

Paper Reference 9EB0/01
Pearson Edexcel
Level 3 GCE

Economics B
Advanced
PAPER 1: Markets and how they
work

Data Booklet

**In the boxes below, write your name,
centre number and candidate number.**

Surname					
Other names					
Centre Number					
Candidate Number					

INSTRUCTIONS

There may be spare copies of some data sheets in case you need them.

**THIS DATA BOOKLET MUST BE
RETURNED WITH THE QUESTION
PAPER AT THE END OF THE
EXAMINATION.**

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Extract A

UK market share figures (%) for car manufacturers in 2020

***Other consists of four smaller brands with market share figures between 0·05–0·08% each.**

Key:

DG = Daimler Group

FMC = Ford Motor Company

**RNMA = Renault–Nissan–
Mitsubishi Alliance**

TM = Tata Motors

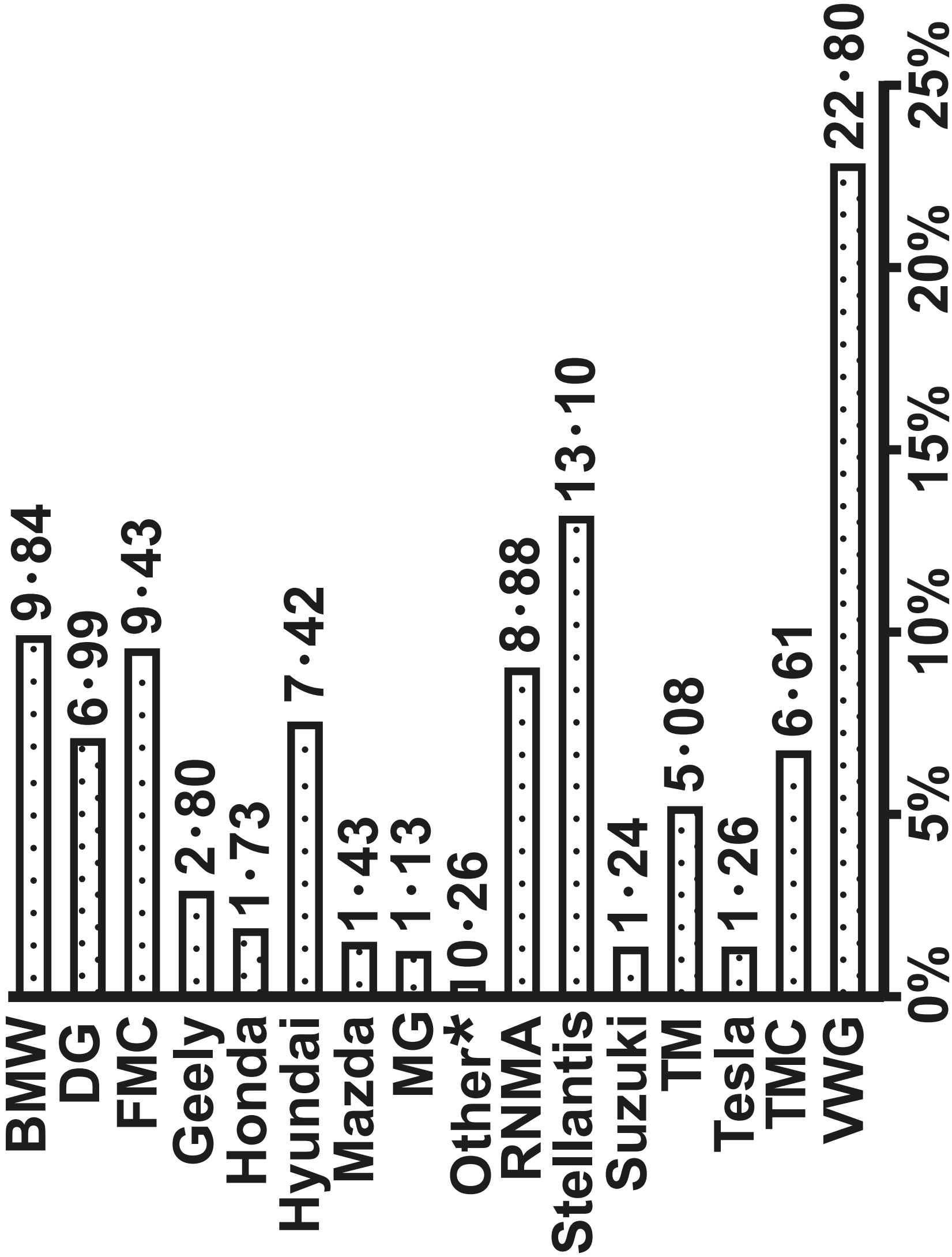
TMC = Toyota Motor Corporation

VWG = Volkswagen Group

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Turn over

Extract A continued.



