Assessment Schedule – 2020

Economics: Demonstrate understanding of consumer choices, using scarcity and / or demand (90983)

Assessment Criteria

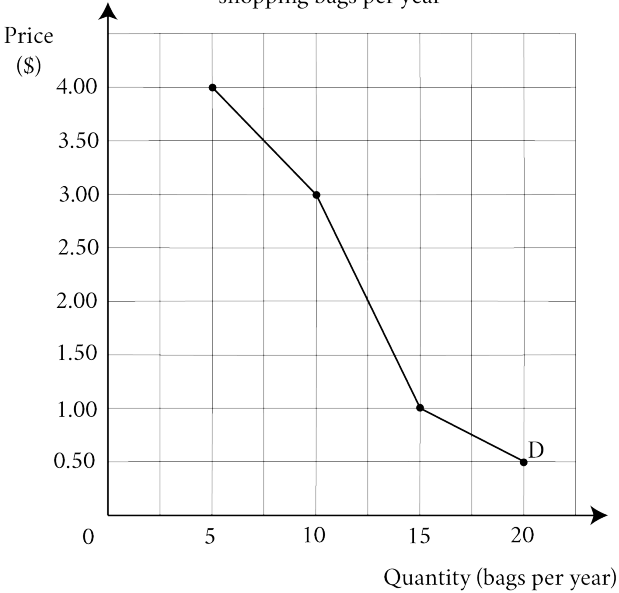| Achievement	Achievement with Merit	Achievement with Excellence
*Demonstrate **understanding** involves:* • defining, identifying, describing, or providing an explanation of consumer choices related to scarcity • identifying, describing, or providing an explanation of choices a consumer makes in response to a change in price or non-price factors • identifying, describing, or providing an explanation of flow-on effects for the consumer, clearly illustrating changes using the demand model.	*Demonstrate **in-depth understanding** involves:* • providing a detailed explanation of consumer choices related to scarcity • providing a detailed explanation, using demand, of choices a consumer makes in response to a change in price or non-price factors • providing a detailed explanation of the flow-on effects for the consumer.	*Demonstrate **comprehensive understanding** involves:* • providing an integrated explanation of consumer choices related to scarcity • linking detailed explanations of flow-on effects for the consumer with detailed explanations of choices the consumer makes in response to a change in a price or non-price factors affecting demand • integrating changes in demand into detailed explanations.

Cut Scores

Not Achieved	Achievement	Achievement with Merit	Achievement with Excellence
0 – 7	8 – 13	14 – 18	19 – 24

Evidence
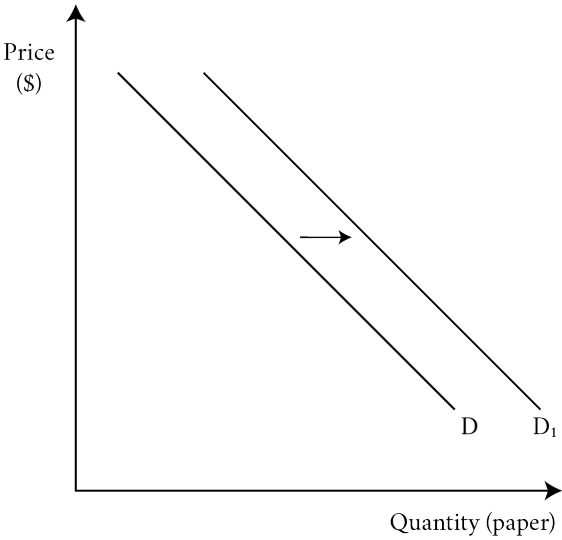
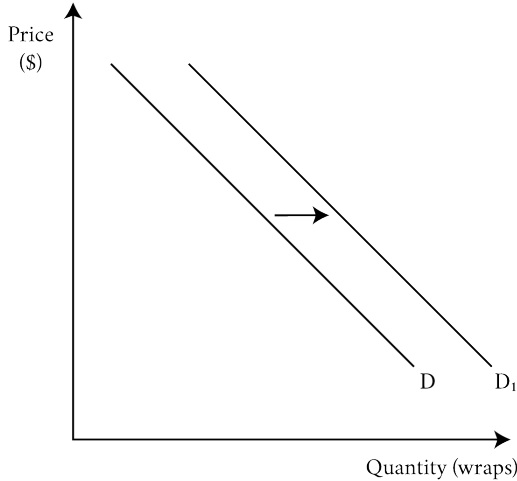| Q1	Sample evidence	Achievement	Achievement with Merit	Achievement with Excellence
(a)	Leo shows he values the environment / kaitiakitanga / environmental causes / climate change / global warming (or similar) by being a member of / volunteer at the New Zealand Climate Action Network (NZCAN).	Correctly identifies a value.		
(b)	Leo shows he values care for animals (or similar) by working at the zoo.	Correctly identifies a value.		
(c)	Leo does not have time to both organise and promote the march as well as work all his shifts at the zoo. Leo could make a compromise – he could attend the march but not be part of the organising committee and do half of his shifts at the zoo (or similar) or he could devote all his time to organising the march and then do extra shifts at the zoo once the march is over.	**Explains** a conflict OR a compromise.	**Explains** a conflict AND a compromise	**Fully explains** a conflict AND a compromise.
(d)	(i) Leo's time is limited because there are only 24 hours a day, seven days a week, 365 days in a year (etc). Leo wants to do many things – attend school, volunteer at NZCAN and work shifts at the zoo. (ii) Leo's skills are limited to his natural abilities (what he is born with) and his education (what he has learned). Leo will have learned skills about looking after animals from his work at the zoo, education from his subjects at school and information about environmental issues from volunteering at NZCAN. (iii) Leo's money is limited by what he can earn. He has a job at the zoo, which will pay his money, and his parents may give his pocket money, but he will need to satisfy his needs before he can save or spend his disposable income on wants.	**Identifies** why Leo's means are limited.	**Explains** why TWO means are limited.	**Fully explains** why TWO of Leo's means are limited, **with example.**
(e)	Identifies a limited mean, a choice and an opportunity cost, e.g. ONE of: • Leo would like to donate to various environmental charities – both NZCAN and, say, Greenpeace, but his money is limited. Leo has chosen to only donate money to NZCAN, so an opportunity cost is not donating to Greenpeace (which was the next best alternative). • Leo would like to also join a gym to keep fit, but his time is limited because he already goes to school, works at the zoo and volunteers for NZCAN. Leo decides to stop volunteering for NZCAN and to go to the gym instead. NZCAN is the opportunity cost (which was the next best alternative). • Leo's skills (about animal care) are limited to how to look after the rabbits and the fish at the zoo. Leo has chosen to look after the rabbits in his shift on Monday. Looking after the fish is the opportunity cost of this shift (which was the next best alternative). *All reasonable responses should be considered.*	**Explains** an opportunity cost.	**Explains** a limited mean and **links** to opportunity cost.	**Fully explains** a limited mean and links to opportunity cost, **with example and definition.**

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.

| N0 = No response; no relevant evidence. | | | | Candidate uses detailed explanations, mostly in context. | | Candidate uses integrated explanations in context and uses correct economic terminology. | |

Q2	Sample evidence	Achievement	Achievement with Merit	Achievement with Excellence
(a)	Possible answers: 	Product	Environmentally friendly substitute		Identifies a substitute.		

Q2	Sample evidence	Achievement	Achievement with Merit	Achievement with Excellence
(a)	**Product** / **Environmentally friendly substitute** Disposable coffee cup / Reusable coffee cup Single-use shopping bag / Reusable shopping bag / biodegradable shopping bag Dishwashing liquid / Concentrate / biodegradable / animal-friendly dishwashing liquid / refillable bottle	Identifies a substitute.		
(b)	Leo's demand for reusable shopping bags per year (Graph showing Price ($) on vertical axis from 0.50 to 4.00, Quantity (bags per year) on horizontal axis from 0 to 20. Data points: (5, 4.00), (10, 3.00), (15, 1.00), (20, 0.50) labelled D)	Draws the graph with FIVE correct requirements, from: • title • price ($) • quantity • data points • D label • scale.		

