

**Assessment Schedule – 2025**

**Economics: Analyse international trade using economic concepts and models (91223)**

**Assessment Criteria**

Achievement	Achievement with Merit	Achievement with Excellence
<p><i>Analyse international trade</i> involves:</p> <ul style="list-style-type: none"> <li>• <b>identifying, defining, or describing</b> international trade concepts</li> <li>• <b>explaining</b> causes of changes in international trade using economic models</li> <li>• <b>explaining</b> the impacts of changes in international trade on various groups in New Zealand society.</li> </ul>	<p><i>Analyse international trade <b>in depth</b></i> involves:</p> <ul style="list-style-type: none"> <li>• <b>explaining, in detail</b>, causes of changes in international trade using economic models</li> <li>• <b>explaining, in detail</b>, the impacts of changes in international trade on various groups in New Zealand society.</li> </ul>	<p><i>Analyse international trade <b>comprehensively</b></i> involves:</p> <ul style="list-style-type: none"> <li>• <b>comparing</b> and / or <b>contrasting</b> the causes of changes in international trade and <b>assessing</b> their impact on international trade</li> <li>• <b>comparing</b> and / or <b>contrasting</b> the impacts of changes in international trade and <b>assessing</b> their impact on various groups in New Zealand society</li> <li>• <b>integrating</b> changes shown on economic models into detailed explanations.</li> </ul>

**Cut Scores**

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

**Evidence**

Q1	Sample evidence	Achievement	Achievement with Merit	Achievement with Excellence
(a)	New Zealand's climate is more suited to growing some types of fruit, for example kiwifruit and apples, which means that the cost is lower than other countries. It is therefore profitable to export the fruit to other countries.  For other fruit, for example bananas, New Zealand's climate is less suitable, and therefore it is cheaper to import the fruit from other countries.	Provides a single explanation why New Zealand exports some fruits but imports others.	Provides a detailed explanation that links growing conditions / climate with the cost of production relative to other countries.	
(b)	Trade price drawn where quantity of exports in Peru = quantity of imports in New Zealand. See Appendix.	Identifies: <ul style="list-style-type: none"> <li>• correct trade price</li> <li>• Peru exports and New Zealand imports, labelled correctly.</li> </ul>	Both graphs completed correctly.	
(c)	New Zealand orange consumers pay a lower price for oranges and will increase their consumption of oranges from $Q_{NZ}$ to $Q_{D_{NZ1}}$ . The total spending on oranges will decrease from $(P_{NZ} \times Q_{NZ})$ to $(P_t \times Q_{D_{NZ1}})$ .	Explains New Zealand consumers will buy more oranges.	Explains consumption of oranges will increase from $Q_{D_{NZ}}$ to $Q_{D_{NZ1}}$ .	
(d)	Some growers will benefit from the free trade agreement, for example the reduced tariff on kiwifruit and other fruit will mean that growers can increase sales to Peru, increasing revenue and profits. Blueberry growers are likely to be negatively impacted, as Peru is the world's largest blueberry grower and it would be expected that they can produce blueberries cheaper than New Zealand growers, reducing their revenue and profits. Some growers may not be affected, for example Peru is not a significant competitor, or they already compete in the market, for example grapes.	Explains a benefit or cost to New Zealand producers.	Explains that some producers will be negatively affected, and some will be positively affected.	Provides a detailed explanation of how the free trade agreement will impact on different producers. Depth can be provided with explanation of the importance of Peru as an export market and / or the importance of blueberry production to some producers.

N1	N2	A3	A4	M5	M6	E7	E8
Very little Achievement evidence.	Some Achievement evidence.	Most Achievement evidence.	All Achievement evidence.	Some Merit evidence.	Most Merit evidence.	Some Excellence evidence.	Most Excellence evidence.

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

Q2	Sample evidence	Achievement	Achievement with Merit	Achievement with Excellence
(a)	Pw is drawn as a horizontal line because the New Zealand producer is too small to influence the world price.	Identifies the New Zealand producer as too small to influence the world price.		
(b)	See Appendix.	New supply curve and level of exports drawn correctly.		
(c)	Spending on kiwifruit by New Zealand consumers is unchanged as the price (Pw) and the quantity purchased (Qd) is unchanged.	Explains that spending is unchanged.	Explains that spending is unchanged with reference to Pw and Qd.	
(d)	The current account balance will improve (deficit decrease or surplus increase). This is because export receipts have increased by $(X_1 - X)$ .	Explains that the current account will improve.	Explains that the current account will improve due to the balance on goods increasing because of export receipts increasing $(X_1 - X)$ .	
(e)	<p>Kiwifruit growers' revenue will increase from <math>(P_w \times Q_s)</math> to <math>(P_w \times Q_{s1})</math>. The profitability of growing kiwifruit will increase, and growers will have to hire more labour for harvest. They may use profits to invest in their orchards and may plant extra land.</p> <p>Kiwifruit workers will see extra demand for their services as the amount of kiwifruit they have to pick increases from <math>Q_s</math> to <math>Q_{s1}</math>. They may be able to get increased wages, leading to a greater ability to buy goods and services. Depending on how easy it is to hire extra workers, there may be longer hours of working at harvest time, leading to fatigue and decreased time with friends and family.</p>	<p>Explains an effect on kiwifruit growers.</p> <p>Explains an effect on kiwifruit workers.</p>	<p>Provides a detailed explanation of why kiwifruit growers will be positively affected by the improved harvest.</p> <p>Provides a detailed explanation of why kiwifruit workers will be affected by the improved harvest.</p>	<p>Integrates Graph Two into a comprehensive explanation of the impact of the improved harvest on growers and workers.</p> <p>Contrasts the effect on the two groups by explaining that growers are likely to have a more significant impact as they are the owners of the resource and the returns they get depend on the quality of the harvest.</p>

N1	N2	A3	A4	M5	M6	E7	E8
Very little Achievement evidence.	Some Achievement evidence.	Most Achievement evidence.	Nearly all Achievement evidence.	Some Merit evidence.	Most Merit evidence.	Some Excellence evidence.	Most Excellence evidence.

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

Q3	Sample evidence	Achievement	Achievement with Merit	Achievement with Excellence
(a)	China, South Korea, Japan (for both exports and imports).	One identified for each of exports and imports.		
(b)(i)	See Appendix.	Shows an increase in demand for the NZ\$ and appreciation of the exchange rate.	Graph Three correct.	
(ii)	Exporters have more US\$ to exchange for NZ\$. This increases the demand for NZ\$ and leads to an appreciation of the exchange rate from $E_r$ to $E_{r1}$ .	Provides an explanation of why the demand for the NZ\$ increases.	Provides a detailed explanation of why the demand for the NZ\$ increases.	
(c)(i)	See Appendix.  The increase in imports means that the New Zealand importers will require US\$ to pay for the products. This will increase the supply of the NZ\$ from $S$ to $S_1$ as more NZ\$ are swapped for US\$. The exchange rate will depreciate from $E_r$ to $E_{r1}$ .	Shows an increase in supply for the NZ\$ and depreciation of the exchange rate.  Provides an explanation of why the supply of the NZ\$ increases.	Graph Four correct.  Provides a detailed explanation (exchange US – NZ\$) of why the supply of the NZ\$ increases.	
(d)	New Zealand tourists visiting the USA will be negatively affected by the depreciation as it will now be more expensive to purchase accommodation / food / tourist activities. It will require a larger budget to travel, or they may have to cut back on some activities or stay in cheaper accommodation.  A New Zealand business importing consumer products from the USA will be negatively affected as it is more expensive to purchase the products in NZ\$. They will have to increase prices and sell less or face lower profit margins.  The overall impact is likely to be more significant for the importer as a trip to the USA for a tourist only happens occasionally and they are likely to be willing to spend the extra cost.	Identifies that New Zealand tourists to the USA will be negatively affected.  Identifies that a New Zealand business importing consumer products will be negatively affected.	Provides a detailed explanation (exchange NZ – US\$) of why New Zealand tourists will be negatively affected, in context.  Provides a detailed explanation of why a New Zealand business importing will be negatively affected, in context.	Provides a comprehensive explanation of why the depreciation of the NZ\$ will have a negative effect on both groups.  Contrasts the effects and says which is the greater.

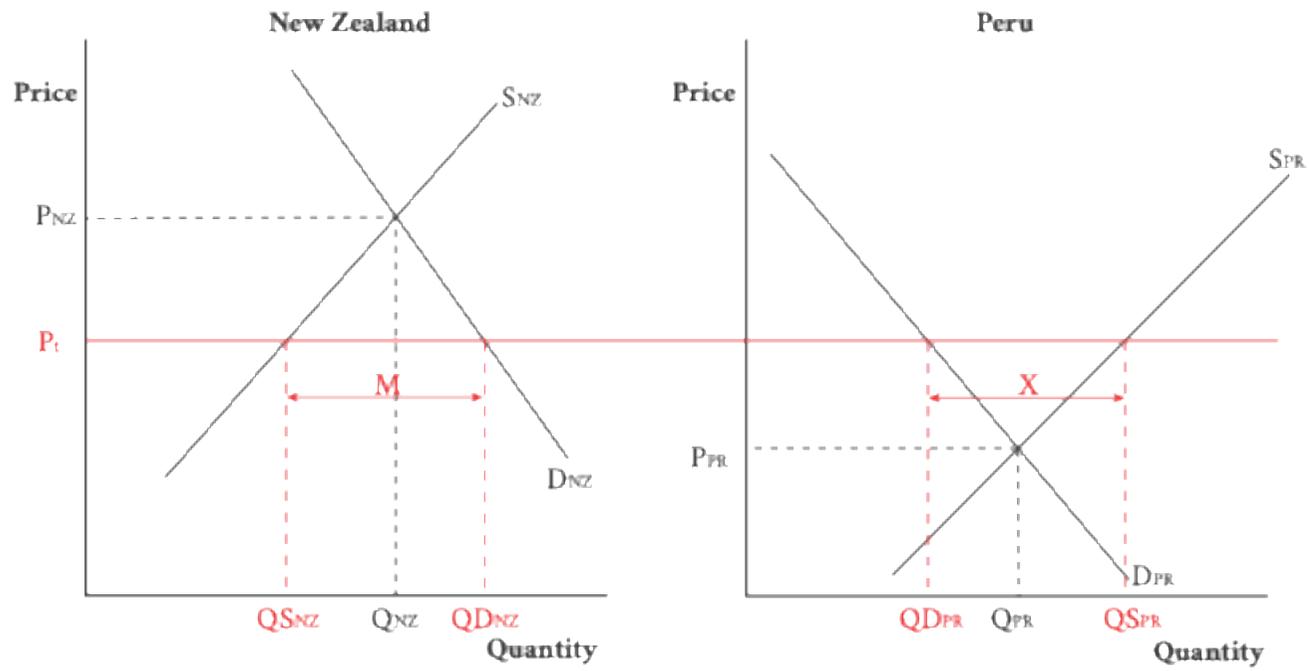
<b>N1</b>	<b>N2</b>	<b>A3</b>	<b>A4</b>	<b>M5</b>	<b>M6</b>	<b>E7</b>	<b>E8</b>
Very little Achievement evidence.	Some Achievement evidence.	Most Achievement evidence.	Nearly all Achievement evidence.	Most Merit evidence.	All Merit evidence.	Some Excellence evidence.	Most Excellence evidence.

