

**2** The world's four largest accountancy firms experienced a decline in demand for their services at the start of 2023. One cause of this lower demand was a decline in mergers in other industries, including the chocolate industry. Three of the accountancy firms reduced the number of new workers they hired and the other accountancy firm announced job losses. The ability of workers to gain new jobs is influenced by their mobility.

- (a)** Identify **two** advantages a firm may gain from merging with another firm. [2]
- (b)** Explain **two** disadvantages workers may experience as a result of losing their jobs. [4]
- (c)** Analyse the advantages of an increase in labour mobility. [6]
- (d)** Discuss whether or not the demand for chocolate is likely to be price elastic. [8]