Write your answers in the spaces provided.

Indicate the equilibrium quantity demanded of the 'Apple iPhone 14'.	Units
Indicate the equilibrium price of the 'Apple iPhone 14'.	€
Indicate the quantity demanded of the 'Apple iPhone 14' at €1,600.	Units

(ii) Explain the term substitute good and give an example of a substitute good for the 'Apple iPhone 14'.

Explanation:
Example:

(iii) If there was a reduction in supply of Apple iPhones, what impact would this have on the price of Apple iPhones? Give a reason for your answer.

Impact:
Reason:

(iv) What impact would the following have on the supply of the Apple iPhone 14? Place a tick (✓) in the correct box.

	Increased supply of Apple iPhone 14	Decreased supply of Apple iPhone 14
Decrease in the cost of producing an Apple iPhone 14		
Industrial action by Apple employees		
A storm blew the roof off a factory producing the Apple iPhone 14		

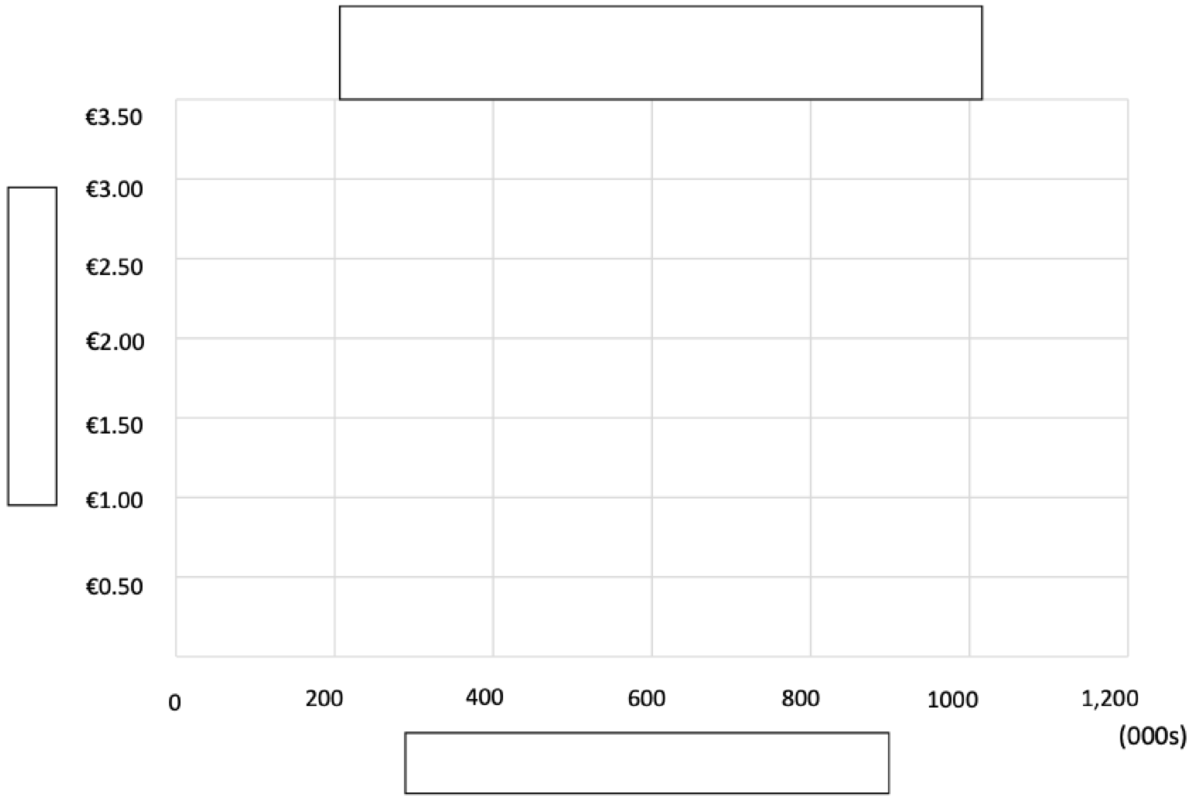
Question 8 - 2024 Q16 (c)(i)(ii)(iii) — Marks: 27

(c) A competitor has entered the breakfast market selling Corn Crispies, a fluffy and light morning cereal.