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

Appendix

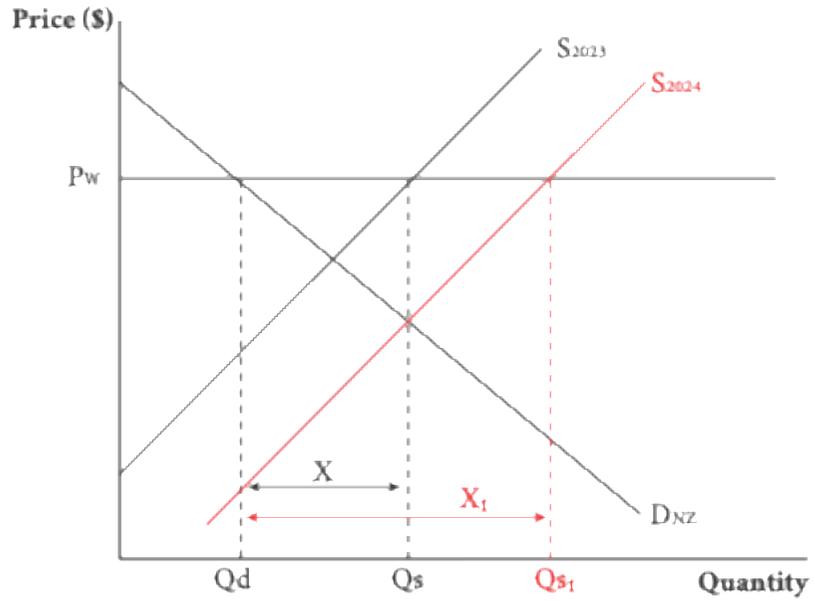
Question One (b)

Graph One: The market for oranges



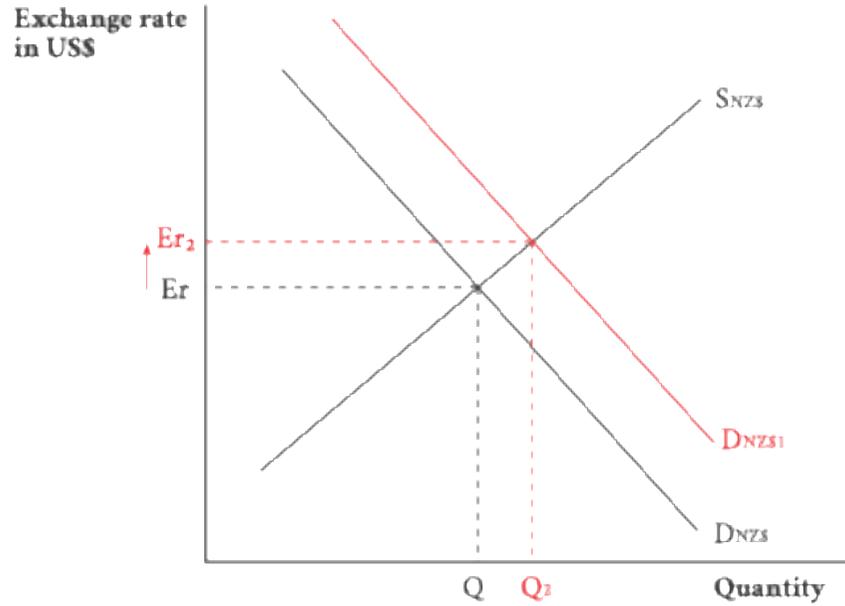
Question Two (b)

Graph Two: The market for kiwifruit



Question Three (b)

Graph Three: The market for the NZS with an increase in exports



Question Three (c)

Graph Four: The market for the NZS with an increase in imports

