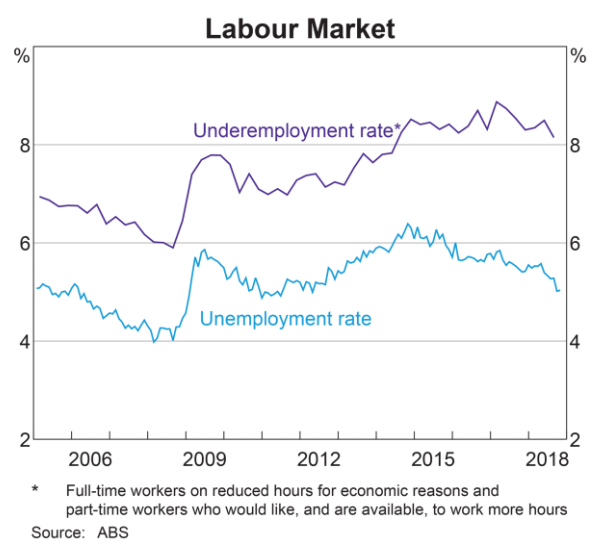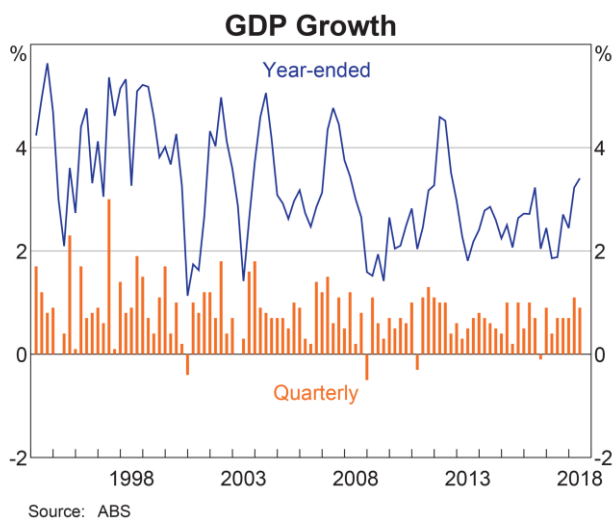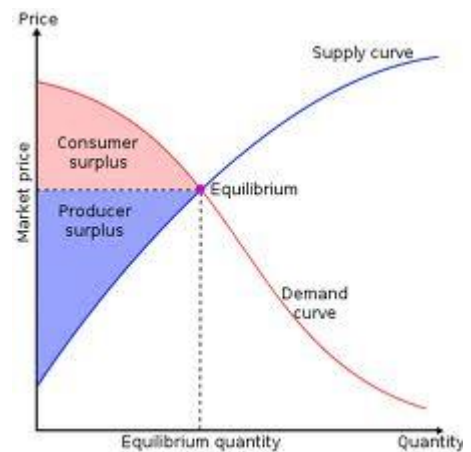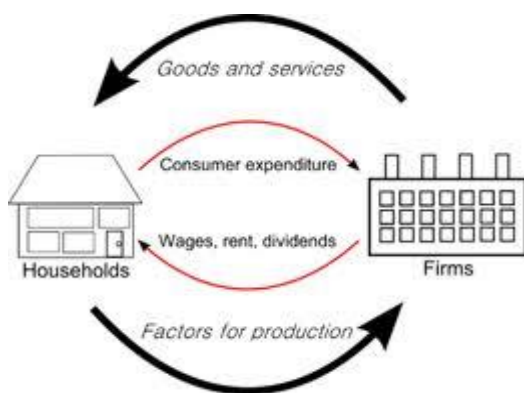# Year 11 ATAR ECONOMICS – 2023

COURSE OUTLINE & ASSESSMENT SCHEDULE

Assessment Outline: Economics Units 1 & 2 – Times of Assessment may vary with notice

Unit	When	Assessment Type	Assessment Tasks / Content	Raw Mark	Task Weighting %	Outcome 1 Economic Inquiry	Outcome 2 Operation of the Economy	Outcome 3 Economic Policy and Action
1	T1 Wk 6	Data Interpretation	Markets, Supply and Demand Analysis	24	10	√	√	N/A
1	T1 Wk 9	Extended Answer	Elasticity, Efficiency and Equity	20	10	√	√	√
1	T2 Wk 3	Investigation and Validation	Market failure	24	10	√	√	√
1	**T2 Wk 5/6**	**EXAM**	**All of unit 1**	**tba**	**15**	√	√	√
2	T3 Wk 1	Data Interpretation	Macroeconomic Concepts and Issues	24	10	√	√	√
2	T3 Wk 6	Investigation and Validation	Macroeconomic Concepts and Issues	20	10	√	√	√
2	T3 Wk 9	Extended Answer	Macroeconomic Concepts and Issues	20	10	√	√	√
1&2	**T4 Wk 3/4**	**EXAM**	**Units 1 & 2**	**100**	**25**	√	√	√
			TOTAL		**100%**			

Schools Curriculum and Standards Authority:
Investigation & Validation 20%
Data Interpretation 20%
Extended Answer 20%
Exam: 40%

COURSE OUTLINE - YEAR 11 2023 Unit 1

Microeconomics is the study of particular markets, and segments of the economy. This unit explores the theory that markets are an efficient way to allocate scarce resources, using real-world markets with an emphasis on the Australian economy. When the forces of demand and supply do not allocate and price resources in a way that society would regard as efficient, equitable or sustainable, market failure can occur. Students examine examples of market failure along with a range of government policy options that can be applied to achieve more desirable outcomes. Students are also introduced to the language of economics and the use of theories and models to explain and interpret economic events and issues.

WEEKS	PROGRAM	Economic Knowledge and Understanding	Economic Skills	ASSESSMENT
Term 1 Week 1 & 2	**Introduction to Economics**	• Explain the concept of Economics • Distinguish between microeconomics and macroeconomics • Describe the economic decision-making process • Discuss the importance of economic models • Demonstrate and explain the Production Possibility Frontier (PPF) Model • Discuss the characteristics of a market economy	• Select and use appropriate terminology • Apply mathematical techniques relevant to markets, including calculating opportunity cost • Use economic models to analyse and convey economic theory related to markets, including the Production Possibility Frontier • Use a clear structure when communicating economic understandings, including using relevant and accurate diagram/model	

Term 1 Week 3 - 6	**Demand**	• Define the law of demand
		• Explain the relationship between individual and market demand schedules and curves
		• Demonstrate and explain the effect of changes in price on quantity demanded, ie movement along the curve
		• Discuss the non-price factors affecting demand
		    o Income ie effect on normal and inferior goods
		    o population
		    o tastes and preferences
		    o prices of substitutes and complements
		    o expected future prices
		• Demonstrate and explain the effect of changes in non-price factors on demand, ie increase or decrease in demand
			• Select and use appropriate terminology
			• Use economic models to analyse and convey economic theory related to markets, including the demand and supply graphs to analyse market behaviour and performance
			• Use a clear structure when communicating economic understandings, including using relevant and accurate diagram/model	

	Supply	• Define the law of supply
		• Explain the relationship between individual and market supply schedules and curves
		• Demonstrate and explain the effects of changes on quantity supplied, i.e. movement along the curve
		• Discuss the non-price factors affecting supply
		    ○ costs of production
		    ○ factors of production
		    ○ expected future prices
		    ○ number of suppliers
		    ○ technology
		• Demonstrate and explain the effect of changes in non-price factors on supply i.e. increase or decrease in supply
			• Select and use appropriate terminology
			• Use economic models to analyse and convey economic theory related to markets, including the demand and supply graphs to analyse market behaviour and performance
			• Use a clear structure when communicating economic understandings, including using relevant and accurate diagram/model	

	Equilibrium	• Outline the concept of market equilibrium • Explain the concepts of market clearing, shortages and surpluses • Explain the effects of changes in demand and / or supply on market equilibrium, including simultaneous shifts of demand and supply	• Select and use appropriate terminology • Use economic models to analyse and convey economic theory related to markets, including the demand and supply graphs to analyse market behaviour and performance • Use a clear structure when communicating economic understandings, including using relevant and accurate diagram/model	T1 / Week 6 Data Interpretation (10%)
Term 1 Week 7 - 8	**Elasticity**	• Define the concept, and measurement, of price elasticity of demand • Explain the determinants of price elasticity of demand • Distinguish between goods that are price elastic and price inelastic in demand • Demonstrate and describe the link between price elasticity of demand and total revenue • Define the concept of price elasticity of supply • Distinguish between goods that are price elastic and price inelastic in supply • Explain the determinants of price elasticity of supply • Discuss the application of price elasticity of demand and supply to markets	• Select and use appropriate terminology • Apply mathematical techniques relevant to markets, including calculating price elasticity of demand ie total revenue, coefficient method; price elasticity of supply • Use economic models to analyse and convey economic theory related to markets, including demand and supply graphs to analyse market behaviour and performance • Use a clear structure when communicating economic understandings, including using relevant and accurate diagram/model and making reference to a diagram/model/data to support a written response	