The predicted supply and demand from market research is listed below:

Price	Quantity Demanded (000s)	Quantity Supplied (000s)
€1.00	1,000	200
€1.50	800	400
€2.00	600	600
€2.50	400	800
€3.00	200	1,000

(i) Using the information above, draw and label the demand and supply curves for Corn Crispies, include a title for your graph and label each axis.



(ii) Using your diagram, or otherwise, identify the equilibrium price and equilibrium quantity.

Write your answers in the table below.

Equilibrium Price:	€
Equilibrium Quantity:	units

Question 9 - 2025 Q12 Marks: 6

Question 12

"Taylor Swift announces Dublin concerts"

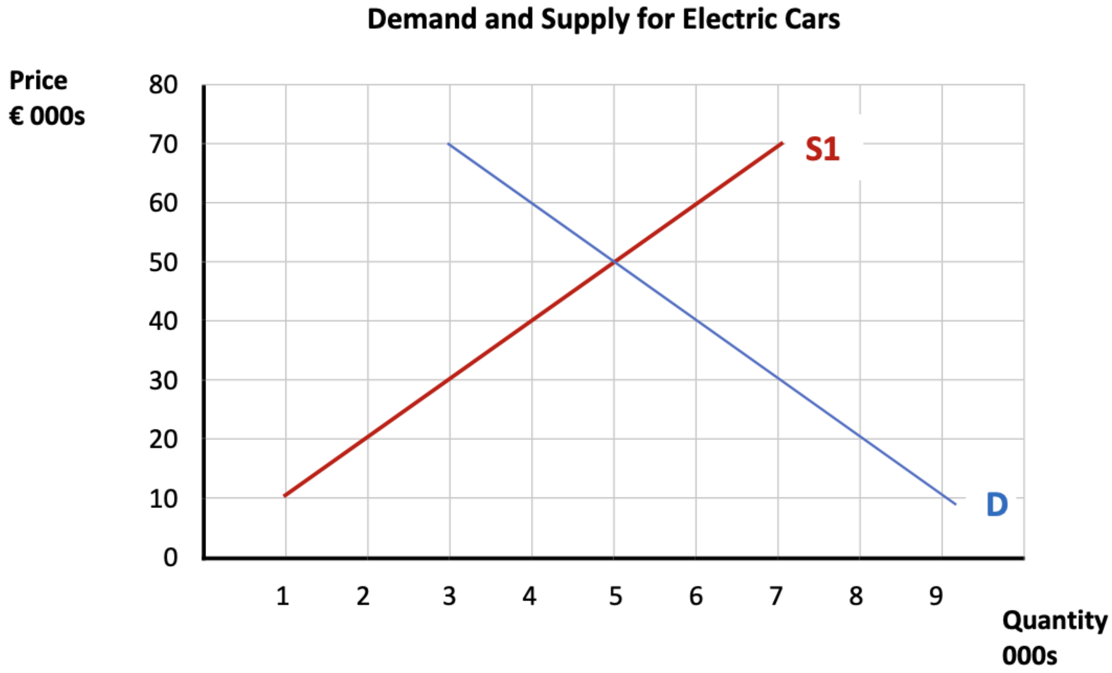
The Irish Times June 20th 2023

Explain **two** factors which affect the demand for Taylor Swift concert tickets.

1.
2.

Question 10 - 2026 Q16 (b) (iii)

(iii) The demand and supply curves for electric cars are shown in the diagram below.



As a result of the subsidy, car manufacturers are willing to increase supply by 2,000 units at each price. The new supply schedule is as follows:

Price (€) 000s	Quantity Supplied 000s
10	3
20	4
30	5
40	6
50	7
60	8
70	9

On the graph above, draw the new supply curve to represent this information. **Label it S2.**

(iv) Identify the equilibrium price and quantity resulting from this increase in supply. Write your answers in the table below:

Equilibrium Price:	€
Equilibrium Quantity:	units

Question 11 - 2026 Q16 (b) (ii)

(ii) The Government is considering offering a subsidy to car manufacturers to increase the supply of electric cars.

Explain the term subsidy.

A subsidy is

Question 12 - 2026 Q16 (b) (i)

(b)

Electric cars in Ireland: on the road, but some distance to go

RTÉ

(i) Complete each sentence by filling in the blanks.

The law of demand states that as the price of a good or service increases, the quantity demanded will ___________________.

The law of supply states that as the price of a good or service increases, the quantity supplied will ___________________.

Question 13 - Black Market

Marks: 4

Q1 Place a ✓ in the correct box (true or false) for each statement about the black market.

Statement	TRUE	FALSE
Buying goods in the black market is legal		
Consumers have full legal rights in the black market		
The black market benefits most legal businesses		
The government loses tax revenue from black market activity		

Solution Question 1 - 2019 Q16 (a) (i) (ii) (iii)

(i)	Indicate the quantity supplied of '*The Great Irish Weather Book*' at €20.	80 [3m]
(ii)	Indicate the quantity demanded of '*The Great Irish Weather Book*' at €8.	100 [3m]
(iii)	Indicate the equilibrium price of '*The Great Irish Weather Book*'.	€16 [3m]

Make sure to include the "€" sign or -1m

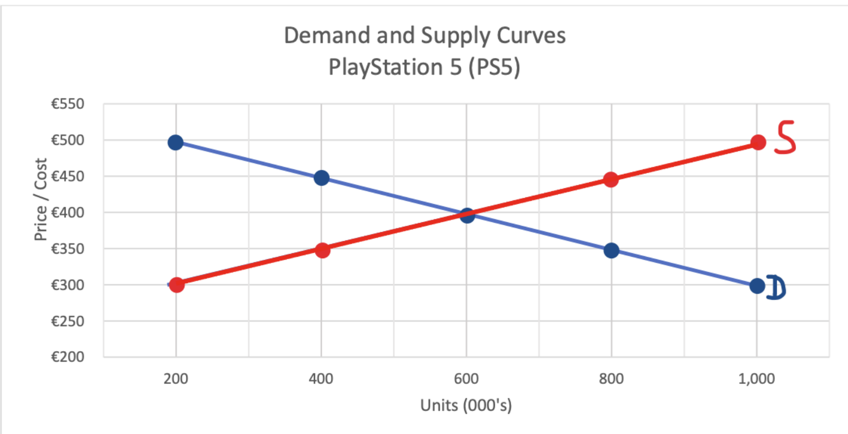
Solution Question 2 - 2019 Q16 (a) (iv)

(iv) Impact of the following have on the demand for books in New Chapter?
Place a tick (✓) in the correct box.

	Increased demand for books in New Chapter	Decreased demand for books in New Chapter
A reduction in the price of books	✓ 3m	
An increase in taxes (VAT)		✓ 3m
Roll out of broadband to all areas in Wicklow		✓ 3m
An Eason's store opening in the town		✓ 3m

Solution Question 3 - 2022 Q16 (c)(i)

(12m)



12m (5x1m for each point, 1m for each label for each curve)

(ii) Use your diagram to identify the equilibrium price and equilibrium quantity.
Write your answers in the table below. **(5m)**

Equilibrium Price of the PS5	€400
Equilibrium Quantity of the PS5	600,000 units

5m (-1 mark for leaving out the "€" sign or the word "units"

Solution Question 4 - 2022 Q16 (c)(iii)

(iii) The price of substitute goods and complementary goods are factors that affect the level of demand for a product.

