

Target: /58 or \_\_\_\_%

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Teacher: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Year 7 Economics and Business (HASS) 2023 – Weighting 9%**

Task 2 – In-class Test

**Total**

\_\_\_\_\_\_\_\_\_\_\_\_

58

**Conditions: 5 minutes reading and 50 minutes working time**

**Section One – Multiple Choice**

**1 mark per question (19 marks)**

1. Economics is the study of how people:

1. survive by satisfying their needs
2. earn an income so they can buy goods and services
3. satisfy unlimited wants by preparing a budget
4. use limited resources to satisfy unlimited wants
5. The best definition of goods in economics is they are:
6. provided for us by other people
7. provided by your parents
8. items you can see or touch
9. things that you cannot see or touch
10. Which of the following items is not considered a need?
11. food
12. water
13. electricity
14. shelter
15. Wants can be defined as:
16. luxuries which are not essential for survival
17. the desire to be the best we can be
18. unlimited resources
19. things that we need for survival
20. Which of the following is not one of the four factors of production?
21. natural resources
22. labour resources
23. capital resources
24. non-renewable resources
25. Land resources can be defined as:

1. new ideas and methods in producing goods and services
2. raw materials supplied by nature
3. machinery and technology
4. human skill and effort
5. What is one way that producers and consumers depend on each other?
6. They want each other’s money
7. Producers only pay the consumers who buy from them
8. Consumers rely on producers to provide goods and services
9. Consumers try to satisfy needs and wants
10. A producer can best be described as:
11. a person who buys things in order to use them.
12. a person who makes things in order to sell them.
13. a person who buys things in order to satisfy their wants.
14. a person who makes things in order to satisfy their needs.
15. Which of the following could all be regarded as capital resources?
    * 1. Computers, trucks, tools, factories
      2. Trees, water, soil, trees
      3. Workers, manager, government, banks
      4. Farms, factories, businesses, government
16. Which of the following pairs represent “a good and a service”?
    * 1. A pencil case and a teacher
      2. A biro and a piece of paper
      3. A doctor and a nurse
      4. A movie and a rock concert
17. An economy is…
18. the organisation of money
19. ways people spend money
20. the organisation of people to satisfy needs and wants
21. the organisation of resources to satisfy needs and wants
22. Consumers are people who…
23. eat everything they see
24. use goods and services to satisfy their needs and wants
25. use money to satisfy their wants
26. use the economy to satisfy their needs
27. A need is…
28. Something we buy for fun
29. Something that is necessary for survival
30. Something we can live without
31. Something that is expensive
32. What is a profit?
33. The income earned from a business once expenses are taken into account
34. Money paid to employees after tax
35. Using money saved to make more money
36. Money paid to the government
37. The four factors of production are:
38. land, labour, capital and government
39. capital, enterprise, labour and taxation
40. land, labour, capital and enterprise
41. land, capital, government and taxation
42. Which of the following is not a priority that businesses need to consider when setting prices?
43. The price of resources
44. The amount of profit the business wants to make
45. The price of competing businesses for the same product
46. Whether consumers will have the correct change
47. Which type of work is best being described: Work where the hours may change each week.
48. Full-time
49. Casual
50. Part-time
51. Volunteer
52. How many hours a week does a person need to work to be considered ‘Full-time’?
53. 1
54. 10
55. 35
56. 40
57. The job of a producer is to:
58. Keep their prices low
59. Sell all items that consumers want
60. Produce a variety of goods and services that are popular
61. Produce what consumers want at a price they are prepared to pay

**Section Two – Short Answer** **(39 marks)**

* Complete the questions below on goods and services.

1. Define the economic term **needs** (2 marks)

* 1 mark if student provides basic definition
* 2 marks if student uses full sentence in definition and provides a comprehensive outline

1. State an example of a **need.** (1 mark)

* Food, water shelter

1. Define the economic term **wants** (2 marks)

* 1 mark if student provides basic definition
* 2 marks if student uses full sentence in definition and provides a comprehensive outline

1. State an example of a **want**.(1 mark)

* Teacher judgement
* Write the name of each resource under the appropriate column in the table provided. ½ mark per correct answer (4 marks)

Boat Teacher Computer Farmland Electrician Entrepreneurs Truck Wood/timber

|  |  |  |  |
| --- | --- | --- | --- |
| **LAND** | **LABOUR** | **CAPITAL** | **ENTERPRISE** |
| Farmland  Wood/timber | Electrician  Teacher | Boat  Computer  Truck | Entrepreneurs |

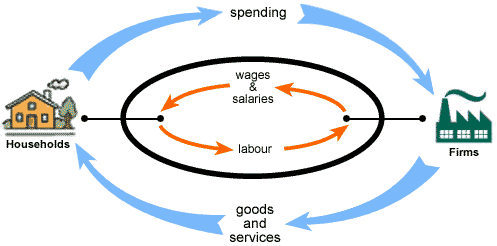
3a. Complete the Circular Flow of Income Model below;

*One of the boxes has been completed for you.*

**Terms**: Resources (Labour); Consumer Spending; Wages/Salaries; Consumers; Producers

(5 marks)

**Figure 1**



3b. With reference to **Figure One,** explain what is meant by concept of *‘interdependence’*, making reference to the diagram. (4 marks)

* 1 mark for referencing Figure 1
* 2 marks for correctly explaining ‘interdependence’ as the way that participants in the economy (producers and consumers) rely on each other to produce or consume goods and services. Only 1 mark if student provides a basic outline of this or states that they ‘rely’ on each other.
* 1 mark for using an example from the diagram e.g. producers rely on consumer spending

4a. List 4 of the different types of work. (4 marks)

* 1 mark per type: e.g. full-time, part-time, casual, seasonal, self-employed, volunteer

4b. Describe one type of work from above **(Question 4a.),** using examples. (3 marks)

* 2 marks for correct description of type of work – should include the nature of the work such as hours or certain benefits e.g. full time workers are entitled to paid leave.
* 1 mark for providing an example

5. Outline one financial and one non-financial reason why people work. (4 marks)

* 2 marks for each – 1 mark if student simply states. 2 marks for outlining.
* Financial examples: income to meet needs/wants, superannuation
* Non-financial examples: job satisfaction, ability to gain skills and meet people

6a. Define the term *‘income’* and provide an example to support your definition. (3 marks)

* 2 marks for correctly defining income as the money earned by a person through working or other sources.
* 1 mark for example

6b. List three sources of income. (3 marks)

* 1 mark per source: e.g. wage, salary, investments (shares), property, royalties etc.

7. Over time, there has been a shift in consumer demand for certain products in grocery stores. Outline one major change in consumer demand that has occurred, using examples. (3 marks)

* 1 mark for student correctly identifying a shift in demand in grocery stores

Major changes include (not limited to): healthier products, environmentally friendly products, vegan products, ethically produced products, health products (due to COVID).

* 1 mark for outlining this change or why it has occurred
* 1 mark for an example of a product e.g. metal straws for environmentally friendly products. 1 mark if student provides basic definition
* 2 marks if student uses full sentence in definition and provides a comprehensive outline