Extract B

What is Stellantis?

Stellantis is a new firm that has been formed by the merger of several leading car manufacturers. The creation of **Stellantis** in January **2021** created the fourth–largest car firm in the world and brought together some of the car industry’s most famous brands under one name.

Stellantis has **18** car brands in its business, these include **Peugeot, Citroen, Vauxhall, Fiat, Alfa**

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Turn over

Extract B continued.

Romeo, Ferrari and Maserati.

**15 There are no plans to have the
Stellantis name featured on any of
the firm's cars.**

**20 It is a diverse range of brands –
some clearly compete against each
other in the high volume sector while
others occupy niche markets which,
with the correct investment, could
be hugely profitable to Stellantis.**

**25 There are similarities with the
Volkswagen Group in this
respect.**

Stellantis results for 2020 showed

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Turn over

Extract B continued.

**revenue of €60 734 million with
profit for the year of €2 022 million.**

Extract C

Ellesmere Port: Vauxhall plant's future secured with electric vehicle production

Vauxhall's parent firm, Stellantis,
5 **has revealed a new electric vehicle future for its Ellesmere Port plant in Cheshire, removing a threat of closure for the factory.**

Stellantis confirmed that a
10 **government subsidy and a £100 million investment of its own would safeguard the 1,000 jobs left at the site and 6,000 more jobs in the local supply chain. Ellesmere Port**

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Turn over

Extract C continued.

**15 would become Stellantis' first
manufacturing site dedicated to
battery electric vans and some of its
passenger car models.**

**20 The announcement follows months
of talks between the company and
officials on whether the plant was
viable on several grounds, including
the impact of Brexit. However, the
biggest issue for Stellantis, in the
25 wake of the UK's trade deal with the
EU, was the government's vision for
an all-electric car future.**

**Chief executive Carlos Tavares had
previously described the ban on the**

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Turn over

Extract C continued.

**30 sale of new petrol and diesel-powered
cars from 2030 as ‘brutal’ and
ministers were warned the plant,
which dates back to 1962, may have
to shut without state aid for an electric
35 conversion. The amount of money
given by the government was not
disclosed for reasons of commercial
sensitivity but has been reported to be
around £30 million.**

Extract D

UK Government to ban the sale of new petrol and diesel cars by 2030

5 New petrol and diesel cars and vans are set to be banned from sale in **2030** in the UK with new plug-in hybrids banned from **2035**.

10 After **2035**, the only new cars and vans that can be sold will be electric vehicles such as the **Tesla Model 3** and **Nissan Leaf**, plus any hydrogen-powered cars. However, second-hand petrol and diesel

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Turn over

Extract D continued.

**cars will still be able to be sold after
15 2030.**

**To help facilitate the transition from
petrol and diesel cars, £1·3 billion
is being invested in electric vehicle
charging points for homes, streets
20 and motorways across England.**

**A further £582 million is being set
aside for grants to help people buy
electric vehicles.**

**The government is also investing
25 £500 million in the development and
mass production of batteries, while
£525 million is earmarked for**

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Turn over

Extract D continued.

**30 nuclear power plants, partly to help
meet the demand for electricity
that the growing number of electric
vehicles will bring.**

**Prime Minister Boris Johnson said:
“My Ten Point Plan will create,
support and protect hundreds of
35 thousands of green jobs, whilst
making strides towards carbon net
zero by 2050.”**

**Sales figures for 2020 saw
2·3 million new cars sold and of
40 these 6·3% were electric or plug-in
hybrids.**

Extract E

Cost of running an electric car compared to a petrol car

***BMW i3 cost includes government grant of £2 500**

	Electric BMW i3 £29 570*
Fuel	3·7 pence per mile + £354 home charger
Tax	£0
Loss of value	£16 707
Insurance	£1 089
Servicing + tyres	£322 + £243
TOTAL	67 pence per mile

