

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 2020 **Date version published** 20 November 2014

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

- 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/>.

This standard is also derived from Te Marautanga o Aotearoa. For details of Te Marautanga o Aotearoa achievement objectives to which this standard relates, see the [Papa Whakaako](#).

- 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 have been granted consent to assess by NZQA before they can register credits from assessment against achievement standards.
- 2 Organisations with consent to assess and Industry Training Organisations assessing against achievement standards must engage with the moderation system that applies to those achievement standards.

Consent and Moderation Requirements (CMR) reference

0233