

Assessment Schedule – 2022**Economics: Demonstrate understanding of producer choices using supply (90985)****Assessment Criteria**

Achievement	Achievement with Merit	Achievement with Excellence
<p><i>Demonstrate understanding involves:</i></p> <ul style="list-style-type: none"> defining, identifying, describing and / or providing an explanation of choices a producer makes in response to a change in either internal or external factors affecting supply identifying, describing, and / or providing an explanation of the flow-on effects for the producer clearly illustrating changes using the supply model. 	<p><i>Demonstrate in-depth understanding involves:</i></p> <ul style="list-style-type: none"> using the supply model to provide a detailed explanation of choices a producer makes in response to a change in either internal or external factors affecting supply providing a detailed explanation of the flow-on effects for the producer. 	<p><i>Demonstrate comprehensive understanding involves:</i></p> <ul style="list-style-type: none"> linking detailed explanations of the flow-on effects for the producer, with detailed explanations of choices a producer makes in response to a change in either internal or external factors affecting supply integrating changes in supply into detailed explanations.

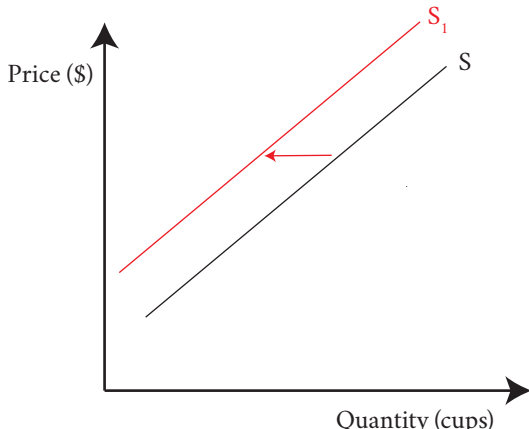
Each question should be read as a whole before awarding a grade.

Evidence

Q1	Evidence	Achievement	Achievement with Merit	Achievement with Excellence
(a) (b)	<p><i>Zihao's Café's daily supply curve for dine-in coffee</i></p>	<p>Draws the graph with 3 correct requirements:</p> <ul style="list-style-type: none"> • Points plotted correctly • Coordinates joined by a line • S label. <p>OR</p> <p>Decrease in price and quantity shown with use of arrows AND dotted lines.</p>	<p>Draws the graph with 3 correct requirements</p> <ul style="list-style-type: none"> • Points plotted correctly • Coordinates joined by a line • S label. <p>AND</p> <p>Decrease in price and quantity shown with use of arrows AND dotted lines.</p>	
(c)	The law of supply states that as the price decreases the quantity supplied decreases, assuming <i>ceteris paribus</i> . In this case as the price of dine-in coffee decreases from \$5 to \$3.50 per cup, the quantity supplied will decrease from 290 to 220 cups per day.	Identifies a decrease in the quantity supplied of dine-in coffee.	Explains the law of supply, with the idea of decreased profitability, using data in context. Describes <i>ceteris paribus</i> .	Explains the law of supply, with the idea of decreased profitability AND decreased gap between revenue and cost, using data in context.
(d)	<i>Ceteris paribus</i> in this context means that all other factors that may affect the supply of dine-in coffee do not change. Examples of these factors could be the cost of ingredients, labour costs, and the technology used to make the coffee.			Explains <i>ceteris paribus</i> with an example.
(e)	As the price of dine-in coffee decreases, the revenue per cup also declines. This reduces the difference between revenue and costs and makes dine-in coffee less profitable to produce, hence reducing the quantity supplied.			

N1	N2	A3	A4	M5	M6	E7	E8
Very little Achievement evidence.	Some Achievement evidence, partial explanations.	Most Achievement evidence, at least one explanation.	Nearly all Achievement evidence.	Some Merit evidence.	Most Merit evidence.	Excellence evidence. One part may be weaker.	All points covered.
				Uses detailed explanations in context and mostly correct data.		Uses integrated explanations in context and correct data and economic terminology.	

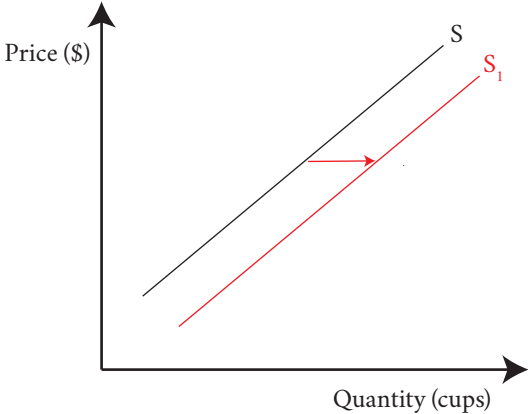
N0 = No response; no relevant evidence.

