

**Field                      Social Sciences****Review of *Economics* Level 1 achievement and unit standards****Unit standards**

<b>Subfield</b>	<b>Domain</b>	<b>ID</b>
Economic Theory and Practice	Economics	5854-5858, 10926, 10929

**Achievement standards**

<b>Domain</b>	<b>ID</b>	<b>Subject reference</b>
Economic Theory and Practice	90195-90201	1.1-1.7

The Ministry of Education and NZQA National Qualifications Services have completed a review of the achievement and unit standards listed above.

**New Registration date                      December 2010**

**Date new versions published              December 2010**

**Planned review date                         December 2014**

**Summary of review and consultation process**

In 2008 the Ministry of Education (MoE) and NZQA began to review achievement and unit standards in light of the revised New Zealand Curriculum (NZC). This Alignment of Standards (AoS) review also addressed duplication of outcomes, credit parity, fairness, consistency, and coherence. The AoS review was guided by the revised NZC itself and the Standards Review Guidelines. A copy of the NZC is available at <http://nzcurriculum.tki.org.nz/Curriculum-documents/The-New-Zealand-Curriculum>

Teacher subject associations were involved in the review and draft achievement standards were the focus of wide consultation, especially with secondary schools and teachers. Extensive resources, including student exemplars, were also developed to support these standards, and are available on the MoE and/or the NZQA websites.

The review of unit standards included consultation with tertiary providers to assess continued relevance and likely future use of the standards. Unit standards that duplicate achievement standard outcomes and those without the likelihood of future use were recommended for expiry.

National consultation was undertaken in 2009, with the results analysed by Research New Zealand. The responses were generally positive.

The review of unit and achievement standards at level 1 was completed in time for implementation in schools in 2011. Standards at levels 2 and 3 will be implemented in 2012 and 2013 respectively.

## Main changes resulting from the review

- All NZC level 6 (NQF level 1) outcomes derived from the NZC are now assessed using achievement standards, and any unit standards are no longer linked to NZC.
- Existing achievement standards were reviewed and new achievement standards were developed to align with the NZC. See table below.
- Grading criteria for achievement standards were reviewed in accordance with the Standards Review Guidelines.
- Unit standards that recognised similar outcomes as achievement standards were recommended for expiry. See table below.

For a detailed description of the review of, and the changes to, the Economics standards see Appendix 1 at the end of this report.

## Impact on Accreditation and Moderation Action Plan (AMAP)

The new achievement standards have been registered on AMAP 0233.

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

For transition purposes, the following exclusions will apply for new achievement standards. This transition will apply until December 2011 only.

New achievement standard	Existing achievement or unit standard
90984	5855
90986	90198, 5858

## Review Categories and changes to classification, title, level, and credits

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

Key to review category	
<b>A</b>	Dates changed, but no other changes are made - the new version of the standard carries the same ID and a new version number
<b>B</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
<b>C</b>	Major changes that necessitate the registration of a replacement standard with a new ID
<b>D</b>	Standard will expire and not be replaced

<b>Externally assessed achievement standards categorised as category C or D expire at the end of</b>	<b>December 2010</b>
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<b>Internally assessed achievement standards and unit standards categorised as category C or D expire at the end of</b>	<b>December 2011</b>
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<b>Unit standards categorised as category C or D expire at the end of</b>	<b>December 2011</b>
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## Social Sciences &gt; Economic Theory and Practice&gt; Economics

ID	Ref	Title	Level	Credit	Review Category
5854		Describe relationships between sectors of the economy and compare different types of producers	1	4	D
5855		Explain the production process in economics	1	5	C
<b>90984</b>	<b>1.2</b>	<b>Demonstrate understanding of decisions a producer makes about production</b>	<b>1</b>	<b>5</b>	
5856		Explain concepts related to consumer choice in economics	1	3	D
5857		Explain and demonstrate the concepts of supply and demand in economics	1	7	D
5858		Explain and demonstrate the market process in relation to economics	1	7	D
10926		Make an economic decision	1	4	D
10929		Carry out an economic investigation with direction	1	6	D
90195		Describe concepts related to consumer choice and demand	1	4	C
<b>90983</b>	<b>1.1</b>	<b>Demonstrate understanding of consumer choices, using scarcity and/or demand [Externally assessed]</b>	<b>1</b>	<b>4</b>	
90196		Describe producers, resources and production	1	5	D
90197		Describe the concept of supply	1	3	C
<b>90985</b>	<b>1.3</b>	<b>Demonstrate understanding of producer choices using supply [Externally assessed]</b>	<b>1</b>	<b>3</b>	
90198		Describe the market and market equilibrium	1	5	C
<b>90986</b>	<b>1.4</b>	<b>Demonstrate understanding of how consumer, producer and/or government choices affect society, using market equilibrium</b>	<b>1</b>	<b>5</b>	
<b>90987</b>	<b>1.5</b>	<b>Demonstrate understanding of a government choice where affected groups have different viewpoints</b>	<b>1</b>	<b>4</b>	<b>New</b>
90199		Describe major sectors of the economy and the relationships between them	1	2	C
<b>90988</b>	<b>1.6</b>	<b>Demonstrate understanding of the interdependence of sectors of the New Zealand economy</b>	<b>1</b>	<b>3</b>	
90200		Understand and use the consumer decision-making model	1	2	D
90201		Carry out an economic investigation	1	3	D

## Appendix 1

### Development of Economics Standards

#### Process of Aligning Standards with the NZC

The economics matrix and standards have been derived from the outcomes in the *Teaching and Learning Guide for Economics* which has in turn been derived from the NZC. The standards are related to the economics achievement objectives in the social sciences learning area of the curriculum.

An important development has been a change in the way that Achieved, Merit and Excellence performance is described in the standards. It was considered that the definitions of *describe*, *explain*, and *fully explain*, as used in the previous economics standards, did not clearly capture the differences between Achievement, Merit and Excellence in terms of the depth of knowledge, understanding and/or skills required. The proposed standards now identify the progression much more explicitly for each level of achievement.

In line with one of the Principles for Standards Review the number of externally assessed standards is now three. This will allow students to have at least one hour in a written examination to present their evidence for the standard(s).

The increased number of internally assessed standards will provide economics teachers with the opportunity to more readily incorporate key competencies of the curriculum into their economics programmes (see *Best Evidence Synthesis Social Sciences* at <http://www.educationcounts.govt.nz/publications/series/2515/32879/35263>)

If students are to develop key competencies, they must be given multiple opportunities to experience using them. As a result, internally assessed standards at NCEA level one have been written so that ongoing assessment evidence collection is possible. This would enable the collection of evidence to be more closely aligned with learning. It is hoped that this approach would allow for a variety of teaching and learning experiences to be used as the basis for collecting assessment evidence, and it would give an opportunity for key competencies to be interwoven into teaching programmes. In addition, it is hoped that ongoing collection of assessment evidence would allow assessment methods to be used that do not interfere unduly with learning, and which are relatively simple to administer, mark and record.

Feedback from consultation on the standards in June 2009 confirmed the draft standards had good support from the secondary sector. The specific feedback resulted in adding and/or clarifying definitions used in the explanatory notes. The main changes to the standards are described below.

### **Externally Assessed Standards (1.1, 1.3, 1.4)**

#### **AS90983 (1.1) Demonstrate understanding of consumer choices, using scarcity and/or demand (4 credits)**

- Basically it is the same as the existing AS90195 (1.1), which is externally assessed.
- The title has been changed from that of the current Achievement Standard to link it more directly to the first achievement objective of the curriculum.
- One extra credit has been allocated to this standard as compared to the new AS90197 (1.3) because it is likely to be the first completed by students and the concept of scarcity should be introduced to them in this context. Although the concept of scarcity is covered again in other standards (1.3 and 1.4), and so provides more anchors for learning and subsequent recall, it was not felt that scarcity needed to be assessed externally on multiple occasions.
- This achievement standard is focused on the individual consumer and provides an excellent opportunity for teaching and learning to be aligned with the diverse interest and backgrounds of students.
- The key competencies of the curriculum that are likely to be interwoven into the teaching and learning associated with this standard include 'thinking', 'using language, symbols and texts', and 'relating to others'.

#### **AS90985 (1.3) Demonstrate understanding of producer choices using supply (3 credits)**

- Basically it is the same as the existing AS90917 (1.3), which is externally assessed.
- The title has been changed to link it more directly to the first achievement objective of the curriculum and to distinguish its focus from AS90984 (1.2) (see below).
- Only three credits have been allocated to it, compared to the four for AS90983 (1.1), as scarcity will not be assessed for this standard.
- The key competencies of the curriculum that are likely to be interwoven into the teaching and learning associated with this standard include 'thinking', 'using language, symbols and texts', and 'relating to others'.

