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91530



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Mana Tohu Mātauranga o Aotearoa
New Zealand Qualifications Authority

Level 3 Agricultural and Horticultural Science 2025

91530 Demonstrate understanding of how market forces affect supply of and demand for New Zealand primary products

Credits: Five

| Achievement | Achievement with Merit | Achievement with Excellence |
|--|---|--|
| Demonstrate understanding of how market forces affect supply of and demand for New Zealand primary products. | Demonstrate in-depth understanding of how market forces affect supply of and demand for New Zealand primary products. | Demonstrate comprehensive understanding of how market forces affect supply of and demand for New Zealand primary products. |

Check that the National Student Number (NSN) on your admission slip is the same as the number at the top of this page.

You should attempt ALL the questions in this booklet.

If you need more room for any answer, use the extra space provided at the back of this booklet.

Check that this booklet has pages 2–12 in the correct order and that none of these pages is blank.

Do not write in the margins (//////). This area will be cut off when the booklet is marked.

YOU MUST HAND THIS BOOKLET TO THE SUPERVISOR AT THE END OF THE EXAMINATION.

Achievement

TOTAL 4

INSTRUCTIONS

Carefully read ALL instructions AND parts (a) to (c) before answering.

Use TWO different primary products to answer parts (a) and (b).

Part (c) may be answered using a primary product used in either part (a) or (b), or with a completely different product.

The primary products chosen must earn significant export revenue in their processed or unprocessed form, or allow for self-sufficiency within New Zealand.

All parts of this examination must be answered.

PLANNING

- Salmon, colour, size, weight, Blemishes
- Apples, Ragburn, rocket, royal gala, granny smith
 - Size
 - Sugar content
 - Price
 - colour
 - taste
 - texture

TASK: Discussing how market forces affect supply and demand

Name a primary product.

Primary product (1): Salmon

Select (✓) a market force:

- Weather events
 Production costs
 Market manipulation

- (a) How has the selected market force impacted the supply of your chosen product? Use evidence and data within the past five years to support your answer.

weather events ^{impacted} ~~affected~~ the supply of salmon by not much at all. Salmon love the water, Akaroa king salmon like the water around the 4-6°C. They can harvest the salmon anytime of the year as they keep growing with weather conditions. The only time that Akaroa salmon couldn't harvest was when it was too dangerous to get to the hatches on the boat. The swells were big and they lost a lot of nets. They have only ever not had a net ~~swell~~ harvest 3 times over the decades they had farmed there. Supply of salmon is a steady ~~supply~~ supply as there is only a few business farms in NZ.

who supply king salmon. The other type of salmon is Atlantic salmon which is harder to supply. The weather doesn't bother salmon supply as much as they can still supply as it is all to do with the water etc. All is easy working in salmon supply favour. High demand for salmon is happening more now so the supply has kicked in to make sure they meet the demand, weather events won't hold off salmon harvest often.

Name a primary product.

Primary product (2): Apples

Select (✓) a market force:

- Consumer preference
 Price
 Promotion

(b) How has the selected market force impacted the demand for your chosen product? Use evidence and data within the past five years to support your answer.

Consumer preference impacts the demand for apples. This is because some people like a red apple and some like green apples. There are apples like Rocket which are tiny but fit into the lunch box for kids easier so people would rather demand for a Rocket apple as it is practical compared to a Rayburn which is big and doesn't fit. Some people like a more sugary apple like a Royal Gala. Taste of apples for people differ. Some like a sour apple with a good crunch. And some just like a red mid sized apple with a good crunch. Data shows that a granny smith apple was most popular and demanded by people as it was a good size, had

a good crunch, sugar/sweetness levels were go what they wanted. Granny Smith was voted 88% for the best apple by the customers in Paek'n save 2023.

Apple brands that consumers don't demand much for won't be at high demand and won't be available as much. This is because the apples that are wanted more push their supply up to keep up with the consumers preference demand. Apples that aren't as popular the demand is low for them.

Consumers will buy what they like most, if the price of that apple goes up they could change to a more affordable apple or if they like it a lot they will stay with the brand they like.

Demands come from what the consumers will prefer whether it's a rayburn, granny Smith or a rocket there's a apple for all consumer preference that will be demanded for.

Political Intervention



Source: https://www.stats.govt.nz/assets/Uploads/Overseas-merchandise-trade/Overseas-merchandise-trade-May-2023/Download-data/OMT_Infographics_countries-exports-May23.png



Source: <https://www.mfat.govt.nz/en/trade/mfat-market-reports/nz-exports-to-the-us-strong-growth-continues-june-2024>



Source: <https://www.aut.ac.nz/news/stories/nz-needs-to-build-trade-with-india>

Name a primary product.

Primary product: Dairy > milk

- (c) Discuss the significance of a New Zealand trade agreement and its impact on the supply of, and demand for, your chosen primary product. Use evidence and data within the past five years to support your answer.

New Zealand dairy cows make a lot of milk every year. ~~By~~ Every year we export ~~them~~ hundreds of thousands dollars worth of milk powder to china. Chinese market receive the long life milk and milk powder. We have been exporting to china for a decade. Evidence shows that the selling of milk powder etc to china is the biggest exporter earner for NZ earning the country over 2 billion in revenue. The significance for the trade agreement is massive. We wouldn't be earning \$14.5 billion in exports if we didn't have it. The supply of milk is able to be met for china and there is and always will

be a high demand for milk for China but not other countries. NZ milk is known for being more environmentally friendly as it is all getting regulated on the way the farmers farm so that attracts more customer and demand attention.

Fonterra is New Zealand's biggest milk company which exports around 38 billion litres of milk per year.

~~This is ~~not~~ ~~the~~ ~~main~~ ~~reason~~~~

Fonterra is doing the powder and longlife milk which China buys, in meeting the supply for China's need is a big thing as they want to be able to meet it.

If we didn't have the free trade agreement we wouldn't have to have as many dairy farmers as we make enough milk for the country but also for exports. Overall NZ does well with the exports thanks to New Zealand farmers who are the backbone of New Zealand.

Achievement

Subject: Agricultural and Horticultural Science

Standard: 91530

Total score: 4

| Q | Grade score | Marker commentary |
|-----|-------------|--|
| One | A4 | The candidate provided an explanation of how weather events impact on the supply of salmon. The response provides a good overview explanation with some qualitative data and information to support the explanation. Similarly, the candidate explains the effect of consumer preference on the demand for apples. However, the addition of quantitative data to support the explanation would have elevated the response. |