

Achievement Standard

Subject Reference Economics 1.3

Title Demonstrate understanding of producer choices using supply

Level 1 **Credits** 3 **Assessment** External

Subfield Economic Theory and Practice

Domain Economics

Status Registered **Status date** 9 December 2010

Planned review date 31 December 2014 **Date version published** 9 December 2010

This achievement standard involves demonstrating understanding of producer choices using the concept of supply.

Achievement Criteria

Achievement	Achievement with Merit	Achievement with Excellence
<ul style="list-style-type: none"> Demonstrate understanding of producer choices using supply. 	<ul style="list-style-type: none"> Demonstrate in-depth understanding of producer choices using supply. 	<ul style="list-style-type: none"> Demonstrate comprehensive understanding of producer choices using supply.

Explanatory Notes

1 This achievement standard is derived from the first Level 6 Economics achievement objective of the Social Sciences learning area in *The New Zealand Curriculum*, Learning Media, Ministry of Education, 2007, and is related to material in the *Teaching and Learning Guide for Economics*, Ministry of Education, 2010 at <http://seniorsecondary.tki.org.nz/>.

2 Definitions:

Producer refers to an individual or firm that supplies a good or service.

Producer choices refer to economic decisions a producer makes in response to changes in price and non-price factors affecting supply.

Supply refers to the quantity of a good or service that a producer is willing and able to sell at a range of prices. This includes using supply curves and schedules to show changes.

- 3 *Demonstrate understanding* would typically involve:
- defining, identifying, describing or providing an explanation of choices a producer makes in response to a change in internal or external factors affecting supply
 - identifying, describing or providing an explanation of the flow-on effects for the producer
 - clearly illustrating changes using the supply model.

Demonstrate in-depth understanding would typically involve:

- providing a detailed explanation, using supply, of choices a producer makes in response to a change in internal or external factors affecting supply
- providing a detailed explanation of the flow-on effects for the producer.

Demonstrate comprehensive understanding would typically involve:

- linking detailed explanations of the flow-on effects for the producer with detailed explanations of choices a producer makes in response to a change in internal or external factors affecting supply
- integrating changes in supply into detailed explanations.

- 4 Further clarification of the relevant knowledge, concepts and skills can be found in the *Teaching and Learning Guide for Economics*.

- 5 Assessment Specifications for this achievement standard can be accessed through the Economics Resources page found at www.nzqa.govt.nz/ncea/resources.

Replacement Information

This achievement standard replaced AS90197.

Quality Assurance

- 1 Providers and Industry Training Organisations must be accredited by NZQA before they can register credits from assessment against achievement standards.
- 2 Accredited providers and Industry Training Organisations assessing against achievement standards must engage with the moderation system that applies to those achievement standards.

Accreditation and Moderation Action Plan (AMAP) reference

0233