

NZQA Approved

Internal Assessment Resource

Economics Level 1\

EXPIRED

This resource supports assessment against Achievement Standard 90988 version 3

Standard title: Demonstrate understanding of the interdependence of sectors of the New Zealand economy

**Credits:** 3

Resource title: The 2011 Rugby World Cup

**Resource reference:** Economics 1.6C

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| This resource:   * Clarifies the requirements of the standard * Supports good assessment practice * Should be subjected to the school’s usual assessment quality assurance process * Should be modified to make the context relevant to students in their school environment and ensure that submitted evidence is authentic |

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| Date version published by Ministry of Education | February 2015  To support internal assessment from 2015 |
| Quality assurance status | These materials have been quality assured by NZQA. NZQA Approved number A-A-02-2015-90988-01-9004 |
| Authenticity of evidence | Teachers must manage authenticity for any assessment from a public source, because students may have access to the assessment schedule or student exemplar material.  Using this assessment resource without modification may mean that students’ work is not authentic. The teacher may need to change figures, measurements or data sources or set a different context or topic to be investigated or a different text to read or perform. |

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Achievement standard: 90988

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Teacher guidelines

The following guidelines are supplied to enable teachers to carry out valid and consistent assessment using this internal assessment resource.

Teachers need to be very familiar with the outcome being assessed by the achievement standard. The achievement criteria and the explanatory notes contain information, definitions, and requirements that are crucial when interpreting the standard and assessing students against it.

Context/setting

This activity requires students to firstly investigate a hospitality business and explain the interdependent relationships it has with other sectors of the New Zealand (NZ) economy. Secondly, students use the 2011 Rugby World Cup (RWC) as the economic event to demonstrate a comprehensive understanding of the interdependence of sectors of the New Zealand economy.

You could adapt the activity to examine any sporting event that has impacted on the New Zealand economy like the World Rowing Championships 2010 for instance.

Conditions

You will need to determine how long students need to complete each task and what processes they will follow.

If some of the activities are not undertaken in class time it will be necessary to ensure appropriate processes are put in place for the authentication of student work.

Allow students to visit the hospitality firm to understand the business and collect evidence from it. This could be done in small groups or pairs, and is not assessed.

If students cannot collect suitable evidence in the field they can use the Internet, or you could provide the resource material.

The students can work in groups to gather information, but parts 1 and 2 of the task are assessed individually.

Resource requirements

Students will need access to the Internet and computers.

Additional information

None.

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Student instructions

Introduction

This assessment activity requires you to demonstrate understanding of the interdependence of sectors in the New Zealand (NZ) economy.

You are going to be assessed on how comprehensively you demonstrate understanding of the interdependence of sectors of the NZ economy using the 2011 Rugby World Cup (RWC) as an economic event.

The following instructions provide you with a way to structure your work to demonstrate what you have learnt and achieve success in this standard.

Teacher note: It is expected that the teacher will read the student instructions and modify them if necessary to suit their students.

Task

You will visit a local business involved in the hospitality industry to collect information on how the RWC affected them and identify two primary, secondary or tertiary firms the business deals with.

The interdependent relationships between these firms and the interdependence of the hospitality business with the household sector and two other sectors of the NZ economy will be explained using an economic model you have constructed.

You will also explain how or why the RWC had an impact on the hospitality industry and the wider producer sector, and how or why this impact had flow-on effects to other sectors of the NZ economy, using an economic model.

The sectors in the New Zealand economy refer to:

* producer (divided into primary, secondary and tertiary firms)
* household
* financial
* government
* overseas.

‘Interdependence’ refers to the two-way relationships that exist between different sectors.

There are two parts to this task; you need to complete both parts of this assessment.

Presentation

Part 1: Sectors, flows and interdependence

* Briefly introduce your hospitality firm by naming it and the type of producer sector (primary, secondary, and tertiary) that it belongs to, and define or describe the key characteristics of this sector.
* Name two other firms that your hospitality firm deals with and explain the interdependent relationships. (Use Resource A as a guide.)
* Construct a five-sector Circular Flow Model with your hospitality firm as the producer. Use arrows to show real flows and money flows and label them. The relationships you show must be interdependent so you need to show two-way real and money flows.
* Explain how or why the hospitality firm is interdependent with the household sector; refer to the real and money flows of the Circular Flow Model in your answer.
* Explain in detail how or why the hospitality firm is interdependent with the government and financial or overseas sectors; refer to the Circular Flow Model in your answer.

