***Educating Young People Who Will Be***



***Significantly Different!***

**90983 1.1 Evidence Statement**

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| Q | Evidence Statement |
| ONE  (a) | * Wants are those things that David would like to have to make his life comfortable, but does not need to survive, such as hockey sticks and playstation games. His wants are **unlimited** * David has limited means to fulfil his wants. **Time is limited**, as there are only so many hours in a day, and he needs time for his sport, gaming, study and paper round. There is not enough time to do all the things he wants, and this illustrates scarcity * David also has **limited money.** The paper round provides a finite amount of pay, while there are unlimited things he could spend money on such as more games, data, sports gear etc. This also illustrates scarcity * Due to scarcity, David must choose which activities are the most important to him to make sure he gets to do them within the limited time and budget he has * When David chooses to do one activity (e.g. gaming with friends) over another (e.g. hockey practice), he has given up the next best alternative, which is defines as his opportunity cost (in this case his hockey practice) |
| (b) | * David values having fun/personal enjoyment/time with friends when he is gaming * David values educational achievement/academic success when he puts time into his studies * Both activities involve the use of time, so if David spends more time studying he will have less contact with his friends. * To resolve this conflict   + David could spend time with his friends studying together   + David could get up early before school and spend time studying then, and continue to game at night   + David could game only in the weekend, and set aside time to study throughout the week. |

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| N1 | N2 | A3 | A4 | M5 | M6 | E7 | E8 |
| Shows partial understanding with **TWO** of:   * describes wants * describes limited means * describes choice * defines opportunity cost * identifies two likely values | Shows partial understanding with **THREE** of:   * describes wants * describes limited means * describes choice * defines opportunity cost * identifies two likely values | * