

# Economics ATAR New Teachers Seminar

Friday June 24 2022



Economics Teachers' Association of  
Western Australia

## Welcome and Introductions

Nick Ognenis



## Agenda

- |   |                 |
|---|-----------------|
| 1. Welcome and Introductions                                  | Nick Ognenis    |
| 2. A 1 <sup>st</sup> year Economics ATAR teaching experience  | Harmony Britton |
| 3. Considerations for a 'good' assessment                     | Nick Ognenis    |
| 4. Sample assessment items/tasks:                             | Sean Vagg       |
| • Inflation (Data Interpretation/short answer)                | Luisa Tersigni  |
| • Markets: WA egg shortage (Data Interpretation/short answer) | Justin Searle   |
| • Unemployment (Extended answer)                              |                 |
| • Investigation (Macroeconomic issue)                         |                 |
| 5. Assessment review and feedback                             | Rebecca Hawkins |
| 6. Questions and closing                                      | Nick Ognenis    |



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## A 1<sup>st</sup> year Economics ATAR teaching experience

Harmony Britton





## Data Interpretation/Short Answer - Inflation

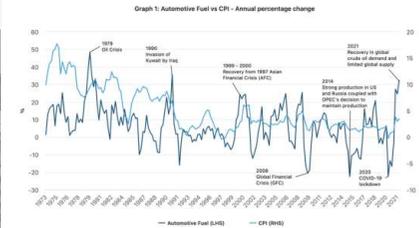
### Inflation surges as housing and fuel lift consumer price index

By business reporters Michael Janda, Rhiana Whitson and Emilia Terzon  
 Posted 9 Feb 20 Jan 2022 at 9:30am, updated Tue 20 Jan 2022 at 10:45pm



A 4.2 per cent jump in the costs of new houses helped drive the consumer price index higher. (ABC News, John Gault)

### Question 2 (12 marks) Automotive Fuel vs CPI – Annual percentage change



1979 Oil Crisis  
 1980 Inflation of Kuwait by Iraq  
 1980-2002 Recovery from 1987 Asian Financial Crisis (APFC)  
 2008 Global Financial Crisis (GFC)  
 2009 Global Financial Crisis (GFC)  
 2014 Rising production in US and Russia coupled with OPEC's decision to maintain production  
 2020 COVID-19 shutdown  
 2021 Recovery in global trade of demand and limited global supply  
 Source: Australian Bureau of Statistics, Automotive Fuel in the CPI 2/20/2021

ETAWA Year 11 Economics ATAR Unit 1 Markets: WA egg shortage

<b>Description of task</b>	Students will read an article titled "WA egg shortage sees demand for backyard chooks soar" that describes how backyard chickens are in high demand, caused by a state-wide shortage of store-bought eggs and the introduction of sale restrictions. Students then answer a series of questions related to the article.
<b>Assessment Conditions</b>	Students will have 20 minutes to answer all questions. 12 marks in total.
<b>Content from the Year 11 Economics ATAR curriculum</b>	<b>Demand, supply and equilibrium</b> <ul style="list-style-type: none"> <li>factors affecting supply                             <ul style="list-style-type: none"> <li>price</li> <li>costs of production</li> <li>factors of production</li> <li>expected future prices</li> <li>number of suppliers</li> <li>technology</li> </ul> </li> <li>the concept of market equilibrium</li> <li>the effect of changes in demand and supply on market equilibrium</li> <li>how the price mechanism clears market surpluses and shortages</li> </ul>
<b>Economic Skills</b>	<ul style="list-style-type: none"> <li>Economic Reasoning and Interpretation</li> <li>Communication</li> </ul>
<b>Task preparation</b>	
<b>Prior learning</b>	Students are familiar with the following economic knowledge and understandings: <ul style="list-style-type: none"> <li>the effect of changes in price on quantity demanded i.e. expansion or contraction of demand</li> <li>the effect of changes in non-price factors on quantity demanded i.e. increase or decrease in demand</li> <li>the law of supply</li> <li>the effect of changes in non-price factors on quantity demanded i.e. increase or decrease in demand</li> <li>the concepts of market clearing, shortages and surpluses</li> </ul>
<b>Assessment task</b>	
<b>Resources</b>	* Property experts warn Perth's housing crisis to become a 'catastrophe' when WA border drops" by Jenne Brammer, Perth Now, and published on 10 February 2022, from <a href="https://www.perthnow.com.au/the-city/food/wa-egg-shortage-sees-demand-for-backyard-chooks-soar-5645982">https://www.perthnow.com.au/the-city/food/wa-egg-shortage-sees-demand-for-backyard-chooks-soar-5645982</a>

## Data Interpretation/Short Answer Luisa Tersigni



### WA egg shortage sees demand for backyard chooks soar

Jenne Brammer | PerthNow  
 February 10, 2022 1:59PM

## Data Interpretation/Short Answer – Marking Key

c) Use a demand and supply model to demonstrate and explain demand pull inflation.

Description	Mark
<b>Model</b>	
Correctly labelled model showing demand shifting to the right with an increase in price.	2
Correctly labelled model showing a price increase	1
<b>Explanation</b>	
Explains the concept of demand pull inflation using both economic reasoning and a suitable example	4
Describes that demand pull inflation creates a shortage of goods due to a mismatch between demand and supply in a market	3
Outlines that demand pull inflation creates a shortage of goods	2
States that demand pull inflation is related to high demand from consumers	1
<b>Total</b>	<b>6</b>

Answers may include:

- Demand pull inflation is 'too much money chasing too few goods'. Households and businesses are spending more than they normally would (provide example).
- This increase in demand causes demand to shift to the right (D1->D2)
- Increase in demand causes price to move from P1->P2
- Excess demand causes a shortage

## Data Interpretation/Short Answer - Markets

**WA egg shortage sees demand for backyard chooks soar**  
 Jenne Brammer

Backyard chooks are back in high demand, sparked by a WA-wide shortage of store-bought eggs and the introduction of sale restrictions. Sellers of young chickens have reported a surge in demand for the birds, as well as poultry feed products.

They put the increased popularity down to the scarcity of store-bought eggs in supermarkets after extreme flooding in central Australia led to disruptions in the freight transport network, limiting the amount of goods coming into WA.

WA's commercial egg industry produces about 42 million dozen eggs a year but that meets only 80 per cent of demand. A further 8 million dozen are normally imported each year from the east coast.

Commercial Egg Producers Association president Ian Wilson said there had been a surge in demand for pullets (young egg-laying chickens) in recent weeks, albeit to a lesser extent than when COVID first emerged in 2020.

"As soon as people see stock levels fall on supermarket shelves, they look to get their own egg-laying chickens. There's a definite increase in interest," he said.

Ray Orr, owner of the Jandakot Stock and Pet supplies said his supply of young hens for February had sold out and his March delivery had already been pre-sold. There was also an increase in demand for feed products. Chickens are still available for sale via Gumtree, with prices ranging from \$15 for a fully-vaccinated Isa Brown hen, to \$60 for a Heritage cross breed.

Source: PerthNow February 10, 2022.

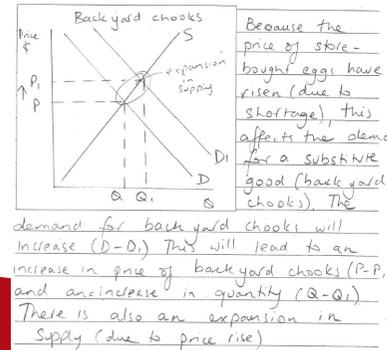
## Data Interpretation/Short Answer – Marking Key

- (a) Define Supply (1 mark)  
 Supply is the quantity that producers are willing and able to produce at a particular price at a particular point in time.
- (b) Explain what is meant by a complementary good and use an example from the article to help explain this concept. (2 marks)  
 Complementary goods are goods that are consumed in conjunction with each other. A complementary good for backyard chickens is feed products.