Part 2: 2011 Rugby World Cup’s impact on producers and the flow-on effects

In this section you need to focus on the wider producer sector and New Zealand economy, not just the hospitality industry used in part 1.

* Explain in detail how the RWC impacted on the hospitality industry and the wider producer sector. The businesses you identified in part 1 could be used.
* Use your Circular Flow Model to show the impact of the RWC on the producer sector and other sectors of the New Zealand economy. Use arrows to indicate a decrease or increase in real and money flows.
* Use your Circular Flow Model and explain in detail the links between the initial impact of the RWC on producers and the flow-on effects throughout other sectors of the New Zealand economy, incorporating the changes shown on your economic model above.

Submit your presentation in the form you have agreed with your teacher.

Resources

Resource A: Interdependence within the producer sector

**Hospitality Firm**

Explain the nature of the interdependence

Explain the nature of the interdependence

Tertiary producer; for example:

Secondary producer; for example:

Websites

<http://www.rwc2011.irb.com/>

<http://www.rugbyworldcup.com/home/news/newsid=2061570.html>

<http://www.pdfsearchengine.org/>

* RWC-ec-report.pdf (Economic Impact Report on Global Rugby/ Part IV: Rugby World Cup 2011)
* 2037263\_PDF.pdf (Major Events Management Act; MEMA 2007)