#### **AS90986 (1.4) Demonstrate understanding of how consumer, producer and/or government choices affect society, using market equilibrium (5 credits)**

- Basically it is the same as the existing AS90198 (1.4), which is externally assessed.
- The title has been changed from that of the current Achievement Standard to link it more directly to the first achievement objective of the curriculum.
- Some content from the current AS90198 (1.4) has been deleted (rights and responsibilities) as the NZC indicates that Social Studies students should acquire this knowledge and understanding at level 4. Other content that does not fit comfortably with the new achievement standard, such as the diversity of markets and the role of money, has been dropped.

- No consequential reduction to the credit value of this standard has been proposed, as additional time will be required to inquire into the effects of consumer, producer and government choices on society, as well as the time needed to incorporate key competencies into the teaching and learning programme.

### **Internally Assessed Standards (1.2, 1.5, 1.6)**

#### **AS90984 (1.2) Demonstrate understanding of decisions a producer makes about production (5 credits)**

- This standard replaces the existing AS90916 (1.2), which is externally assessed. It also incorporates aspects of unit standards 5855 and 5854.
- Important concepts related to this standard can be easily assessed using activities that engage students and which are aligned to the interests and backgrounds of individual students. As such, these are best assessed internally, where assessment tasks are more readily aligned with teaching and learning experiences.
- All five key competencies of the curriculum are likely to be interwoven into teaching and learning experiences as it is anticipated that on-going assessment evidence collection will be used to assess this standard. Activities to collect evidence of achievement might include: groups organised using the principles of division of labour with individuals increasing productivity by specialising; surveying a business about the reasons for integration; field trips to specific businesses to find examples of internal and external factors affecting productivity.
- Some content of the current AS90196 (1.2) that is not directly related to producer decisions about resources, productivity or business expansion, has been dropped.
- The deletion of some content allows for the development of key competencies, which by their nature will require additional teaching and learning time, as well as time for students to evaluate their experiences so that they can develop these life-long learning capabilities.

#### **AS90987 (1.5) Demonstrate understanding of a government choice where affected groups have different viewpoints (4 credits)**

- This new achievement standard covers the learning outcome related to the government in the first achievement objective of the curriculum.
- To provide the time required for students to achieve this standard, the current AS90201 (1.7) has been designated expiring. In addition, extra time will also be made available by designating AS90988 (1.6) (economic decision-making) expiring.
- The focus of this standard is likely to be an inquiry into a local or central government decision that affects student and which has groups both for and against the decision. Students will be expected to identify the opposing points of view that groups have about the decision and to use economic tools such as cost-benefit analysis, to provide a well-reasoned recommendation.
- All five of the key competencies of the curriculum are likely to be interwoven into the teaching and learning activities used to provide students with the opportunity to show they have achieved this standard.

## **AS90988 (1.6) Demonstrate understanding of the interdependence of sectors of the New Zealand economy (3 credits)**

- This standard replaces the existing AS90199 (1.5), which is currently externally assessed.
- The title has been changed from that of the current Achievement Standard to link it more directly to the second achievement objective of the curriculum.
- Important concepts related to this standard can be easily assessed using activities that engage students and which are aligned to the interests and backgrounds of individual students. As such these are best assessed internally, where assessment tasks are more readily aligned with teaching and learning experiences.
- All of the content from the current AS90199 (1.5) is included and, in addition, students are expected to display an understanding of a particular firm's interdependence on other firms with which it interacts in the primary, secondary and tertiary sectors.
- All five key competencies could be interwoven into teaching and learning experiences, and teachers are encouraged to use on-going assessment evidence collection to assess this standard. Activities to collect evidence of achievement might include: students choosing local firms and establishing the interdependence of them with other sectors of the economy; making macro-economics more real by students linking newspaper articles to the circular flow model; using a PowerPoint presentation to establish the interdependence between sectors of the economy.

### **Designated Expiring Recommendations for Unit and Achievement Standards**

Unit standards 5854, 5856, 5857, 5860, 5861, 5862, and 5866, which fully or largely duplicate the outcomes of continuing achievement standards, have been designated expiring according to the non-duplication principle of the standards alignment process.

Unit standards 5855, 5858, 5859, 5863, 5864, 5865 and 5867, whose outcomes have been wholly or largely covered by new achievement standards, have also been designated expiring.

Unit standard 10926 has been designated expiring on the basis that it is related to the achievement objectives of level 4 of the curriculum.

Unit standards 10929, 10927, 10930, 10932, 10928 and 10931 have been designated expiring on the basis that the sector did not request that they be retained in the November 2009 survey.