

Assessment Schedule – 2018**Economics: Analyse economic growth using economic concepts and models (91224)****Assessment Criteria**

Achievement	Achievement with Merit	Achievement with Excellence
<p><i>Analyse</i> involves:</p> <ul style="list-style-type: none"> identifying, defining, or describing economic growth concepts providing an explanation of causes of changes in economic growth using economic models providing an explanation of the impacts of changes in economic growth on various groups in New Zealand society and / or the environment. <p><i>Explanation</i> involves giving a reason for the answer.</p>	<p><i>Analyse in depth</i> involves:</p> <ul style="list-style-type: none"> providing a detailed explanation of causes of changes in economic growth using economic models providing a detailed explanation of the impacts of changes in economic growth on various groups in New Zealand society and / or the environment. <p><i>Detailed explanation</i> involves giving an explanation with breadth (more than one reason for the answer) and / or depth (e.g. using flow-on effects to link the main cause to the main result).</p>	<p><i>Analyse comprehensively</i> involves:</p> <ul style="list-style-type: none"> analysing causes of changes in economic growth by comparing and / or contrasting their impact on economic growth analysing the impacts of changes in economic growth by comparing and / or contrasting the impact on various groups in New Zealand society and / or the environment integrating changes shown on economic models into detailed explanations.

Cut Scores

Not Achieved	Achievement	Achievement with Merit	Achievement with Excellence
0 – 6	7 – 12	13 – 18	19 – 24

Evidence

Question	Achievement	Achievement with Merit	Achievement with Excellence
ONE			
(a)	<ul style="list-style-type: none"> Explains that an increase in investment to the financial sector requires an increase in savings from the household sector. Explains one flow – that an injection into the circular flow diagram (income from increased export receipts, transfer payments) or the decrease in a withdrawal (income taxes) leads to an increase in disposable income for households (which increases savings). 	<ul style="list-style-type: none"> Explains two flows from an injection into the circular flow diagram (income from increased export receipts, transfer payments) or the decrease in a withdrawal (income taxes) leads to an increase in disposable income for households. Households will increase their savings into the financial sector, allowing an increase of investment into the producer sector. 	
(b)	<ul style="list-style-type: none"> Illustrates and fully labels an increase in AS and AS curves in Graph One. (<i>See Appendix.</i>) Explains that investment in port facilities, dredging the harbour etc. is a component of the aggregate demand curve, causing a shift from AD to AD₁, resulting in an increase in real output / growth. Explains that employment of workers to rebuild the ports will increase incomes in the region and increase consumption spending, a component of aggregate demand curve, causing a shift from AD to AD₁, resulting in an increase in real output / growth. Explains that the increase in port facilities will allow more exports to be transported through the port to international markets, causing an increase in export receipts, a component of the aggregate demand curve, causing a shift from AD to AD₁, resulting in an increase in real output / growth. 	<ul style="list-style-type: none"> Correct reference to the appropriate graph AND Fully explains TWO of the following: <ul style="list-style-type: none"> Investment in port facilities, dredging the harbour etc. is a component of the aggregate demand curve, causing a shift from AD to AD₁, resulting in an increase in real output / growth. Employment of workers to rebuild the ports will increase incomes in the region and increase consumption spending, a component of aggregate demand curve, causing a shift from AD to AD₁, resulting in an increase in real output / growth. The increase in port facilities will allow more exports to be transported through the port to international markets, causing an increase in export receipts, a component of the aggregate demand curve. This will cause a shift from AD to AD₁, resulting in an increase in real output / growth. 	<ul style="list-style-type: none"> Correct reference to the appropriate graph AND Fully explains TWO of the following: <ul style="list-style-type: none"> Investment in port facilities, dredging the harbour etc. is a component of the aggregate demand curve, causing a shift from AD to AD₁, resulting in an increase in real output / growth. Employment of workers to rebuild the ports will increase incomes in the region and increase consumption spending, a component of aggregate demand curve, causing a shift from AD to AD₁, resulting in an increase in real output / growth. The increase in port facilities will allow more exports to be transported through the port to international markets, causing an increase in export receipts, a component of the aggregate demand curve. This will cause a shift from AD to AD₁, resulting in an increase in real output / growth.

<ul style="list-style-type: none"> Explains that the rebuilding of port and harbour facilities will cause an increase in productivity, a component of the aggregate supply curve, causing a shift from AS to AS₁, resulting in an increase in real output / growth. Explains that the increased exports receipts from the improved port facilities will cause the currency to appreciate. The cost of imported raw materials will now be relatively cheaper, lowering the cost of production, a component of the aggregate supply curve, causing a shift from AS to AS₁, resulting in an increase in real output / growth. Explains that increased port facilities increase the capacity of the production sector, a component of the aggregate supply curve, causing a shift from AS to AS₁, resulting in an increase in real output / growth. 		<ul style="list-style-type: none"> Correct reference to the appropriate graph OR Fully explains TWO of the following: <ul style="list-style-type: none"> The rebuilding of port and harbour facilities will cause an increase in productivity, a component of the aggregate supply curve, causing a shift from AS to AS₁, resulting in an increase in real output / growth. The increased exports receipts from the improved port facilities will cause the currency to appreciate. The cost of imported raw materials will now be relatively cheaper, lowering the cost of production, a component of the aggregate supply curve, causing a shift from AS to AS₁, resulting in an increase in real output / growth. Increased port facilities increase the capacity of the production sector, a component of the aggregate supply curve, causing a shift from AS to AS₁, resulting in an increase in real output / growth. <p>OR</p> <ul style="list-style-type: none"> A full explanation concerning AD curve AND a full explanation concerning AS curve. 		<p>AND</p> <p>Fully explains TWO of the following:</p> <ul style="list-style-type: none"> The rebuilding of port and harbour facilities will cause an increase in productivity, a component of the aggregate supply curve, causing a shift from AS to AS₁, resulting in an increase in real output / growth. The increased exports receipts from the improved port facilities will cause the currency to appreciate. The cost of imported raw materials will now be relatively cheaper, lowering the cost of production, a component of the aggregate supply curve, causing a shift from AS to AS₁, resulting in an increase in real output / growth. Increased port facilities increase the capacity of the production sector, a component of the aggregate supply curve, causing a shift from AS to AS₁, resulting in an increase in real output / growth. 			
N1	N2	A3	A4	M5	M6	E7	E8
Very little Achievement evidence.	Some Achievement evidence, partial explanation.	Some Achievement evidence.	Most Achievement evidence.	Some Merit evidence with minor errors.	Most Merit evidence.	Some Excellence evidence (one part may be weaker) with reference to the graph.	Most Excellence evidence with full reference to the graph.
N0 = No response; no relevant evidence.							

Question	Achievement	Achievement with Merit	Achievement with Excellence
TWO			
(a)	<ul style="list-style-type: none"> • Illustrates and labels an opportunity in the Production Possibility Frontier. <i>(See Appendix.)</i> • Explains that increased technology (for household building and agricultural production) will allow the potential production possibility frontier to shift outwards. • Explains that increased resources (for household building and agricultural production) will allow the potential production possibility frontier to shift outwards. 	<ul style="list-style-type: none"> • MUST reference the housing construction and agricultural industries / output. <i>AND</i> • Fully explains that increased technology (for household building and agricultural production) will allow the potential production possibility frontier to shift outwards <i>AND</i> increased resources (for household building and Agricultural production) will allow the potential production possibility frontier to shift outwards. 	
(b)	<ul style="list-style-type: none"> • Revenue in the budget would increase, as growth increases income tax by increasing income and / or job numbers. • Revenue in the budget would increase, as growth increases company tax and GST, as output and revenue increases. • Spending may decrease on social welfare, with more jobs or higher wages. • Spending may increase on social issues, as some groups have lower purchasing power and their standard of living falls. • Spending may increase on environmental issues, as growth leads to higher pollution and demands on natural resources such as water. • Spending may increase on infrastructure, as demand for services such as transport, power, and communications increase. • Households may be better off, as job opportunities and wages increase as output increases. • Households may benefit from increased government spending on education, health, and 	<ul style="list-style-type: none"> • Growth leads to revenue in the budget increasing, as growth increases income tax by increasing income and / or job numbers, and increased company tax and GST, as output and revenue increases <i>(other ways revenue can increase are acceptable)</i>. • Growth leads to decreased social welfare spending, with more jobs or higher wages. Social spending may increase, as some groups have lower purchasing power and their standard of living falls. Increased spending on environmental issues, such as the management of pollution or the use of natural resources. Increase in infrastructure spending to maintain efficiency in transportation, power, or electricity networks. • Growth has an impact on households by increasing their job opportunities as output increases by firms, increased existing wages resulting in increased consumption and their standard of living. Households may benefit from 	<ul style="list-style-type: none"> • Growth leads to revenue in the budget increasing, as growth increases income tax by increasing income and / or job numbers and increased company tax and GST, as output and revenue increases <i>(other ways revenue can increase are acceptable)</i>. <i>AND</i> • Growth leads to decreased social welfare spending, with more jobs or higher wages. Social spending may increase, as some groups have lower purchasing power and their standard of living falls. Increased spending on environmental issues, such as the management of pollution or the use of natural resources. Increase in infrastructure spending to maintain efficiency in transportation, power, or electricity networks. • Growth has an impact on households by increasing their job opportunities as output increases by firms, increased existing wages resulting in increased consumption and their standard of living. Households may benefit from

environmental issues.		increased government spending on education, health, and environmental issues.		increased government spending on education, health, and environmental issues. <i>AND</i>			
<ul style="list-style-type: none"> Households may be worse off, as growth causes inflation, making housing affordability fall and / or a decrease in their purchasing power. Households may be worse off, as they work longer hours and / or experience more financial or social stress due to growth. 		<ul style="list-style-type: none"> Households may be worse off, as growth causes inflation, making housing affordability fall and / or a decrease in their purchasing power. Households may be worse off economically or socially, as they work longer hours and / or experience more financial or social stress due to growth. 		<ul style="list-style-type: none"> Households may be worse off, as growth causes inflation, making housing affordability fall and / or a decrease in their purchasing power. Households may be worse off economically or socially, as they work longer hours and / or experience more financial or social stress due to growth. 			
N1	N2	A3	A4	M5	M6	E7	E8
Very little Achievement evidence.	Some Achievement evidence, partial explanation.	Some Achievement evidence.	Most Achievement evidence.	Some Merit evidence.	Most Merit evidence.	Some Excellence evidence.	Most Excellence evidence.
N0 = No response; no relevant evidence.							

Question	Achievement	Achievement with Merit	Achievement with Excellence
THREE	<ul style="list-style-type: none"> • Explains that high growth regions will have high demand for labour, so they have more jobs and higher income, which allows them to have higher disposable income to increase consumer spending, and higher standards of living. • Explains that low growth regions will have lower demand for labour, so they have fewer jobs and lower income, which causes them to have a lower disposable income, leading to decreased consumer spending and lower standards of living. • Explains that high growth regions will have high levels of investment and higher levels of profit, so they have more demand for their products. Higher investment and production will cause higher levels of profit, and demand for workers. • Explains that low growth regions will have lower levels of investment and lower levels of profit, so they have less demand for their product. Lower investment and production will cause lower levels of profit, and demand for workers. • Explains that human (workers / entrepreneurs / producers) or physical (capital goods / investment) capital will move from low growth to high growth regions, because of higher rewards, including incomes and profits (caused by the above consumer spending / demand etc.). 	<ul style="list-style-type: none"> • References stimulus material <i>AND</i> • Fully explains that high growth regions will have high demand for labour, so they have more jobs and higher income, which allows them to have higher disposable income to increase consumer spending, and higher standards of living <i>AND</i> low growth regions will have lower demand for labour, so they have fewer jobs and lower income, which causes them to have a lower disposable income, leading to decreased consumer spending and lower standards of living. • Fully explains that high growth regions will have high levels of investment and higher levels of profit, so they have more demand for their products. Higher investment and production will cause higher levels of profit, and demand for workers <i>AND</i> low growth regions will have lower levels of investment and lower levels of profit, so they have less demand for their product. Lower investment and production will cause lower levels of profit, and demand for workers. • Fully explains that human (workers / entrepreneurs / producers) or physical (capital goods / investment) capital will move from low growth to high growth regions, because of higher rewards, including incomes and profits (caused by the above consumer spending / demand etc.). 	<ul style="list-style-type: none"> • References stimulus material <i>AND</i> • Fully explains that high growth regions will have high demand for labour, so they have more jobs and higher income, which allows them to have higher disposable income to increase consumer spending, and higher standards of living <i>AND</i> low growth regions will have lower demand for labour, so they have fewer jobs and lower income, which causes them to have a lower disposable income, leading to decreased consumer spending and lower standards of living. <i>AND</i> • Fully explains that high growth regions will have high levels of investment and higher levels of profit, so they have more demand for their products. Higher investment and production will cause higher levels of profit, and demand for workers <i>AND</i> low growth regions will have lower levels of investment and lower levels of profit, so they have less demand for their product. Lower investment and production will cause lower levels of profit, and demand for workers. <i>AND</i> • Fully explains that human (workers / entrepreneurs / producers) <i>AND</i> physical (capital goods / investment) capital will move from low growth to high growth regions, because of higher rewards, including incomes and profits (caused by the above consumer spending / demand etc.).

N1	N2	A3	A4	M5	M6	E7	E8
Very little Achievement evidence.	Some Achievement evidence, partial explanation.	Some Achievement evidence.	Most Achievement evidence.	Some Merit evidence.	Most Merit evidence.	Some Excellence evidence.	Most Excellence evidence.
N0 = No response; no relevant evidence.							

Appendix: Graphs