		• Analyse the importance of price elasticity of demand and supply for business and government, including the incidence of a tax and price discrimination		
Term 1 Week 9 - 10	**Market Efficiency**	• Outline the concept of market efficiency in a perfectly competitive market • Explain the concepts of consumer surplus, producer surplus, total surplus and deadweight loss • Outline the efficiency of market equilibrium i.e. maximising total surplus • Discuss how under- and overproduction in a market can result in a deadweight loss • Demonstrate and explain the effects of a tax and subsidy on a market • Demonstrate and explain the effects of a price ceiling and price floor on a market	• Select and use appropriate terminology • Apply mathematical techniques relevant to markets, including calculating marginal benefits, marginal costs, consumer surplus, producer surplus, deadweight loss • Use economic models to analyse and convey economic theory related to markets, including demand and supply graphs to analyse market behaviour and performance • Use a clear structure when communicating economic understandings, including using relevant and accurate diagram/model and making reference to a diagram/model/data to support a written response	T1 / Week 9 Extended Response (10%)
Term 2 Week 1 - 3	**Market Failure Market Power**	• Define the concept of market failure *Market Power* • Outline the characteristics of an imperfectly competitive market. • Explain the concept and causes of market power • Explain how market power can influence market efficiency, ie a deadweight loss • Discuss the policy options to influence market power, including regulation/deregulation and legislation	• Select and use appropriate terminology • Use economic information and date to: identify trends and relationships in markets; analyse microeconomic issues and events; predict market behaviour; link economic theory to contemporary microeconomic events and issues; justify a conclusion • Use a clear structure when communicating economic understandings, including: using relevant and accurate diagram/model; making reference to a diagram/model/data to support a written response; applying problem-solving, critical thinking and decision-making strategies to predict a market outcome; recommending a range of action/policies to achieve market efficiency	T2 / Week 3 Investigation & Validation (10%)
	Market Failure: Externalities	*Externalities* • Explain the concept of externalities, ie positive and negative externalities • Explain the influence of externalities on market efficiency, ie a deadweight loss • Discuss the policy options to correct for externalities, including the use of taxes and subsidies		
	Market Failure: Public goods and common resources	*Public goods and common resources* • Outline the classification of goods, ie based on rivalry and excludability • Describe the public goods and the free rider effect		

		• Describe common resources and the tragedy of the commons • Discuss the policy options to reduce market failure associated with public goods and common resources		
Term 2 Week 4	**Revision Topics**	Exam Preparation	*How to revise* *Mindmapping* *Time Management*	
Term 2 Week 5 - 6 (15%)	**Exam Weeks**			**Unit 1 Exam Wk 5-6 (15%)**

COURSE OUTLINE - YEAR 11 2023 – Unit 2

This unit introduces macroeconomics and explores economic growth, inflation and unemployment with an emphasis on the Australian economy. Students learn it is important to measure and monitor changes in these macroeconomic indicators as changes in the level of economic activity affect the wellbeing of individuals and society.

WEEKS	PROGRAM	Economic Knowledge and Understanding	Economic Skills	ASSESSMENT
Term 2 Week 7 - 8	Introduction to Macroeconomics	• the concept of macroeconomics • the concepts of total spending, total output and total income and the relationship between them • the concept of the five sector circular flow of income • the concepts of equilibrium, leakages and injections in the circular flow of income • the effect of changes in leakages and injections on the level of equilibrium in the circular flow of income model • the concept of Gross Domestic Product (GDP) • the expenditure approach to measuring GDP, ie GDP = C+I+G+(X-M)	• select and use appropriate terminology • apply mathematical techniques relevant to macroeconomics, including calculations relating to the circular flow of income • select and use a clear structure when communicating economic understandings, including using a relevant and accurate diagram/model and making reference to a diagram/model/data to support a written response • use economic models to analyse and convey economic theory and reasoning related to macroeconomic events and issues, including the five sector circular flow model	
Term 2 Week 9 - 10	Economic Growth	• the concept and measurement of economic growth • the distinction between nominal gross domestic product (GDP), real GDP, and real GDP per capita • GDP as a measure of economic growth • the demonstration of economic growth using the Production Possibility Frontier (PPF) and Aggregate Production Function (APF) • the determinants of economic growth • the costs and benefits of economic growth • the trends in economic growth in Australia over the last five years	• select and use appropriate terminology • apply mathematical techniques relevant to macroeconomics, including calculating and interpreting rates of change in Gross Domestic Product (GDP) • use economic models to analyse and convey economic theory and reasoning related to macroeconomic events and issues, including the Aggregate Production Function (APF)	