Question	Mark
<b>(a) Define Supply</b> Supply is the amount of a good or service that producers are willing and able to sell at a particular price and at a particular point in time.	1
<b>(b) Explain what is meant by a complementary good and use an example from the article to help explain this concept</b> A complementary good is a good whose appeal increases with the popularity of its complement - the demand of one good is linked to the demand for another good. In the case of the article and increase in the demand for backyard chickens has resulted in an increase in the demand for feed products.	1
	1

## Data Interpretation/Short Answer – Marking Key

- (c) Demonstrate and explain, with reference to a diagram, how the backyard chook market has responded to the shortage of store-bought eggs. (4 marks)



**(d) Demonstrate and explain, with reference to a diagram, how the backyard chook market has responded to the shortage of store-bought eggs.**

**Model:**  
Correctly drawn demand and supply model, fully labelled, showing a shift of the demand curve for backyard chickens to the right

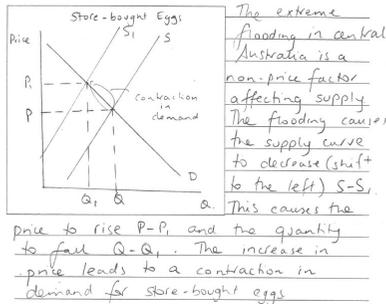
**Explanation:**

- Following decrease in supply, and a market shortage and price rise for store-bought eggs, the demand for backyard chickens rises as alternative sources of egg stocks are sought
- Following the introduction for alternative supplies for eggs, the market shortage for store-bought eggs will be reduced.
- Increase in overall supply of eggs and a decrease in demand for store-bought eggs results in a decrease in equilibrium price and quantity.

*Students must refer to diagram labels in their explanation for full marks.*

## Data Interpretation/Short Answer – Marking Key

- (c) (i) With reference to the article, identify one non-price factor which is affecting the supply of store-bought eggs. (1 mark)  
 extreme flooding in central Australia
- (ii) Demonstrate and explain the impact of this factor on the equilibrium price and quantity of store-bought eggs. (4 marks)



**(c) (i) With reference to the article, identify one non-price factor that is affecting the supply of store-bought eggs.**

Extreme flooding in central Australia led to transport disruptions of freight

**(c) (ii) Demonstrate and explain the impact of this factor on the equilibrium price and quantity of store-bought eggs.**

**Model:**  
Correctly drawn demand and supply model, fully labelled, showing a shift of the supply curve to the left for store-bought eggs

**Explanation:**

- Extreme flooding in central Australia led to transport disruptions of freight and a decrease in supply for store-bought eggs
- Following decrease in supply, a market shortage at the original equilibrium exists, driving the price upwards. As price rises, the quantity demanded for store-bought eggs falls

*Students must refer to diagram labels in their explanation for full marks.*

## Extended Answer Justin Searle

**ETAWA** Year 11 Economics ATAR Unit 2 **Unemployment**

**Description of task:** Students will read an extract from the Sydney Morning Herald on the national unemployment rate that describes that unemployment is at historically low levels and the lowest it has been in almost 50 years. Students then write an extended answer response to two questions on the concept unemployment and the effects of full employment.

**Assessment Type:** Extended answer

**Assessment Conditions:**

- Students will have 45 minutes to answer all questions.
- 5 minutes reading/judging
- 40 minutes extended answer writing
- 20 marks in total

**Content from the Year 11 Economics ATAR curriculum**

**Unemployment**

- the concepts of unemployment, full employment, the natural rate of unemployment, the participation rate and underemployment
- the measurement of unemployment
- types and causes of unemployment, including cyclical, structural and frictional
- the effects of unemployment
- the implications of full employment for the economy
- the possible short-term trade-off between unemployment and inflation

**Economic Skills**

- Economic Reasoning and Interpretation
- Communication

**Task preparation**

Students are familiar with the following economic knowledge and understandings:

- indicators of economic activity
- leading indicators, including new employment vacancies
- lagging indicators, including unemployment rates/levels
- the measurement of unemployment
- types and causes of unemployment, including cyclical, structural and frictional
- the effects of unemployment

**Assessment task**

**Resources**

- "Unemployment falls to lowest level since 1974" by Shane Wright and Rachel Cox, and published on 19 May 2022, from <https://www.smh.com.au/business/federal/unemployment-falls-to-lowest-level-since-1974-20220519-5d4m1.html>

The Sydney Morning Herald **Unemployment**

Unemployment falls to lowest level since 1974

The national unemployment rate has fallen to its lowest level since mid-1974 after a small increase in the number of people working through April.