Indicate whether the following items are substitutes for or complimentary to a PS5 by placing a tick (✓) in the correct box. **(8m)**

Good	Substitute	Complimentary
Xbox	✓	
PS5 Controller		✓
Headset		✓
Gaming chair		✓

Solution Question 5 - 2022 Q16 (c)(iv)

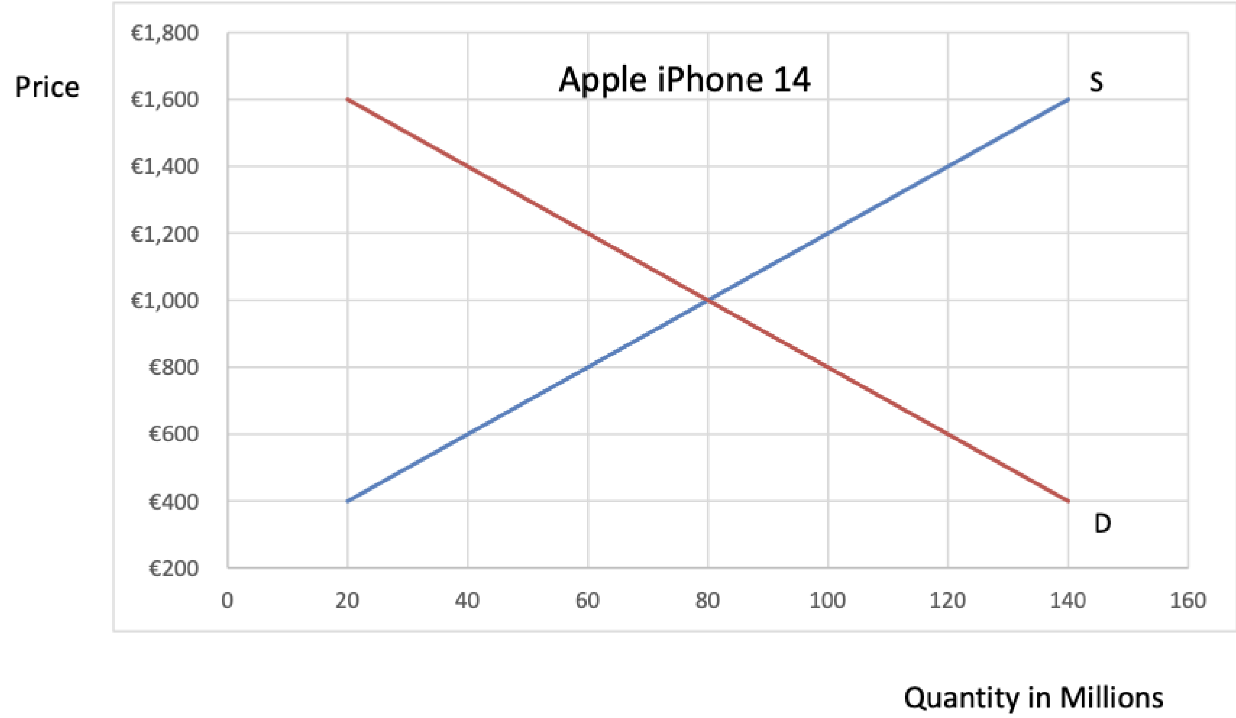
(iv) When demand for a product remains high despite limited supply, consumers often turn to the black market, also known as the shadow economy.

Indicate which of the following statements are true or false by placing a tick (✓) in the correct box. **(2m)**

Statement	True	False
Participation in the black market is illegal	✓	
The black market is beneficial for businesses in Ireland		✓

Solution Question 6 - 2023 Q18 (b)(i)(ii)

(b) Apple iPhone 14



(i) Use the above diagram to answer each of the following questions.
Write your answers in the spaces provided. **(9m)**

Indicate the equilibrium quantity demanded of the 'Apple iPhone 14'.	80 m Units
Indicate the equilibrium price of the 'Apple iPhone 14'.	€ 1,000
Indicate the quantity demanded of the 'Apple iPhone 14' at €1,600.	20 m Units

Need "m" or "million" for 1 mark for Q on Units

(ii) Explain the term substitute good and give an example of a substitute good for the 'Apple iPhone 14'.