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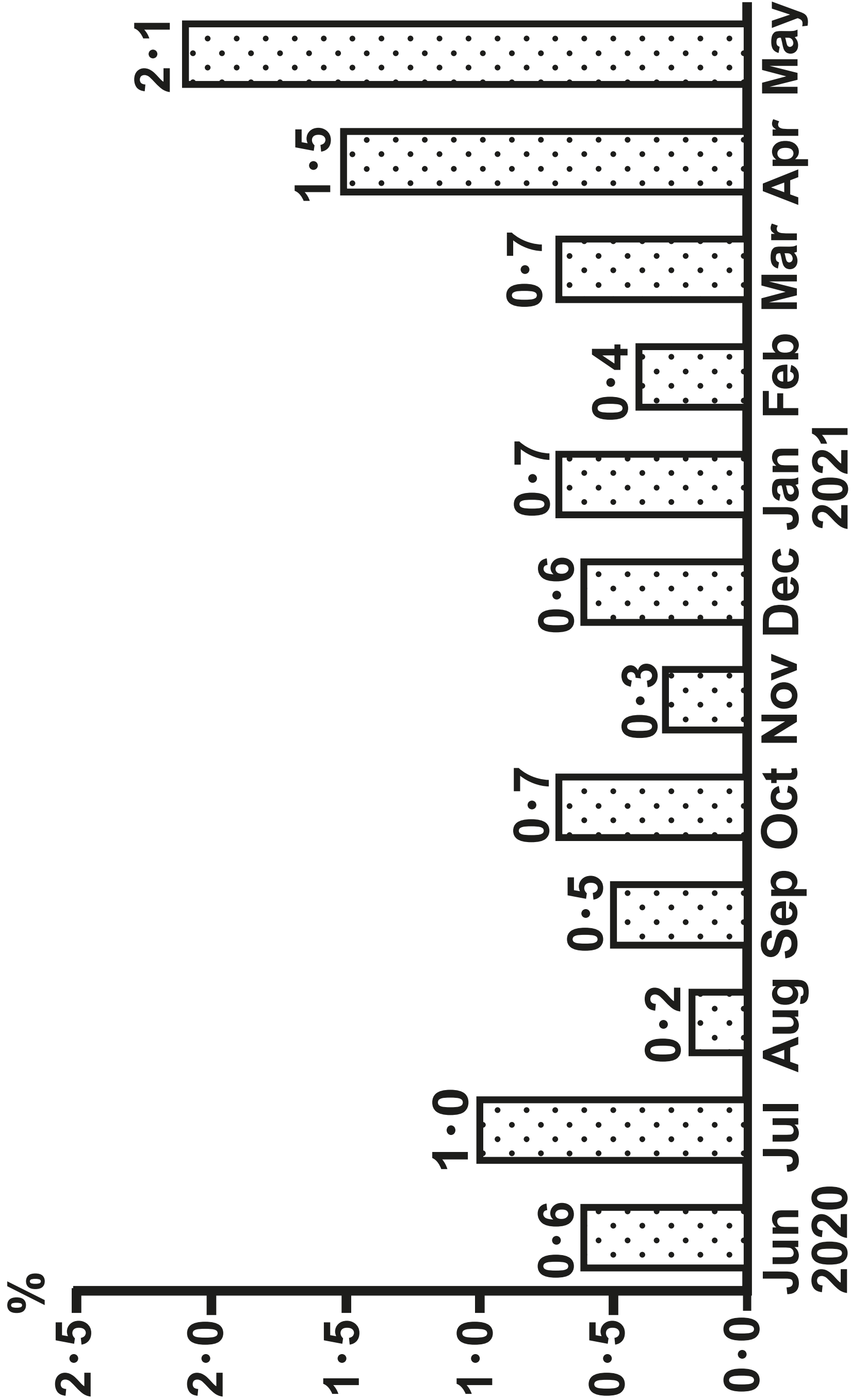
Extract E continued.

	Petrol BMW 318i £29 600
Fuel	14·2 pence per mile
Tax	£445
Loss of value	£15 066
Insurance	£824
Servicing + tyres	£528 + £87
TOTAL	74 pence per mile

Question 1(d)

Question 1(d)

UK Consumer Price Index (CPI) inflation rate (%) June 2020 – May 2021



Extract G

UK inflation risk May 2021

The Bank of England (BoE) has sought to calm fears about inflation.

