

Answer **all** the questions in the spaces provided.

1. A first-class stamp rose in price from 46p to 60p in April 2012. The 30% price rise in first-class stamps marked the biggest annual increase in percentage terms since 1975. Many consumer groups, especially those representing pensioners, have expressed their alarm at such large price increases.

Source: BBC News online March 2012

Royal Mail is an organisation in the **public sector**. However, the Postal Services Act 2011 enables the government to privatise Royal Mail with the first sale of shares in October 2013. The **monopoly**, held by Royal Mail in relation to the delivery of letters in the UK, may soon be a thing of the past. Eventually Royal Mail may become a **private sector** organisation.

- (a) Identify **two** aims of a *private sector* organisation. [2]

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- (b) Explain how the aims of a *public sector* organisation, such as Royal Mail, may differ from those of a *private sector* organisation. [4]

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