The Australian Bureau of Statistics reported the unemployment rate was 3.9 per cent last month which means it was actually nearly after the boom ended (down to 3.6 per cent) in its report to 3.9 per cent.

# Extended Answer

## YEAR 11 ATAR ECONOMICS

### UNIT 2 - EXTENDED RESPONSE UNEMPLOYMENT

Name: \_\_\_\_\_

The national unemployment rate has fallen to its lowest level since mid-1974 after a small increase in the number of people working through April. The Australian Bureau of Statistics reported the unemployment rate was 3.9 per cent last month which means it was actually steady after the bureau revised down its March jobs report to 3.9 per cent. (Source: <https://www.smh.com.au/politics/federal/unemployment-falls-to-lowest-level-since-1974-20220519-p5amid.html>).

Write an extended response to the following question in the space provided below.

- (a) Describe the concepts of full employment, the natural rate of unemployment, the participation rate and underemployment. (10 marks)
- (b) Discuss the impact of full employment for the Australian economy, including the possible trade-off between inflation and unemployment. (10 marks)

# Extended Answer (Investigation) – Assessing the skills Nick Ognenis

### Reasoning, interpretation and analysis

- identify and organise relevant information within sources
- identify trends and relationships in economic information and data on the macroeconomy
- use economic information and data to make predictions on the macroeconomy
- apply mathematical techniques relevant to macroeconomic analysis, including: calculations relating to the circular flow of income; calculating the inflation rate using the Consumer Price Index (CPI); calculating the unemployment rate and the participation rate from labour force data; calculating and interpreting rates of change in gross domestic product (GDP); constructing and interpreting Lorenz curves; calculating marginal and average rates of taxation; calculating balances (surplus/deficit) for balance of payments data
- use macroeconomic models, including the circular flow model, the business cycle, the production possibility frontier, the Lorenz curve and the Phillips curve to analyse macroeconomic events and issues
- apply economic reasoning to evaluate Australia's macroeconomic performance
- use evidence found in economic information and data to justify a conclusion

### Communication

- select and use appropriate terminology
- select and use appropriate formats when communicating economic understanding
- use economic models to convey economic theory and reasoning about macroeconomic events and issues
- reflect on the investigation process used

# Marking Guide

Description	Marks
Define Unemployment - Unemployment occurs when people who are willing and able to find work cannot find a job.	1
<b>Description of concepts related to unemployment.</b>	
Correct description – 2 marks each	
Brief description or identifying each of the concepts – 1 mark each	
Full employment - Is a situation in which there is no cyclical or deficient-demand unemployment. This can be represented diagrammatically as any point on the Production Possibilities Frontier (PPF).	1-2
Natural rate of unemployment - This being the lowest jobless rate that can be sustained before generating inflationary pressures – the so-called "non-accelerating inflation rate of unemployment" (or NAIRU).	1-2
Participation rate – Includes those people who are employed (i.e. people who complete at least one hour of paid work or work unpaid in a family business). It also includes those people who are unemployed (people who were not employed but actively seeking full or part-time work).	1-2
Underemployment – Occurs when workers who would like to be working full-time can only find part-time work. This is an indicator of spare capacity.	1-2
Conclusion – Unemployment has been trending downward since 2021, currently at 3.9% (April 2022).	1
<b>Total</b>	<b>10</b>

(b)

Description	Marks
Output Effects – up to 2 marks each	
1. GDP gap – Unemployed labour represents unused resources, so the output of the economy must be less than its potential if resources were fully utilised. The GDP gap occurs because actual levels of output, income and employment lie inside the production possibility frontier of the economy.	1-4
2. Opportunity Cost – Unemployment has an opportunity cost – the benefits that could have been obtained had the lost taxation and welfare payments had been spent on health, education or infrastructure. Over the long term, persistent unemployment reduced the rate of economic growth.	
Unemployment and the distribution of income – Unemployment tends to affect some groups more than others – 15-19 age group, middle aged and minority ethnic groups are prone to longer periods of unemployment. Unemployment benefits do not provide a comfortable lifestyle, which leads to personal, family and social problems. This creates an opportunity cost to society.	1-2
Trade-off between inflation and unemployment – Unemployment is a counter-cyclical variable – as economic increases, unemployment decreases. On the other hand, inflation (particularly demand inflation) is pro-cyclical variable. In other words inflation moves with inflation. This means if we compare the inflation rate and the unemployment rate, we are likely to see a negative relationship between the two – as unemployment rises, inflation falls and vice versa.	1-2
Correct drawing of the Phillips Curve – Labelling of Inflation on Y Axis, Unemployment on X Axis with a downward sloping curve showing the negative relationship between the two.	1-2
<b>Total</b>	<b>10</b>

# Extended Answer (Investigation) – Assessment Conditions

### Conditions

Part A: Research: Two (2) weeks outside of class time including 10 hours of the time allocation for Unit 1. Prior to commencing the in-class validation students must submit all other evidence of the research they have conducted, including a bibliography.

Part B: Persuasive essay: To be written in 50 minutes in class under invigilated conditions. Students are permitted access their collected economic information and data from Part A during the writing of the persuasive essay validation task.

## Extended Answer (Investigation) – Part A: Research

### Part A – Research

(12 marks)

#### Case study – the market for healthcare

Like other markets, the healthcare market has consumers (patients) and producers (doctors, nurses, etc.). But various features of this market complicate the analysis of their interactions.

As part of their research into, students are to collect and select data and economic information on the market for healthcare and respond to the following questions.

1. Identify the characteristics of an imperfectly competitive market and discuss how they apply to the market for health care. (4 marks)
2. Explain the existence of externalities in the market for health care. (4 marks)
3. Discuss the reasons why health care is considered a merit good (4 marks)



## Using assessment reviews to develop self regulation (and provide feedback)

Rebecca Hawkins



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## Extended Answer (Investigation) – Part B: Validation

### Part B – In-class validation: Persuasive Essay

(15 marks)

"The provision of health care should be left to the forces of demand and supply in the market".

Discuss this statement with reference to the:

- the types of market failures that exist in the market for healthcare
- policy options available to reduce market failure for healthcare
- use of economic terminology, models, information and data to support your recommendations.

(15 marks)

## Cognitive and metacognitive development improves students self regulation

The greater a students self regulation, the better they are at critical thinking and problem solving

## Cognition

Learning how to learn

Active and constructive learning that enables acquisition of deeper structural knowledge

Why is this important?

It

- Increases retrieval speed
- Decreases cognitive loading
- Improves autonomy



Teaching those skills will help them in future assessments

## Metacognition

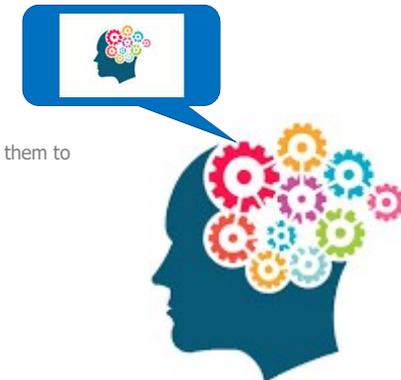
Thinking about thinking

Builds students autonomy by encouraging them to plan, evaluate and review

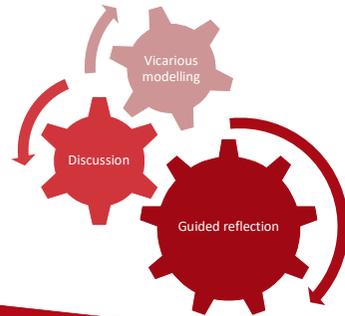
Why is this important?

It improves students

- critical thinking
- problem solving
- self-awareness
- Confidence.



## Turning an assessment feedback session into a learning opportunity can do this



## Question 25 ETAWA 2021 Semester 1

Earlier this month, investment bank Credit Suisse forecast the price of iron ore reaching \$150 per tonne in 2021. Two weeks later it had exceeded that and today is around \$164. That is the highest it's been in nearly a decade. The reason for the price rise is increasing demand and reduced supply.

Iron ore is a core component in the production of steel and this product is used extensively in shipbuilding, construction, and manufacturing. The world's biggest iron ore importer is China and it is continuing its massive construction boom. However, it is not just China seeing an increase in demand for steel. The US and EU are also in the market for steel and with emerging markets modernising their infrastructure and striving for a middle-class lifestyle, demand for iron ore continues to soar.

The world's biggest iron ore exporting countries are Australia and Brazil. However, exports of iron ore from Brazil collapsed after an environmental catastrophe in January 2019, when a mining waste dam burst, killing 270 people.

Higher prices encourage production, which increases appetite for investment. If this happens, then it should offset the supply shortages. Many new iron ore projects are in the pipeline or already underway.

So, will iron ore prices continue to rise? It seems short-term they could, but long-term it will depend on how quickly the supply chains stabilize

## Simple steps you can take to do this

- |   |  |
|---|--|
| 1. Provide them with a copy of their completed assessment   | Guided reflection and autonomy             |
| 2. Teach them a structural process that breaks it down to reduce cognitive loading (content, context, type of response)             | Scaffold / Guided learning                 |
| 3. Discuss what was required to answer the question in enough detail for the marks allocated  | Discussion (collaboration) and feedback    |
| 4. Provide a model answer, written by a student, then deconstruct and discuss it as a class (what was done well, even better if...) | Guided reflection and autonomy             |
| 5. Get them to annotate their copy of their assessment (what they did well, even better if...)                                      | Vicarious modelling (making it attainable) |

## Question 25 c

4 marks

- Describe and demonstrate using a demand and supply diagram, the changes in the iron ore market in February.

## Question 25 c

4 marks

- Describe and demonstrate using a demand and supply diagram, the changes in the iron ore market in February.

- 2 marks – describe
- 2 marks demonstrate (diagram)

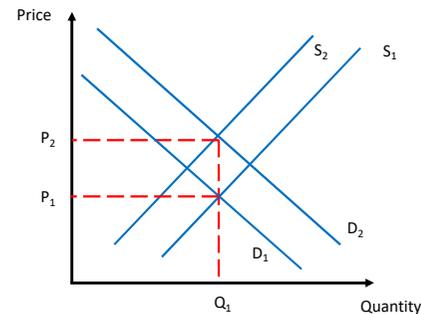
## The same process can apply to extended answers, but with a slight tweak.

- Provide them with a copy of their completed assessment
- Teach them a structural process that breaks it down to reduce cognitive loading
- Ask them re-write their answer
- Discuss the key elements needed in the response
- Get them to edit their answer
- Swap their new answer with a peer for peer feedback
- Provide them with a model response and ask them to evaluate it – what was good, even better if...
- Self evaluate their own - what they did well, even better if...

## Question 25 c

4 marks

- "The increase in demand and decrease in supply causes the demand curve to shift right from D1 to D2 and the supply curve to shift left from S1 to S2. This causes the equilibrium price to increase, however, equilibrium quantity remains undetermined as it depends on the rate of change of the supply and demand curves. Otherwise, the quantity may remain at one tonne, as the article states."
- Full marks. **Even better if referred to the growing economics demanding more steel and the environmental disaster reducing supply.**



## By taking the time, you increase your students ability to think and learn

To do this successfully you need to

- Have created a safe place to fail
- Take the time
- Considered your seating plan to:
  - maximise peer teaching
  - enable regular vicarious modelling
  - encourage discussion

But it is worth it, after all, they sit their ATAR, not you.

## Behavioural terms - type of response

Text form	Behavioural term	Definition / detail
Factual or procedural	Define	State meaning and identify essential qualities
	List	Provide a series of related words, names, numbers or items that are arranged in order, one after the other
	Outline	Sketch in general terms; indicate the main features of
	State	Express the main points of an idea or topic, perhaps in the manner of 'describe' (see above)
	Describe	Provide key characteristics and features
	Identify	Recognise and name
Cause and effect' responses - Explanatory or analysis	Explain	Relate cause and effect; make the relationships between things evident; provide why and/or how
	Account for	State reasons for, report on.
	Analyse	Identify components and the relationship between them; draw out and relate implications
	Discuss	Identify issues and provide points for and/or against
	Differentiate / distinguish	Recognise or note/indicate as being distinct or different from; note differences between
Other	Examine	Inquire into
	Demonstrate	Show by example
	Summarise	Express, concisely, the relevant details
	Determine	Decide, find out



Thank you

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<https://www.facebook.com/EconomicsTeachersAssociationWA/>