

Irene McCormack Catholic College
Humanities and Social Sciences Department
2021 Year 12 Economics
ATAR Program

Student Name: _____

Teacher: Mrs Helen Gray helen.gray@cewa.edu.au

Textbooks:

- Parry & Kemp. (2018). *Investigation Macroeconomics 6th edition*.
- Tibbitt, A. (2018). *WACE Study Guide Year 12 Economics Units 3 & 4*.

Unit 3 – Australia and the global economy

This unit explores the interdependence of Australia and the rest of the world. Australia is a relatively open economy and, as such, is influenced by changes in the world economy.

Unit 4 – Economic policies and management

This unit explores the economic objectives of the Australian Government and the actions and policies taken in the pursuit of these objectives. Changes in the level of economic activity influence the policy mix and the government's capacity to achieve its objectives.

Outcome 1 – Economic inquiry

Students use economic information and data to communicate an understanding of economic events, issues and decisions. In achieving this outcome, students:

- locate, select and organise economic information and data
- analyse and interpret economic information and data
- use economic terms, concepts and models to communicate an understanding of economic events, issues and decisions.

Outcome 2 – The operation of the economy

Students understand that economic forces influence the operation of the economy and are affected by the decisions of consumers and businesses. In achieving this outcome, students:

- understand how domestic and international economic forces influence the operation of the economy
- understand the choices, trade-offs and effects of economic decisions made at the local, national and international levels.

Outcome 3 – Economic policy and action

Students understand that the policies and actions of the government and other authorities affect the operation of the economy. In achieving this outcome, students:

- understand why economic policies and actions are required to manage the economy
- understand how policy options are used to address domestic and international economic problems and issues
- understand the effects of economic policies and actions of government and other authorities at the local, national and international level.

(SUBJECT TO CHANGE)

Week	Economic Knowledge (Topics)	Resources	Activities
Term 1 Week 1	<p>Unit 3 – Australia & The Global Economy</p> <ul style="list-style-type: none">Introduction to course – distribute syllabus and program. Discuss expectations <p>Topic 2: Free trade and protection</p> <ul style="list-style-type: none">The significance of trade for the Australian economyThe theory of absolute and comparative advantage and the concept of opportunity costThe sources of comparative advantageThe gains from specialisation and trade using the PPF & the demand/supply modelThe gains from both exports and imports (changes to CS/PS)	<p>Parry & Kemp Chapter 2</p> <p>WACE Study Guide Chapter 2</p> <p>King pg 206 - 209</p> <p>Clip: https://www.youtube.com/watch?v=cqGRlqFDo2w</p>	<p>PPT presentation on Why nations trade?</p> <p>Free trade workbook</p> <p><u>Working with models</u>: AA vs. CA (Parry & Kamp)</p> <p>Calculating CA input vs. Output worksheet</p>
Term 1 Week 2	<ul style="list-style-type: none">Different forms of protection, including tariffs and subsidiesThe effects of a tariff or subsidy using the demand/supply modelThe inefficiency of tariffs and subsidies (changes to CS/PS)The concept of trade liberalisation (living standards, efficiency and productivity, increased market access/lower prices, increased investment)The arguments for and against trade liberalisation (arguments for protection – infant industry, diversification, anti-dumping, national defence, employment, cheap foreign labour, trade balance)	<p>Parry & Kemp Chapter 2</p> <p>King pg 225 - 226</p> <p>WACE Study Guide Chapter 3</p> <p>http://www.rossgittins.com/2018/03/why-protection-from-imports-isnt-smart.html</p> <p>http://www.rossgittins.com/2018/03/how-we-could-gang-up-against-trump.html</p>	<p>PPT presentation on Protection</p> <p><u>Working with models activity</u> (Parry & Kamp)</p> <p><u>News extracts</u> (Parry & Kamp)</p>
Term 1 Week 3	<ul style="list-style-type: none">Reversing the tariff model to illustrate the benefits of trade liberalisationThe influence of world organisation's (WTO / IMF), FTA's and trade bloc's (EU) on world trade.The concept of free trade agreements (types of free trade agreements - multilateral, regional and bilateral)Recent Australian free trade agreements <p>Revision</p> <p>Assessment 1: Free trade and protection</p>	<p>Parry & Kemp Chapter 2</p> <p>Australia and the Global economy Chapter 2</p> <p>Website: https://www.austrade.gov.au/australia/export/free-trade-agreements/chafta</p>	<p>PPT presentation on world organisations, FTA and trade bloc's</p> <p>Extended answer practice</p>

<p>Term 1 Week 4</p>	<p>Topic 1: Global interdependence</p> <ul style="list-style-type: none"> • The linkages between economies (including trade, foreign investment, tourism and immigration) • The concept, and extend of globalisation • The factors facilitating globalisation (including trade liberalisation, advances in transport and communications, growth in multinational corporations) • The economic effects of globalisation (both costs and benefits) 	<p>Parry & Kamp Chapter 1</p> <p>WACE Study Guide Chapter 1</p> <p>King Pg. 186</p>	<p>PPT on Global Interdependence</p> <p>Global Interdependence workbook</p> <p><u>Case Studies:</u></p> <ol style="list-style-type: none"> 1. Impact of globalisation 2. The impact of the mining boom on Australia <p><u>Article analysis:</u> China slowdown and commodity slump</p>
<p>Term 1 Week 5</p>	<ul style="list-style-type: none"> • Pattern and trends in global trade over time (trade and economic growth) • The significance of the Chinese and US economies • The concept of international competitiveness • The determinants of international competitiveness (including productivity – education, training and technology, the exchange rate, relative wages and inflation to Australia’s main trading partners) • select and use appropriate terminology • select and use appropriate formats when communicating economic understandings • 	<p>https://www.afr.com/news/economy/australia-rises-to-19th-in-imd-world-competitiveness-yearbook-20180523-h10fwp</p>	<p><u>Data Interpretation:</u></p> <ol style="list-style-type: none"> 1. TWI & ULC <p>Extended answer practice</p>
<p>Term 1 Week 6</p>	<p>Topic 3: Patterns of trade</p> <ul style="list-style-type: none"> • Australia’s trade intensity – measurement, comparison with other countries • Changes in Australia’s trade intensity • The composition of Australia’s trade – main categories of exports and imports • Changes in Australia’s composition of trade over time • The direction of Australia’s trade – main trading partners for both exports and imports • Changes in the direction of Australia’s trade over time • Identify research questions to investigate 	<p>Parry & Kemp Chapter 3</p> <p>WACE Study Guide Chapter 4</p> <p>https://dfat.gov.au/trade/resource/s/trade-at-a-glance/pages/default.aspx</p>	<p>Patterns of trade workbook</p> <p>PPT presentation on patterns of trade</p> <p><u>Data analysis</u> (Parry & Kemp)</p> <p><u>News extract:</u> Trade with China (Parry & Kemp)</p>

	<ul style="list-style-type: none"> Select appropriate print and electronic media sources of economic information and data on Australia's international trading relationships Reflect on the investigation process used 		
<p>Term 1 Week 7</p>	<ul style="list-style-type: none"> Provide an overview of the concept Foreign Investment (assets vs. liabilities) <p>Topic 4: Balance of payments</p> <ul style="list-style-type: none"> The structure of Australia's balance of payments – current account & capital/financial account Credit and debit entries The link between the current account & capital/financial account (BOP formula) The current account balance – the goods/services balance and the income balance 	<p>Parry & Kemp Chapter 4</p> <p>WACE Study Guide Chapter 5</p> <p>King pg. 252 (BOP summary sheet)</p>	<p>BOP workbook</p> <p>PPT presentation on the structure of the BOP</p> <p>BOP structure worksheet</p>
<p>Term 1 Week 8</p>	<ul style="list-style-type: none"> Structural reasons for the current account deficit (narrow export base, investment savings gap) Cyclical reasons for the current account deficit (domestic & international business cycle, exchange rate, terms of trade) The link between income balance and the financial account Changes in Australia's current account deficit (past 10 years) Arguments for and against Australia running a current account deficit. identify and organise relevant information within sources identify trends and relationships in economic information and data on Australia's international trading relationships apply economic reasoning to analyse issues and events in relation to Australia's international transactions use evidence found in economic information and data to justify a conclusion <p style="text-align: center;">Revision Assessment 2: Mid Unit Test</p>	<p>Parry & Kemp Chapter 4</p> <p>WACE Study Guide Chapter 5</p> <p>Clip: https://www.youtube.com/watch?v=YlQgeyKV-QM</p> <p>http://www.rossgitins.com/2018/02/current-account-deficit-improves.html</p>	<p>PPT presentation on Australia's CAD</p> <p><u>Article analysis:</u> Current Account Parry & Kemp pg. 89</p> <p>Extended answer practice</p>

