

## Assessment Schedule – 2023

### Agricultural and Horticultural Science: Demonstrate understanding of how market forces affect supply of and demand for New Zealand primary products (91530)

#### Assessment Criteria

Achievement	Achievement with Merit	Achievement with Excellence
<i>Demonstrate understanding</i> involves <b>explaining</b> how market forces affect supply of and demand for New Zealand primary products.	<i>Demonstrate in-depth understanding</i> involves <b>explaining in detail</b> how market forces affect supply of and demand for New Zealand primary products, with quantitative data.	<i>Demonstrate comprehensive understanding</i> involves <b>analysing</b> how market forces affect supply of and demand for New Zealand primary products, with a focus on the significance and impact of market forces.

N1	N2	A3	A4	M5	M6	E7	E8
<b>Partially explains</b> ONE market force.	<b>Explains</b> ONE market force in general terms.	Explains TWO market forces in general terms (one market force may be weaker).	Explains TWO market forces in general terms.	<b>Explains in detail</b> ONE market force (using qualitative and / or quantitative material where appropriate)  <i>AND</i> <b>explains</b> ONE market force in general terms.	Explains in detail TWO market forces (using qualitative and / or quantitative material where appropriate).	Explains in detail TWO market forces (using qualitative and / or quantitative material where appropriate)  <i>AND</i> In (c), the significance of selected market force is justified and either supply OR demand is discussed comprehensively, with the other partially discussed.  A comparison to a market force with less significance is made.	Explains in detail TWO market forces (using qualitative and / or quantitative material where appropriate)  <i>AND</i> In (c), the significance of selected market force is fully justified, and supply AND demand are both discussed comprehensively.  A comparison to a market force with less significance is made.

**N0** = No response; no relevant evidence.

**Evidence**

Task	Sample evidence	Achievement	Achievement with Merit	Achievement with Excellence
(a)	<p>Two examples given.</p> <p><b>Market force:</b> Market trends  <b>NZ primary product:</b> Apples</p> <ul style="list-style-type: none"> <li>Asian markets demand a brighter coloured and sweeter type of apple than the traditional European markets. Due to this market trend, growers have changed the varieties of apples they are supplying to the market. Varieties such as Braeburn, once New Zealand’s most exported apple, taking over a third of the market, now has only 12% of the export market, whereas new varieties such as Jazz, Fuji and Envy make up over 25% of the apples exported.</li> </ul> <p><b>Market force:</b> Production costs  <b>NZ primary product:</b> Milk</p> <ul style="list-style-type: none"> <li>Rising cost of production means farmers may need to cut some non-essential costs on the farm.</li> <li>Urea fertiliser has risen from \$400 per ton to \$1200 per ton in the past 12 months. If farmers are unable to afford fertiliser, less feed can be grown, which will reduce the supply of milk to the market.</li> <li>Rising labour costs, due to minimum wage increases and increases in cost of living, means some farmers are having to cut other costs, which may also result in lower production. Minimum wage is currently \$22.70 per hour, with the living wage estimate to be \$26.00 per hour. The minimum wage for overseas agricultural workers is set at \$28 per hour. Increases in labour costs may result in less money to spend, and production may decrease.</li> <li>Feed costs have risen 50% in the past 12 months.</li> </ul>	<p><b>Explains</b> the impact a market force has on the supply of a NZ primary product.</p> <p>The supply is likely to be represented by a change in quantity, timing, or attributes of the primary product.</p> <p>General response lacking specific supporting evidence or data.</p>	<p><b>Explains in detail</b> the impact a market force has on the supply of a NZ primary product, supported with recent data.</p> <p>Specific response with supporting data or evidence.</p>	

