

**FIELD                      SOCIAL SCIENCES****Review of *Economics* Level 3 achievement standards**

| <b>Subfield</b> | <b>Economics Theory and Practice</b> |                          |
|-----------------|--------------------------------------|--------------------------|
| <b>Domain</b>   | <b>Id</b>                            | <b>Subject reference</b> |
| Economics       | 90629-90634                          | Economics 3.1–3.6        |

The Ministry of Education and the Secondary Education Group Assessment business unit of NZQA have completed a review of the achievement standards listed above that were registered in October 2003.

This report was republished in September 2006 to include two additional exclusions:

- 90630 and 5864
- 90631 and 5865

**New Registration date                                      November 2005**

**Date new versions published                                      November 2005**

**Planned review date    March 2008**

**Summary of review and consultation process**

This review is part of the planned cycle of review that takes place after the first year of use of the achievement standards.

- Initial feedback and comments were collated from teachers/schools, moderators, examiners, markers, material developers, and other stakeholders.
- This information was reviewed by a subject expert panel and recommendations were made in March 2005.
- The recommendations were sent out for full consultation to secondary schools, tertiary institutions, and others in the education sector, in April/May 2005.
- Feedback from this full consultation has informed the changes described below.
- Economics 3.5 and 3.6 achievement standards were replaced with a new 3.5 achievement standard.

**Main changes resulting from the review**

The main single change is the replacement of AS90633, Economics 3.5 and AS90634, Economics 3.6 with a single new standard AS90778, Economics 3.5. The reason for this was the overlap between AS90633 and AS90634. AS90778 incorporates the emphasis on collecting and processing information and carrying out an economic analysis that was present in both the original achievement standards. It will also allow the student to develop evidence for one substantial economic analysis rather than for two smaller ones. This change of emphasis fits the intention at this level better than the previous achievement standards. The credit weighting of 5 credits better reflects the intended relative weighting between this aspect and other aspects of a year 13 Economics course.

## **AS90629, Economics 3.1**

### ***Criteria***

- The single criterion has been split into three criteria to clarify the intent of the standard.
- The new criteria clearly indicate the progression from achievement to achievement with merit and from achievement with merit to achievement with excellence; the first criterion is the same at all levels, the second is the same at achievement with merit and achievement with excellence, the third differs at all levels.

### ***Explanatory notes***

- Definitions of 'describe' and 'explain' and 'explain fully' have been added, in explanatory note (EN) 2, to clarify expectations.
- The explanatory notes have been amended to better relate to the achievement criteria and to clarify their intent.
- To focus the achievement standard more clearly on marginal analysis, some content (constructing market demand curves, movements and shifts of demand and supply) has been transferred to AS90630, Economics 3.2.

## **AS90630, Economics 3.2**

### ***Title***

- The title has been changed to better summarise the changed requirements to achieve the standard.

### ***Criteria***

- The three criteria at achievement level have been rewritten and re-ordered to clarify the intent of the achievement standard.
- The changes have been followed through at achievement with merit and achievement with excellence levels so that there are now three criteria at all levels; at achievement with merit the second criterion has been split into two, at achievement with excellence the single criterion has been split into three.
- The new criteria clearly indicate the progression from achievement to achievement with merit and from achievement with merit to achievement with excellence; the first criterion is the same at all levels, the second is the same at achievement with merit and achievement with excellence, the third differs at all levels.

### ***Explanatory notes***

- To make the achievement standard more clearly focused on the working of the market; some content from Economics 3.1 (construction, movements and shifts of demand and supply) has been added.
- The wording in the notes has been changed to reflect the new wording of the criteria.
- Definitions of 'describe', 'explain', and 'fully explain' have been added to clarify expectations.

### **AS90631, Economics 3.3**

#### ***Title***

- The title has been changed to reflect the rewritten criteria to more clearly indicate the requirements of the achievement standard.

#### ***Criteria***

- At achievement with merit and achievement with excellence levels, the rewritten first criterion has been stepped up and carried across to make the requirements at these levels clear.
- At achievement level the second and third criteria have been rationalised into a single criterion as they both relate to government interventions; 'compensate' has been replaced with 'correct'.
- The rewritten second criterion has been stepped up and carried across to achievement with merit level, and stepped up further and carried across to achievement with excellence level, to make the requirements at all levels clear.

#### ***Explanatory notes***

- Content and context descriptors from the University Entrance Bursaries and Scholarship prescription (2003, p.66) have been added to better explain the intentions of the standard.
- Definitions of 'describe', 'explain', 'explain fully' and 'evaluate' have been added to clarify expectations.

### **AS90632, Economics 3.4**

#### ***Title***

- The title has been changed to better summarise the changed requirements to achieve the standard.

#### ***Criteria***

- The word 'illustrate' has been deleted as it is implied in 'describe'.
- The first two criteria for achievement have been combined into a single criterion and this is repeated across both achievement with merit and achievement with excellence.
- The third achievement criterion has been stepped up for both achievement with merit and achievement with excellence levels and clarifies the key aspects of this standard at these higher levels.

#### ***Explanatory notes***

- To focus the achievement standard more clearly on aggregate economic activity, content has been deleted that is no longer relevant to the monetary and fiscal policy.
- Explanatory notes have been amended to more closely relate to the changed achievement criteria.
- Definitions of 'describe', 'explain' and 'explain fully' have been added to clarify expectations.

### **AS90778, Economics 3.5**

Achievement standards AS90633, Economics 3.5 and AS90634, Economics 3.6 have been merged into one combined larger investigation achievement standard. There was considerable overlap between the two achievement standards and the single replacement achievement standard with the increased credit value of 5 better reflects the intention of performance at this level. In designing this new achievement standard, the following changes have been made from the original two.

**Title**

- The title has been rewritten more generally as 'collect and process information, and carry out an economic analysis' to broaden the scope of possible contexts.
- References to 'government', 'viewpoints', and a 'hypothesis' have been removed, as these are not required.

**Criteria**

- References to 'viewpoints' and 'government involvement' have been deleted (although these are possible contexts for this achievement standard – they are not required).
- All references to 'hypothesis' have been removed, as this is not a necessary part of the achievement standard.

**Explanatory Notes**

- In EN 1, references to topic have been deleted.
- A new EN 2, which relates to use of an hypothesis should the assessor/student choose to use one, replaces the old EN 2.
- EN 3 has been expanded to clarify what data can be collected, how it can be collected, how it could be used, how it must be referenced, and EN 4 clarifies what constitutes sufficient data.
- ENs 5 and 6 have been replaced by ENs 5, 6 and 7 from Economics 3.6.
- EN 7 has therefore been renumbered as 8.

**Achievement standards categorised as category C or D expire at the end of December 2006.****Impact on Accreditation and Moderation Action Plan (AMAP)**

AMAP 0226 has been updated to reflect the changes made to the achievement standards.

**Impact on existing qualifications**

None.

**Impact of changes on [NCEA Exclusions List](#)**

An exclusion between 90778 and 10931 has been added to the List. This will replace the previous exclusion relationship between 90634 and 10931.

The following exclusions were also added to the List in October 2006. Their earlier omission was an error.

- 90630 and 5864
- 90631 and 5865

## Summary of main changes to achievement standards' Ids, classification, titles, levels, and credits

The following summary shows the changes made to the achievement standards as a result of the review. All changes are in **bold**.

### Key to review category

- A** Dates changed, but no other changes are made - the new version of the standard carries the same Id and a new version number
- B** Changes made, but the overall outcome remains the same - the new version of the standard carries the same Id and a new version number
- C** Major changes that necessitate the registration of a replacement achievement standard with a new Id
- D** Achievement standard will expire and not be replaced

Subfield Economic Theory and Practice

Domain Economics

| Id           | Title   | Level    | Credit   | Review Category |
|--------------|---|----------|----------|-----------------|
| 90629        | Understand marginal analysis and the behaviour of firms   | 3        | 5        | B               |
| 90630        | Understand the market and allocative efficiency<br><b>Describe an economic problem, allocative efficiency and how a market responds to change</b>   | 3        | 4        | B               |
| 90631        | Describe and illustrate resource allocation via the public sector to compensate market failure<br><b>Describe market failure and government interventions to correct for market failure</b> | 3        | 4        | B               |
| 90632        | Describe and illustrate aggregate economic activity<br><b>Describe aggregate economic activity</b>  | 3        | 6        | B               |
| 90633        | Carry out an economic study of different viewpoints of government involvement in an economic issue  | 3        | 2        | C               |
| 90634        | Carry out an economic investigation to test a hypothesis  | 3        | 3        | C               |
| <b>90778</b> | <b>Collect and process information, and carry out an economic analysis</b>  | <b>3</b> | <b>5</b> | <b>New</b>      |