<p>Term 1</p> <p>Week 9</p>	<p>Topic 5: Terms of trade</p> <ul style="list-style-type: none"> • The concept of the terms of trade and the trade index – export price index and the import price index • The factors that affect the terms of trade – including commodity prices, international growth • Changes and significance in Australia’s terms of trade over the past ten years • Effects of changes in the terms of trade (favorable and unfavorable) on the balance of payments, the exchange rate, the level of economic activity and national income • use economic models to convey economic theory and reasoning about Australia’s international transactions • apply appropriate methods of recording and organising economic information, including spreadsheets, graphs and tables • apply problem-solving, critical thinking and decision-making strategies to achieve outcomes which may be predictable and contestable by nature 	<p>Parry & Kamp Chapter 5</p> <p>WACE Study Guide Chapter 6</p> <p>King Chapter 14</p> <p>https://www.abc.net.au/news/2018-04-05/trade-balance-february-2018/9621594</p>	<p>Terms of trade workbook</p> <p>PPT presentation on the Terms of Trade</p> <p><u>Data interpretation</u> (Parry & Kemp)</p> <p>Extended answer practice</p>
<p>Term 1 Holidays</p> <ul style="list-style-type: none"> • Set aside 3 x 1.5 hour study sessions • Ensure your term 1 file is well organised • Ensure you term 1 notes are complete and thoroughly revised 			
<p>Term 2</p> <p>Week 1</p>	<p>Topic 6: Exchange rates</p> <ul style="list-style-type: none"> • The concept of an exchange rate • The foreign exchange market • The trade weighted index (TWI) • Factors that affect the demand for and supply of Australian dollars • The relationship between the balance of payments and the exchange rate <p>Application of the demand/supply model to show movements in the exchange rate both appreciation and depreciation</p>	<p>Parry & Kamp Chapter 6</p> <p>WACE Study Guide Chapter 7</p>	<p>Exchange rates workbook</p> <p>PPT presentation on Exchange Rates</p> <p>Exchange Rate scenario worksheet</p> <p><u>News extracts</u> (Parry & Kemp)</p>
	<ul style="list-style-type: none"> • Key determinants of Australia’s exchange rate – including commodity prices, interest rate 	<p>King Chapter 15</p>	<p>Data interpretation practice</p>

<p>Term 2</p> <p>Week 2</p>	<p>differential, world economic growth</p> <ul style="list-style-type: none"> The effects of changes (both and appreciation and a depreciation) in the exchange rate on the economy – including exports and imports, mining and manufacturing sectors, tourism, aggregate demand, inflation, balance of payments Changes in Australia’s exchange rate over the recent past (ten years). <p style="text-align: center;">Revision Assessment 3: Exchange Rates</p>	<p>Clip: https://www.youtube.com/watch?v=_pL_5trI6YY</p> <p>Essentials of Economics 3 pg. 615-627</p> <p>https://www.rba.gov.au/statistics/frequency/exchange-rates.html</p>	<p>Extended answer practice</p>
<p>Term 2</p> <p>Week 3</p>	<p>Topic 7: Foreign investment</p> <ul style="list-style-type: none"> The concept of foreign investment The distinction between foreign investment into Australia - FIA (foreign liabilities) and Australian investment abroad - AIA (foreign assets) The distinction between foreign direct and foreign portfolio investment The link between foreign investment and the balance of payments The types of foreign liabilities – foreign debt and foreign equity The types of income payments associated with foreign liabilities (interest and dividends) 	<p>Parry & Kamp Chapter 7</p> <p>WACE Study Guide Chapter 8</p>	<p>Foreign investment workbook</p> <p>PPT presentation on Foreign investment</p> <p><u>Data interpretation</u> (Parry & Kamp)</p> <p><u>News extracts</u> (Parry & Kamp)</p>
<p>Term 2</p> <p>Week 4</p>	<ul style="list-style-type: none"> The link between foreign liabilities and the current account Changes in Australia’s foreign direct investment and foreign debt over the last 10 years The benefits and costs of Australia’s foreign direct investment and foreign debt Use economic information and data to make predictions on Australia’s international trading relationships Apply mathematical techniques relevant to international trade, including calculating opportunity cost ratios; calculating the terms of trade index; exchange rate calculations; balance of payments calculations, such as the balance on 	<p>King Chapter 16</p>	<p>Extended answer practice</p>

	<p>goods and services, balance on current account, balance on capital and financial account</p> <ul style="list-style-type: none"> Use microeconomic models to analyse Australia's international transactions, including the production possibility frontier model, the demand and supply model, the theories of absolute and comparative advantage <p style="text-align: center;">Revision Assessment 4: End of Unit Test</p>		
Term 2 Week 5	Exam revision	Practice Exams	
Term 2 Week 6	EXAMS		
Term 2 Week 7	EXAMS Semester 1 Exam 12%		
Term 2 Week 8	<p style="text-align: center;">Unit 4 – Economics Policies & Management</p> <p>Topic 1: The business cycle</p> <ul style="list-style-type: none"> The concept of the business cycle The distinction between actual GDP and potential GDP The characteristics of the phases of the business cycle (boom, contraction, trough, expansion) The upper and lower turning points The effect of the business cycle on key economic indicators (including real GDP, inflation, unemployment, retail sales, business investment, share prices) Causes of the business cycle (including domestic and external factors) <p>Topic 2: The aggregate expenditure (Keynesian) model</p> <ul style="list-style-type: none"> The components of aggregate expenditure (C + I + G + (X-M)) Factors affecting each of the components of 	<p>Parry & Kamp Chapter 8</p> <p>WACE Study Guide Chapter 9</p>	<p>Business cycle workbook</p> <p>PPT presentation on the Business Cycle</p> <p>Data Interpretation (Parry & Kamp)</p> <p>Extended answer practice</p> <p>Aggregate expenditure workbook</p>

	aggregate expenditure		
Term 2 Week 9	<ul style="list-style-type: none"> The concept of the marginal propensity to consume (MPC) and the relationship of the MPC and the marginal propensity to save (MPS) The concept of the aggregate expenditure (AE) model and macroeconomic equilibrium The concept of the multiplier (K) The relationship between the MPC and the multiplier(K) The consumption function The multiplier and changes to the aggregate expenditure using the (AE) model (Keynesian model) The effect of changes to AE on the equilibrium level of income / output. i.e. the multiplier process 	<p>Parry & Kemp Chapter 9</p> <p>WACE Study Guide Chapter 10</p> <p>Multiplier clip: https://www.youtube.com/watch?v=RqWYmQQzXxs</p> <p>King Chapter 2</p>	<p>AE model PPT presentation</p> <p>AE and the multiplier PPT presentation</p> <p>The consumption function (Parry & Kemp)</p> <p>Extended answer practice</p>
Term 2 Week 10	<p style="text-align: center;">Revision Assessment 1: AE model</p> <p>Topic 3: The aggregate demand and aggregate supply model</p> <ul style="list-style-type: none"> The aggregate demand (AD) curve The distinction between a movement along and a shift of the AD curve Factors that can shift the AD curve The distinction between the short run aggregate supply (SRAS) curve and the long run aggregate supply (LRAS) curve The distinction between a movement along and a shift of the SRAS curve Factors that can shift the SRAS and the LRAS curves 	<p>Parry & Kemp Chapter 10</p> <p>WACE Study Guide Chapter 11</p> <p>King Chapter 4</p>	<p>AD/AS workbook</p> <p>AD/AS model PPT presentation</p> <p><u>Data interpretation</u> (Parry & Kemp)</p>
Term 2 Week 11	<ul style="list-style-type: none"> Macroeconomic equilibrium and the AD/AS model The distinction between short run equilibrium and long run equilibrium (the distinction between actual GDP and potential GDP) The effect of changes in the AD or AS on macroeconomic equilibrium The use of the AD / AS model to explain the business cycle The tendency for the economy to 'self-correct' to potential GDP 	<p>Practice clips</p> <p>AD clip: https://www.youtube.com/watch?v=I6Udc6uDX8o</p> <p>AS clip: https://www.youtube.com/watch?v=UwAQRnpVMzI</p>	<p>Extended answer practice</p>

	<ul style="list-style-type: none"> • Identify research questions to investigate • Select appropriate print and electronic media sources of economic information and data on Australia’s economic policy and management • Apply appropriate methods of recording and organising macroeconomic information, including spreadsheets, graphs and tables • Apply problem-solving, critical thinking and decision-making strategies to achieve outcomes which may be predictable and contestable by nature 		
<p>Term 2 Holidays</p> <ul style="list-style-type: none"> • Set aside 3 x 1.5 hour study sessions • Ensure your Semester 1 file is well organised • Ensure your Semester 1 notes are complete and thoroughly revised 			
<p>Term 3</p> <p>Week 1</p>	<p>Topic 4: Economic policy objectives</p> <ul style="list-style-type: none"> • The economic policy objectives of the Australian Government (Sustainable economic growth, low inflation, full employment, a more equitable distribution of income, the efficient allocation of resources) • The economic policy objectives of the Reserve Bank of Australia (price stability, full employment, economic prosperity and welfare) • The extent to which policy objectives may conflict and complement one another • The time lags which occur in the use of economic policies (data/recognition, decision/implementation, effect/impact) • Identify and organise relevant information within sources • Identify trends and relationships in economic information and data regarding Australia’s economic policy and management • Use economic information and data to make predictions on Australia’s economic policy and management • Interpret changes in economic data, including prices, unemployment, economic growth, the labour force and productivity 	<p>Parry & Kamp Chapter 11</p> <p>WACE Study Guide Chapter 12</p> <p>King Chapter 5</p>	<p>Economic Policy Objectives workbook</p> <p>Economic Policy Objectives PPT presentation</p> <p>News extracts</p>

<p>Term 3 Week 2</p>	<p>Topic 5: Fiscal policy</p> <ul style="list-style-type: none"> • The concept of fiscal policy and the government's budget • The components of government revenue and expenditure in the budget • The distinction between a surplus, deficit and balanced budget • The distinction between the planned and actual budget outcomes • The distinction between automatic fiscal stabilisers and discretionary fiscal policy • The distinction between budget outcomes associated with automatic fiscal stabilisers and budget outcomes associated with discretionary fiscal policy 	<p>Parry & Kamp Chapter 12</p> <p>WACE Study Guide Chapter 13</p> <p>Essentials of Economic 3 Chapter 17</p> <p>https://www.budget.gov.au/2018-19/content/overview.html</p>	<p>Fiscal Policy workbook</p> <p>Fiscal Policy PPT presentation</p> <p><u>Data Interpretation</u> (Parry & Kemp)</p>
<p>Term 3 Week 3</p>	<ul style="list-style-type: none"> • Methods of financing a budget deficit – crowding out • The uses of a budget surplus • The link between a budget deficit and government debt • The distinction between expansionary, contractionary and neutral fiscal policy stances • The impact of different fiscal policy stances on the level of economic activity • Fiscal policy and the multiplier effect • The time lags of fiscal policy • Strengths and weaknesses of fiscal policy • Contemporary (the last three years) of fiscal policy stances in Australia <p style="text-align: center;">Revision</p> <p style="text-align: center;">Assessment 2: Mid Unit Test</p>	<p>Clip: https://www.youtube.com/watch?v=SYFYla1H7KE</p>	<p>Extended answer practice</p>
	<p>Topic 6: Monetary policy</p> <ul style="list-style-type: none"> • The concepts of monetary policy and the cash rate and circumstances under which the RBA changes the cash rate • How Monetary policy impacts the economy i.e. the transmission mechanism (SCEWI) . 	<p>Clip: https://www.youtube.com/watch?v=RaE1BeJT5hY</p>	<p>Monetary Policy workbook</p>

<p>Term 3</p> <p>Week 4</p>	<ul style="list-style-type: none"> • The link between interest rates and AE/AD • The link between interest rates and the exchange rate • The concepts of expansionary, contractionary and neutral monetary policy stances • Modelling different monetary policy stances using the AE and AD/AS model. • The impact of different monetary policy stances on the level of economic activity 	<p>Parry & Kamp Chapter 13</p> <p>WACE Study Guide Chapter 14</p> <p>Essentials of Economic 3 Chapter 15 & 16</p>	<p>Monetary Policy PPT presentation</p> <p><u>Data interpretation</u> (Parry & Kemp)</p> <p>Article analysis (Parry & Kemp)</p>
<p>Term 3</p> <p>Week 5</p>	<ul style="list-style-type: none"> • The time lags of monetary policy • Strengths and weaknesses of monetary policy • Contemporary (the last three years) monetary policy stances in Australia • Select and use appropriate terminology • Select and use appropriate formats when communicating economic understandings • Use economic models to convey economic theory and reasoning about Australia's policy mix • Reflect on the investigation used 	<p>Websites: http://www.rba.gov.au</p> <p>Review of FP & MP https://www.youtube.com/watch?v=bv-uNNkE39I</p>	<p>Extended answer practice</p>
<p>Term 3</p> <p>Week 6</p>	<p style="text-align: center;">Revision</p> <p style="text-align: center;">Assessment 3: Economic Policy</p> <p>Topic 7a: Structural change</p> <ul style="list-style-type: none"> • The concept of structural change • Economic indicators of structural change • The causes of structural change • The effects of structural change • The relationship between economic growth and structural change 	<p>Parry & Kamp Chapter 14</p>	<p>Structural change & productivity workbook</p> <p>Structural change PPT</p>
<p>Term 3</p> <p>Week 7</p>	<p>Topic 7b: Measures to improve productivity</p> <ul style="list-style-type: none"> • The concept of productivity • The distinction between labour productivity and multifactor productivity • The determinants of productivity growth • The relationship between productivity and economic growth • The effect of productivity growth on the AD/AS 	<p>Parry & Kamp Chapter 14</p> <p>Article: https://www.businessinsider.com.au/australia-productivity-growth-pay-rates-rba-philip-low-2018-6</p>	<p>Productivity PPT</p> <p><u>Data interpretation</u> (Parry & Kemp)</p>

	model		
Term 3 Week 8	<ul style="list-style-type: none"> Recent (the last ten years) government policies that promote productivity and economic growth: labour market reform, taxation reform, trade liberalisation, deregulation and competition policy, investment in Infrastructure, education and training, research and innovation The impact of productivity on the achievement of macroeconomic objectives Apply mathematical techniques relevant to macroeconomic analysis, including: calculating the value of the marginal propensity to consume, the marginal propensity to save, and the multiplier; determining the budget outcome; interpreting changes in economic indicators, such as the CPI, GDP and labour force data; calculating a percentage rate of change Use macroeconomic models to analyse Australia's policy stance, including the Keynesian aggregate expenditure model and the aggregate demand and aggregate supply model apply economic reasoning to Australia's economic position and policy mix use evidence found in economic information and data to justify a conclusion 	<p>MER mash up clip: https://www.youtube.com/watch?v=YQ64SMknEwU</p> <p>WACE Study Guide Chapter 15/16</p>	<p>MER case studies</p> <p>Extended answer practice</p>
Term 3 Week 9	<p>Exam Revision Unit 4</p> <p>Revision – Assessment 4: End of Unit Test</p>		
Term 3 Week 10	Exam Revision Unit 3	Practice exam papers	

Term 3 Holidays

- Exam preparation
- Revise notes
- Practice exam questions

EXAMS

Term 4 Week 1	EXAMS Semester 2 Exam 22%		
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Term 4			
Week 2	Exam feedback		

Note:

- Contemporary refers to the last 3 years
- Recent refers to the last 10 years

Saturday Articles - <http://www.rossgittins.com>

Irene McCormack Catholic College
Humanities and Social Sciences Department

2021 Year 12 Economics

ATAR Assessment Schedule

Please note assessment weighting – subject to change

ATAR Weighting	Types of assessment	Assessment Weight	Student Result:
30%	<p><u>Data interpretation / Short response</u> An answer of less than 150 words that can include discuss, explain or analyse an economic concept, event or issue. Formats can include: multiple-choice questions, calculations and/or short answer questions that can require a definition, description, explanation or application of economic concepts, theories and/or models. Typically questions require students to interpret real or hypothetical economic data or information, such as graphs, tables, text or cartoons. Typically tasks are a combination of these formats. At least two data interpretation/short answer tasks should be administered under test conditions.</p>	<p>Unit 3 Assess #2 Mid Unit Test 7.5%</p>	
		<p>Unit 3 Assess #4 End of Unit Test 7.5%</p>	
		<p>Unit 4 Assess #2 Mid Unit Test 7.5%</p>	
		<p>Unit 4 Assess #4 End of Unit Test 7.5%</p>	
30%	<p><u>Extended response / Long responses</u> The question can require a description, discussion, explanation and/or analysis of an economic concept, event or issue, and the application of economic theories and/or models. The question can include stimulus material. Formats can include: an essay, a sectionalised long answer, an investigation and/or a response to a scenario or a case study. At least two extended answer tasks should be administered under test conditions.</p>	<p>Unit 3 Assess #1 Free trade & protection 7.5%</p>	
		<p>Unit 3 Assess #3 Exchange Rates 7.5%</p>	
		<p>Unit 4 Assess #1 Aggregate Expenditure 7.5%</p>	
		<p>Unit 4 Assess #3 Economic Policy & Management 7.5%</p>	
40%	<p><u>Examination</u> Typically conducted at the end of each semester and/or unit and reflecting the examination design brief for this syllabus.</p>	<p>Semester 1 Exam 18%</p>	
		<p>Semester 2 Exam 22%</p>	
100%			

Examination design brief – Year 12

Time allowed

Reading time before commencing work: ten minutes

Working time for paper: three hours

Permissible items

Standard items: pens (blue/black preferred), pencils (including coloured), sharpener, correction tape/fluid, eraser, ruler, highlighters

Special items: non-programmable calculators approved for use in the WACE examinations

Additional information

Questions require the candidate to focus on the Australian economy and can require reference to Australia's recent (the last ten years) and/or contemporary (the last three years) economic performance and policy.

Section	Supporting information
Section One Multiple-choice 24% of the total examination 24 questions Suggested working time: 30 minutes	The questions are pitched at varying degrees of difficulty.
Section Two Data Interpretation/Short response 36% of the total examination 3 questions Suggested working time: 70 minutes	Each question is of equal value and is based on stimulus material which can include graphs, tables and/or text. Each question has between three and five parts. Questions can require the candidate to refer to and/or use the stimulus material to: <ul style="list-style-type: none">• perform calculations• identify, describe and/or account for trends• identify, discuss and/or explain relationships Questions can require the candidate to apply economic concepts, theories and/or models
Section Three Extended response 40% of the total examination 2 questions from a choice of 4 Suggested working time: 80 minutes	Questions can be in the form of an essay or a sectionalised long answer. Questions can require the candidate to demonstrate, describe, outline, explain, discuss and/or account for. Questions can require the candidate to apply economic concepts, theories and/or models.