Explanation: **(3m)**
A Substitute good is an alternative/similar/replacement good that could be used for the same purpose.
Example: **(1m)**
Samsung Galaxy, Google Pixel 7, Google Pixel 6a, Android, iPhone 13, iPad, laptop

Use "alternative" or "replacement" for a substitute good

Solution Question 7 - 2023 Q18 (b)(iii)(iv)

(iii) If there was a reduction in supply of Apple iPhones, what impact would this have on the price of Apple iPhones? Give a reason for your answer. **(5m)**

Impact: Prices would increase.
Reason: Due to the reduction in supply, prices will increase due to scarcity/rarity/ less goods available.

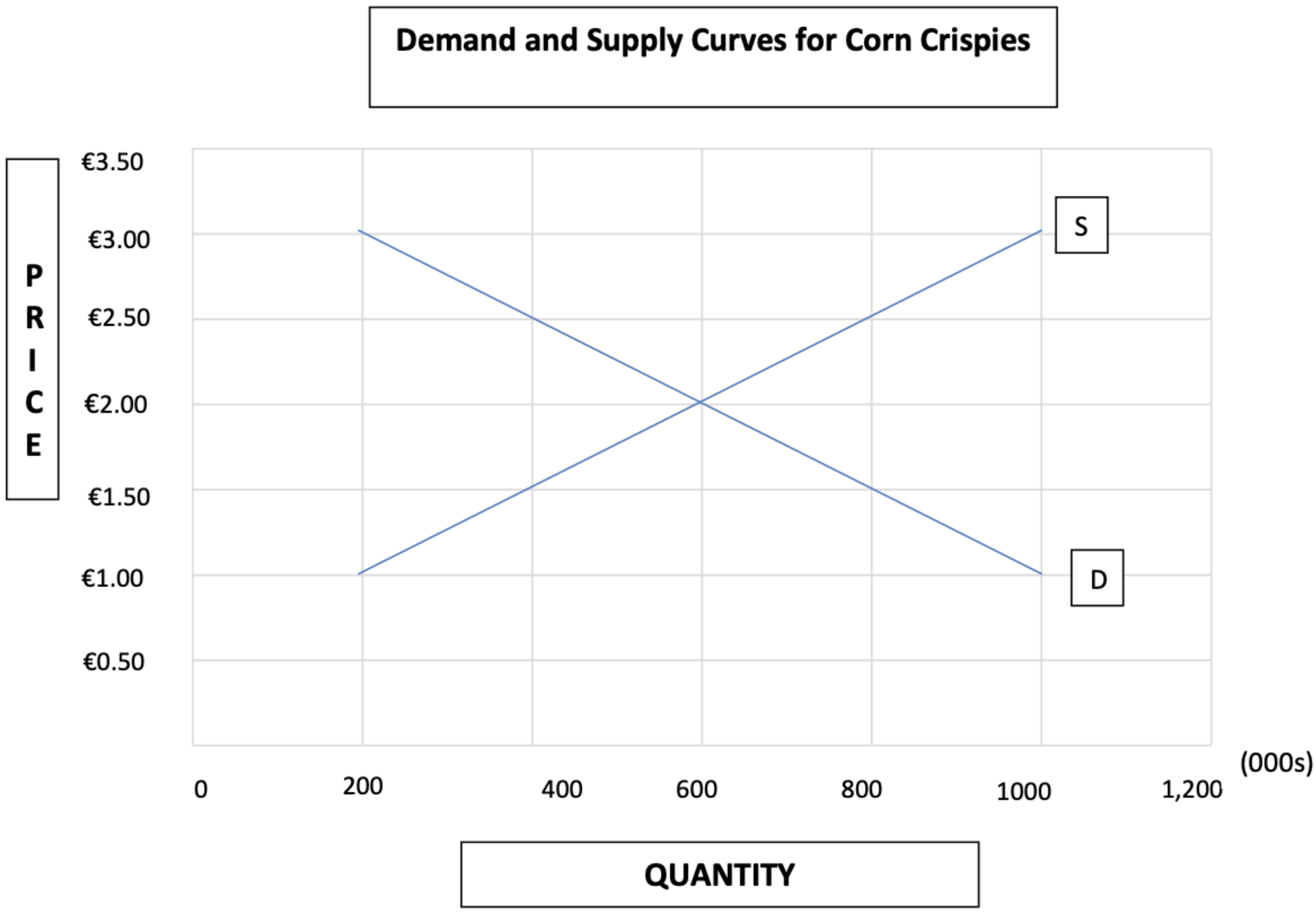
Write "increase" rather than drawing arrows for impact.
Must write a sentence for the reason, no one word answers.