Assessment schedule: Economics 90988 – The 2011 Rugby World Cup

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| Evidence/Judgements for Achievement | Evidence/Judgements for Achievement with Merit | Evidence/Judgements for Achievement with Excellence |
| The student demonstrates understanding of the interdependence of sectors of the New Zealand economy by:   * identifying, defining or describing sectors and flows   For example:  The hospitality firm is part of the producer sector (tertiary). It is part of the tertiary sector because it provides services for consumers …   * providing an explanation of how or why sectors are interdependent   The interdependence between sectors of the New Zealand economy, including the household and tertiary sector (hospitality firm) and two other sectors is explained.  For example:  Firm XYZ relies on firm ABC, a secondary firm, for the packaging products they make and firm ABC relies on firm XYZ to use their packaging products for revenue …  There is interdependence between the hospitality firm and the households because firm XYZ relies on households for labour and households rely on firm XYZ for wages or salary. Firm XYZ also relies on households for consumption spending, and households rely on firm XYZ for food and drinks.  The government relies on producers for GST and consumers for PAYE revenue and households rely on the government to supply public goods and services like health and education …   * providing an explanation of the impact of an event on a sector and/or the flow-on effects to other sectors   For example:  Event: 2011 Rugby World Cup (RWC)  Impact: Producers rely on tourists to eat in cafes and restaurants paying for food and drinks.  Flow-on effects: Consumers gain more income from employment and the government gains more tax revenue from PAYE …   * constructing an economic model to show interdependence and the effect of the 2011 Rugby World Cup on a sector, or flow-on effects to other sectors   For example:  The Model (Circular Flow Diagram) is used to accurately show the real and money flows between sectors of the economy.  The examples above are indicative samples only. | The student demonstrates in-depth understanding of the interdependence of sectors of the New Zealand economy by:   * identifying, defining or describing sectors and flows   For example:  The hospitality firm is part of the producer sector (tertiary). It is part of the tertiary sector because it provides services for consumers …   * providing a detailed explanation of how or why sectors are interdependent, using an economic model   An economic model is used in a detailed explanation of the interdependence between sectors of the New Zealand economy, including the household and tertiary sector (hospitality firm) and two other sectors.  For example:  Firm XYZ relies on firm ABC, a secondary firm, to supply their packaging products and firm ABC relies on firm XYZ to use packaging products for revenue …  Firm XYZ relies on households for labour as shown by the real flow arrow from households to firms, and households rely on firm XYZ for income from employment as shown by the money flow arrow from firm XYZ to households …  Firm XYZ also relies on households for consumption spending as shown by the money flow arrow from households to firms, and households rely on firm XYZ for food and drinks as shown by the real flow arrow from firm XYZ to households. The government relies on producers for GST and consumers for PAYE revenue and households rely on the government to supply public goods and services like health and education …   * providing a detailed explanation of the impact of an event on a sector and/or the flow-on effects to other sectors, using an economic model   For example:  The economic impact of the 2011 Rugby World Cup on the hospitality industry part of the producer sector is explained and/or the flow-on effects to at least two other sectors, supported by the economic model.  Event: 2011 Rugby World Cup (RWC)  Impact: Producers (Hospitality) rely on tourists to eat in cafes and restaurants paying for food and drinks. Air New Zealand’s revenue (money flow) from export receipts increased from the increased demand for their flight services … and/or Flow-on effects: Exporters, hospitality and tourism industries will demand more labour (real flow) so households will be affected as more people are hired and their income increases due to being employed, and so the government will get both more indirect tax like GST from consumption spending and direct tax PAYE revenue (money flows), and pay out less in transfer payments/benefits …  The examples above are indicative samples only. | The student demonstrates comprehensive understanding of the interdependence of sectors of the New Zealand economy by:   * identifying, defining or describing sectors and flows   For example:  The hospitality firm is part of the producer sector (tertiary). It is part of the tertiary sector because it provides services for consumers …   * providing a detailed explanation of how or why sectors are interdependent, using an economic model   An economic model is used in a detailed explanation of the interdependence between sectors of the New Zealand economy, including the household and tertiary sector (hospitality firm) and two other sectors.  For example:  Firm XYZ relies on firm ABC, a secondary firm; to supply their packaging products and firm ABC relies on firm XYZ to use their packaging products for revenue …  Firm XYZ relies on households for labour as shown by the real flow arrow from households to firms, and households rely on firm XYZ for income from employment as shown by the money flow arrow from firm XYZ to households …  Firm XYZ also relies on households for consumption spending as shown by the money flow arrow from households to firms, and households rely on firm XYZ for food and drinks as shown by the real flow arrow from firm XYZ to households. The government relies on producers for indirect tax like GST and consumers for direct tax like PAYE revenue and households rely on the government to supply public goods and services like health and education …   * linking detailed explanations of the impact of an event on a sector with detailed explanations of the flow-on effects to other sectors, using an economic model   For example:  An accurate and detailed circular flow diagram is used to demonstrate the economic impact of the 2011 Rugby World Cup on the hospitality industry and the impact on other industries in the producer sector, and the flow-on effects to other sectors of the economy. The response demonstrates effective use of appropriate terminology and shows linkages between sectors and the complexity of the flow-on effects. The response also demonstrates comprehensive understanding of the interdependence of sectors of the economy seeing the wider implications of an economic event.  Event: 2011 Rugby World Cup (RWC)  Impact linked to flow-on effects: Producers like firm XYZ rely on tourists to pay for food and drinks (visiting their café or restaurant), and the overseas demand for New Zealand services increased, e.g. Air New Zealand’s revenue (money flow) from export receipts increased from the increased demand for their flight services from overseas tourists.  Producers in hospitality had to abide by the regulations of MEMA 2007 around advertising and promotion in their bars and restaurants otherwise they could have been prosecuted (affecting costs of production).  Producers in other sectors also received more revenue from exporters (money flows) who received higher export receipts. Exporters, hospitality and tourism industries demand more labour (real flow) so households will be affected as more people are hired and their income increases due to being employed, and so the government gets both more indirect tax like GST from consumption spending and direct tax PAYE revenue (money flows), and pays out less in transfer payments/benefits.  Increased tourism is good for all producers who provide goods and services domestically like firm XYZ, as their revenue and profits increase. Some households received more income due to higher export earnings from services, and from working in the hospitality and tourism industries so they have more disposable income and many spent more in cafes and restaurants. These positive flow-on effects to households and government caused an overall increase in national income in the New Zealand economy …  The examples above are indicative samples only. |

Final grades will be decided using professional judgement based on a holistic examination of the evidence provided against the criteria in the Achievement Standard.