Q2	Sample evidence	Achievement	Achievement with Merit	Achievement with Excellence
(c)	Leo's demand for reusable shopping bags per year Price ($) 4.00 3.50 P_1 3.00 2.50 2.00 1.50 P 1.00 0.50 D 0 5 10 15 20 Q_1 ← Q Quantity (bags per year)	Identifies accurate movement up the demand curve.		
(d)	The law of demand states that as the price increases, the quantity demanded decreases and vice versa, assuming ceteris paribus (all other factors remain unchanged). In this case, as the price of reusable bags rises from $1 (**P**) to $3 (**P₁**) per bag, Leo will decrease his quantity demanded of reusable bags from 15 bags per year (**Q**) to 10 reusable bags per year (**Q₁**). This is because with his given income, he can now afford fewer reusable bags (i.e. bags have become less affordable). Reusable bags have become relatively more expensive compared to substitutes such as plastic bags.	**Describes** the law of demand. **Explains** a decrease in the number of bags demanded.	Provides a **detailed explanation** of the law of demand, with reference to the graph. Uses data or graph to explain decrease in quantity of bags demanded.	**Comprehensively** explains the law of demand in the context of the number of bags purchased by Leo (with reference to the graph). **Links** law of demand to affordability.
(e)	The price increase may lead Leo to (examples): • purchase a long-lasting substitute item that he could use for years, such as a basket, trolley or school bag • purchase shorter-lasting substitutes on the spot (paper bags) as they are still recyclable, but not long lasting • buy plastic bags to line his rubbish bin as he can no longer use the ones from the supermarket.		**Explains** a flow-on effect for Leo.	**Fully explains** TWO flow-on effects for Leo.

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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.

N0 = No response; no relevant evidence.	Candidate uses detailed explanations and makes some reference to the graph.	Candidate refers to the changes in the graphs and uses the correct data and economic terminology.

Q3	Sample evidence	Achievement	Achievement with Merit	Achievement with Excellence
(a)	A product made from recycled materials could be considered a luxury product because it is of superior quality and a higher price than a normal good.	**Identifies** products made from recycled items as a luxury good.		
(b)	In economics, the demand for a luxury good increases as income increases.		**Explains** luxury goods, in terms of demand for luxury goods increasing as income increases.	**Fully explains** luxury goods, in terms of an increase in demand as income increases, because superior quality / more expensive process to make / demand increases more than proportionately.
(c)	Leo's demand for recycled paper (annually) Price ($) D D₁ Quantity (paper)	Shift right of the demand curve for recycled paper shown using arrows and labels.		

Q3	Sample evidence	Achievement	Achievement with Merit	Achievement with Excellence
(d)	Leo's demand for beeswax wraps (annually) 	Shift right of the demand curve for beeswax wraps shown using arrows and labels.		
(e)	The environmental group influenced Leo's tastes and preferences, because he learned about a way that he could reduce his waste. This means that he will increase his demand for beeswax wraps at each and every price, and the demand curve will shift to the right from **D** to **D₁**. Leo's increase in demand for beeswax wraps results in his buying less plastic wrap / cling film (Glad Wrap, etc.) as he no longer has so much need for this product as the beeswax wraps are reusable.	**Explains** more beeswax wraps are demanded. **Explains** less demand for substitute items.	**Explains** a shift right of the demand curve for beeswax wraps, with **some** reference to the graph.	**Fully explains** a shift right of the demand curve for beeswax wraps with reference to the graph. **Fully explains** less demand for substitute good.

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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.

N0 = No response; no relevant evidence.

Candidate uses detailed explanations and makes some reference to the graphs.	Candidate refers to the changes in the graphs and uses correct economic terminology.