(iv) What impact would the following have on the supply of the Apple iPhone 14? Place a tick (✓) in the correct box. **(9m)**

	Increased supply of Apple iPhone 14	Decreased supply of Apple iPhone 14
Decrease in the cost of producing an Apple iPhone 14	✓	
Industrial action by Apple employees		✓
A storm blew the roof off a factory producing the Apple iPhone 14		✓

Solution Question 8 - 2024 Q16 (c)(i)(ii)(iii)

(i) Using the information above, draw and label the demand and supply curves for Corn Crispies, include a title for your graph and label each axis. **(15m)**



(ii) Using your diagram, or otherwise, identify the equilibrium price and equilibrium quantity.

Write your answers in the table below. **(6m)**

Equilibrium Price:	€ 2 **O.F**
Equilibrium Quantity:	600,000 **O.F** units

Watch for "€" sign and units are given in "000's" so answer should be 600,000 units not 600

Solution Question 9 - 2025 Q12

Question 12

"Taylor Swift announces Dublin concerts"

The Irish Times June 20th 2023

Explain **two** factors which affect the demand for Taylor Swift concert tickets.

Price of the good – The higher the price of a product, the lower the demand. People will not buy the tickets if they become too expensive so demand will fall.
Consumer income – If income in the household is high/increasing, demand for a product will increase. People will demand the tickets if they can afford to buy them.
Advertising – Will let consumers know the products are available. Concert tickets being advertised heavily will increase consumer demand as more people will know they are available.
Price of complementary goods – As the price of complementary goods increases, demand for the product will fall. If transport/accommodation become too expensive demand for tickets will also fall as people will not be able to attend the concert.
Price of substitute goods – If the price of a substitute good (other concert/entertainment) decreases people will switch to this alternative. If the price of tickets for a similar concert/entertainment fall, people will not demand the Taylor Swift concert tickets and will attend the cheaper other concert/entertainment instead.
Consumer tastes/preferences – If the product is popular among consumers, demand for the product will increase. Demand for Taylor Swift concert tickets will be high as she is popular among her fan base.
Consumer expectations –If consumers expect prices to rise in the future, demand for the product will be high. If people wish to buy concert tickets and they expect the price to rise in the future, they will buy the tickets at their current price.

Explain why each factor affects demand.
No one word answers.

Higher consumer expectations: If fans hear on social media that the new concert is amazing on her tour so far it will increase demand for tickets.

Solution Question 13 - Black Market

Q1 – 4 marks 4 @ 1m

Place a ✓ in the correct box (true or false) for each statement about the black market.

Statement	TRUE	FALSE
Buying goods in the black market is legal		✓
Consumers have full legal rights in the black market		✓
The black market benefits most legal businesses		✓
The government loses tax revenue from black market activity	✓	