<p>(b)</p>	<p>Two examples given.</p> <p><b>Market force:</b> Quality requirements</p> <p><b>NZ primary product:</b> Lamb</p> <ul style="list-style-type: none"> <li>• Export grade carcasses are Y- and P-grade. A Y-grade carcass is a low-fat carcass (up to 9 mm of external fat, depending on carcass weight) and a P-grade carcass is a medium, fat carcass (up to 12 mm of external fat, depending on carcass weight). Carcass grades outside of this will need processing (trimming) prior to being exported, therefore are generally not exported as whole carcasses.</li> </ul> <p><b>Market force:</b> Market trends</p> <p><b>NZ primary product:</b> Plant-based milk</p> <ul style="list-style-type: none"> <li>• The rise of plant-based diets globally is a significant market trend that could have an impact on New Zealand's milk and meat sectors.</li> <li>• More people are turning to plant-based diets. The market is forecast to grow 11.2% per year.</li> <li>• Much of New Zealand's milk is currently dried to whole milk powder and exported.</li> </ul>	<p><b>Explains</b> the effect a market force has on demand for a NZ primary product.</p> <p>The demand is likely to be represented by a change in quantity or the prices paid for the primary product.</p> <p>General response lacking specific supporting evidence or data.</p>	<p><b>Explains in detail</b> the effect a market force has on demand for a NZ primary product, supported with recent data.</p> <p>Specific response with supporting data or evidence.</p>	This cell is intentionally left blank in the original image
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<p>(c)</p>	<p><b>NZ primary product:</b> Plant-based milk  <b>Market force:</b> Consumer preference</p> <ul style="list-style-type: none"> <li>• The rise of plant-based diets is globally a significant market trend that could have an impact on New Zealand’s milk and meat sectors.</li> <li>• More people are turning to plant-based diets. The market is forecast to grow at 11.2% per year. With lower demand for cows’ milk, we could see prices drop in the future. Lower prices will lead to lower production and therefore supply.</li> <li>• Much of New Zealand’s milk is currently dried to whole milk powder and exported. Plant-based milk powder is a small but emerging market and could be a threat in the future, though many countries purchasing milk powder do so because of the cheap nature of the product, so it will be more challenging for plant-based milks to compete in these markets.</li> </ul> <p><b>NZ primary product:</b> Lamb  <b>Market force:</b> – Market trends</p> <ul style="list-style-type: none"> <li>• New Zealand lamb is seen globally as a luxury product. With less money in consumers’ pockets, they are likely to be cutting down on luxury purchases.</li> <li>• Some of the best cuts of New Zealand lamb are imported by restaurants in foreign countries. With fewer customers eating out, there is likely to be a lower demand for our lamb. If the price of lamb is to drop, many sheep farmers may choose to sell some breeding stock and put some of their farm into other products (dairy grazing, crops, etc.). As a result, there will be less lamb supplied to the market in the following season.</li> <li>• In the past four years, New Zealand has doubled lamb exports to China. China currently has the largest population in the world, and has a growing middle / upper class. This should help maintain the high demand for New Zealand lamb in China. China primarily imports cheaper cuts of meat, therefore demand for these cuts is not going to be as affected by an economic downturn as the higher-value cuts.</li> </ul>	<p>Justifies selection by explaining how the market force impacts both the supply of and demand for the chosen NZ primary product.</p> <p>The supply is likely to be represented by a change in quantity, timing, or attributes of the primary product. The demand is likely to be represented by a change in quantity, or the prices paid for the primary product.</p> <p>General response lacking specific supporting evidence or data.</p>	<p>Justifies selection by explaining how the market force impacts both the supply of and demand for the chosen NZ primary product.</p> <p>Product (1) or (2), supported with recent data.          Specific response with supporting data or evidence.</p>	<p>Justifies selection by explaining how the market force impacts both the supply of and demand for the chosen NZ primary product.</p> <p>The significance of the market force selected is justified in detail, by comparing it to a market force that has less significance on the supply and demand for a NZ primary product.</p> <p>The answer will be well reasoned and supporting data is included.</p>
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**Cut Scores**

Not Achieved	Achievement	Achievement with Merit	Achievement with Excellence
0 – 2	3 – 4	5 – 6	7 – 8