5 It was 2·1% in May 2021 and is expected to exceed 4% in the coming months. The BoE said the surge in prices was ‘transitory’ and should not affect monetary policy in 2021.

10 The central bank’s message came after data showed inflation rising much faster than it had previously forecast as the economy rebounded

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Extract G continued.

**15 more strongly than expected. The
main upward pressure came from
clothing, motor fuel, recreational
goods and meals and drinks
consumed outside of the home. The
BoE's Monetary Policy Committee
20 (MPC) signalled that it would wait
for inflation to subside rather than
take action.**

**25 “The committee's central expectation
is that the economy will experience
a temporary period of strong Gross
Domestic Product (GDP) growth
and above-target CPI inflation, after
which growth and inflation will fall**

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Turn over

Extract G continued.

**back,” the MPC said in its summary
30 of its latest meeting in June 2021.**

**The committee voted to keep interest
rates at 0·1%, the lowest it has ever
been in UK history, and to continue
the programme of asset purchases,
35 which is set to raise the total amount
of quantitative easing to
£895 billion.**

Extract H

Thousands of Uber drivers to receive employee benefits

The move comes after the business lost a UK Supreme Court case in
5 March 2021 which found that Uber was wrong to class its drivers as independent contractors and should instead treat them as employees. It is believed that around 70 000 Uber
10 drivers will benefit from the changes.

Uber has said that all of its drivers will now be paid at least the national living wage of £8·91, irrespective

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Extract H continued.

**15 of the driver's age. Drivers will also
enjoy holiday time based on their
earnings. Drivers will automatically
be enrolled into a workplace
pension scheme, with Uber
contributing to the pension alongside
20 driver contributions.**

**The GMB union, which represents
Uber drivers, welcomed the move.
Mick Rix, national officer at GMB,
said "It's a shame it took the GMB
25 winning four court battles to make
them see sense. Other gig economy
companies should take note –
this is the end of the road for
bogus self–employment."**

Extract I

Business secretary denies plans to rip-up workers' rights

Business secretary Kwasi Kwarteng has denied reports that the UK Government wants to reduce workers' rights now that the UK has left the EU. In January 2021, the Financial Times (FT) reported that some workers' protections and rules brought in under the EU's Working Time Directive – including the 48-hour limit on the working week – could be amended by the government.

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Turn over

Extract I continued.

15 Kwarteng has denied the claim, stating that his department wanted to “protect and enhance workers’ rights”.

20 Labour’s shadow Business Secretary Ed Milliband tweeted: “These proposals are not about cutting red tape for businesses but ripping up vital rights for workers. People are already deeply worried about their jobs and health.”

25 “The labour market rules that exist in the UK already strike a good balance between providing protection for workers and flexibility for employers,”

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Turn over

Extract I continued.

**30 said Rachel Suff, employee relations
adviser at the Chartered Institute of
Personnel and Development (CIPD).**

Sources

Extract A

(Source: adapted from <https://www.autocar.co.uk/car-news/features/winners-and-losers-2020-uk-car-market>)

Extract B

(Source: adapted from <https://cardealermagazine.co.uk/publish/stellantis-what-is-it-which-brands-does-it-have-and-what-does-it-mean-for-customers-and-dealers/214546>
<https://www.stellantis.com/en/investors/reporting/financial-reports>)

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Sources continued.

Extract C

(Source: adapted from <https://news.sky.com/story/ellesmere-port-vauxhall-plants-future-secured-with-electric-vans-12349750>)

Extract D

(Source: adapted from <https://www.autoexpress.co.uk/news/108960/2030-petrol-and-diesel-ban-what-it-and-which-cars-are-affected>)

Extract E

(Source: adapted from <https://www.buyacar.co.uk/cars/economical-cars/electric-cars/650/cost-of-running-an-electric-car>)

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Sources continued.

Extract F

(Source: adapted from <https://tradingeconomics.com/united-kingdom/inflation-cpi>)

Extract G

(Source: adapted from <https://www.ft.com/content/a2df9e5c-2dd4-4295-9938-890329c4e61f>)

Extract H

(Source: adapted from <https://www.yourmoney.com/household-bills/thousands-of-uber-drivers-to-receive-employee-benefits/>)

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Sources continued.

Extract I

(Source: adapted from <https://www.personneltoday.com/hr/business-secretary-denies-plans-to-rip-up-workers-rights/>)