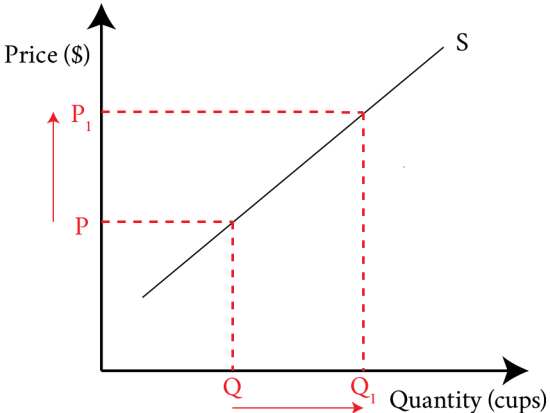
Q2	Evidence	Achievement	Achievement with Merit	Achievement with Excellence
(a)	<p>Zihao's Café's daily supply of dine-in coffee</p> 	Supply curve shifted to the left with arrow and / or labelling.		
(b)	Productivity will decrease as fewer customers will be able to be served per hour / day due to the social distancing requirements, as fewer customers will be allowed in the café. Also, the need for workers to practise social distancing could mean fewer workers will be available to make coffee and serve the customers, which may lead to delays in production and table service.	Identifies a valid reason for productivity decreasing.	Explains the link between social distancing requirements and decreased productivity.	
(c)	Costs of production will increase as <i>Zihao's Café</i> will need to make frequent purchases of face masks and hand sanitiser for employees, which will increase the cost of making dine-in coffee.	Identifies a valid reason for costs of production increasing.	Explains the link between requirements for face masks and hand sanitiser and increased costs of production.	
(d)	Due to the decrease in productivity, less revenue will be made due to less dine-in coffee being made and fewer customers being served. This, coupled with the increase in costs of production due to increased spending on masks and hand sanitiser, will reduce the difference between revenue and costs and make dine-in coffee less profitable. Less dine-in coffee will be supplied at each price and the supply curve will shift to the left, from <i>S</i> to <i>S1</i> .	States that there is a decrease in supply of dine-in coffee.	Explains the link between decreased productivity and fall in profitability. Explains the link between decreased profitability and less supply of dine-in coffee.	Explains the link between decreased productivity, increased costs of production, and a decrease in supply of dine-in coffee.

(e)	<p>Because <i>Zihao's Café</i> is supplying less dine-in coffee, the business may:</p> <ul style="list-style-type: none"> • require workers to work fewer hours / shifts or have to lay off some staff • purchase less ingredients, e.g., coffee beans or milk, as less coffee is being produced • shift resources towards producing a related good, e.g. takeaway coffee, to try to earn more profit. 		Explains one flow-on effect.	Explains two flow-on effects.
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Very little Achievement evidence.	Some Achievement evidence, partial explanations.	Most Achievement evidence, at least one explanation.	Nearly all Achievement evidence.	Some Merit evidence.	Most Merit evidence.	Excellence evidence. One part may be weaker.	All points covered.
				Uses detailed explanations in context and mostly correct data.		Uses integrated explanations in context and correct data and economic terminology.	

N0 = No response; no relevant evidence.

Q3	Evidence	Achievement	Achievement with Merit	Achievement with Excellence
(a)	<p><i>Zihao's Café's daily supply of takeaway coffee</i></p> 	Supply curve shifted to the right with arrow and / or labelling.		
(b)	<p>The revenue received from takeaway coffee will increase because workers can make the coffee faster as people don't have to come into the café and follow social distancing. This makes ordering more efficient. Therefore, during each day, production and revenue can potentially increase.</p> <p>Costs of production may decrease for takeaway coffee as fewer resources, e.g., time, will be needed to receive and process orders.</p> <p>Therefore, with increased revenue and lower costs, profitability of takeaway coffee will increase due to the new click and collect technology. More takeaway coffee will be supplied at each price, increasing the supply, and shifting the supply curve to the right, S to S₁.</p>	Gives a valid reason for the supply of takeaway coffee increasing.	Explains a link between the new click and collect technology and profitability and increased supply.	Explains the link between the new click and collect technology, revenue, costs, profitability, and increased supply.

(c)	<p>Zihao's Café's daily supply of dine-in coffee</p> 	Increase in price and quantity shown with use of arrows AND dotted lines.		
(d)	Dine-in coffee and takeaway coffee are related goods as they can be produced with the same or similar resources, e.g., coffee beans, milk, and baristas.	Describes the idea of related goods.	Explains, using an example related to the context, why dine-in and takeaway coffee are related goods.	
(e)	An increase in the price of dine-in coffee will make it relatively more profitable than takeaway coffee. Hence <i>Zihao's Café</i> may switch some resources, such as time, baristas, milk, and coffee beans, from takeaway coffee to dine-in coffee. This will reduce the supply of takeaway coffee as less can be produced with fewer resources, so less will be supplied at each price.	Gives a valid reason why the supply of takeaway coffee will decrease.	Explains the link between the increase in price of dine-in coffee, relative profitability, and reduced supply of takeaway coffee.	Explains the link between the increase in price of dine-in coffee, relative profitability, and reduced supply of takeaway coffee. Must have reference to switching resources idea.

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Very little Achievement evidence.	Some Achievement evidence, partial explanations.	Most Achievement evidence, at least one explanation.	Nearly all Achievement evidence.	Some Merit evidence.	Most Merit evidence.	Excellence evidence. One part may be weaker.	All points covered.
				Uses detailed explanations in context and mostly correct data.		Uses integrated explanations in context and correct data and economic terminology.	

Cut Scores

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