Term 3 Week 1 - 2	Inflation	• the concept and measurement of inflation • the distinction between headline and underlying inflation • the causes and types of inflation, including demand pull and cost push • the effects of inflation • the impact of events on the trends in inflation in Australia over the last five years	• select and use appropriate terminology • apply mathematical techniques relevant to macroeconomics, including calculating the inflation rate using the Consumer Price Index (CPI)	T3 Wk 1 Data Interpretation (10%)
Term 3 Week 3	Unemployment	• the concepts of unemployment, full employment, the non-accelerating inflation rate of unemployment (NAIRU), the participation rate and underemployment • the measurement of unemployment • the causes and types of unemployment, including cyclical, structural and frictional • the effects of unemployment, including the GDP Gap • the relationship between unemployment and inflation, ie the Phillips curve • the impact of events on the trends in unemployment in Australia over the last five years	• select and use appropriate terminology • apply mathematical techniques relevant to macroeconomics, including calculating the unemployment rate and the participation rate from labour force data • select and/or use economic information and data to identify trends and relationships in the macroeconomy • use economic models to analyse and convey economic theory and reasoning related to macroeconomic events and issues, including the production possibility frontier, the Lorenz Curve and the Phillips Curve	
Term 3 Week 4 - 6	The business cycle	• the concept of the business cycle • the characteristics of each phase of the business cycle • indicators of macroeconomic activity • the impact of events on the business cycle in Australia over the last five years	• select and use appropriate terminology • use economic models to analyse and convey economic theory and reasoning related to macroeconomic events and issues, including the business cycle • select and/or use economic information and data to: identify trends and relationships in the macroeconomy; analyse macroeconomic issues and events; predict movements in macroeconomic trends using indicators; link economic theory to contemporary macroeconomic events and issues	T3 Wk 6 Investigation and Validation (10%)
Term 3 Week 7	Income Distribution	• the concepts of income and wealth • the measurement of the income and wealth distribution, ie the Lorenz curve and the Gini coefficient	• select and use appropriate terminology • use economic models to analyse and convey economic theory and reasoning related to macroeconomic events and issues, including the Lorenz Curve	

			• apply mathematical techniques relevant to macroeconomics, including interpreting Lorenz curves	

WEEKS	PROGRAM	EXTENDED DETAIL	Skills / General Capabilities	ASSESSMENT

Term 3 Week 8 - 10	**Government in the macroeconomy**	• the size and composition of Commonwealth government revenue and spending in Australia
		• the distinction between
		  ▪ direct/indirect taxation
		  ▪ progressive/regressive/proportional taxation; and
		  ▪ taxes on income/expenditure
		• types of Commonwealth taxes, including personal and income tax, goods and services tax, company tax and excise duty
		• the macroeconomic objectives of the Australian Government, including
		  ▪ sustainable economic growth
		  ▪ full employment
		  ▪ price stability; and
		  ▪ a more equitable distribution of income
			▪ select and use appropriate terminology
			▪ apply mathematical techniques relevant to macroeconomics, including calculating marginal and average rates of taxation
			▪ select and/or use economic information and data to: identify trends and relationships in the macroeconomy; analyse macroeconomic issues and events; predict movements in macroeconomic trends using indicators; link economic theory to contemporary macroeconomic events and issues; and justify a conclusion
			▪ select and use a clear structure when communicating economic understandings, including; using a relevant and accurate diagram/model; making reference to a diagram/model/data to support a written response; applying problem-solving, critical thinking and decision-making strategies to predict a macroeconomic outcome recommending a range of demand management policies to achieve Australia's macroeconomic objectives and mitigate demand and supply shocks.
				T3 Week 9 Extended Answer (10%)

WEEKS	PROGRAM	EXTENDED DETAIL	Skills / General Capabilities	ASSESSMENT
Term 4 Week 1 – 2		Revision and Exam Preparation Assessment Free Week (Week 2)		
Term 4 Week 3 - 4	**Exams**			**Unit 1&2 Examination**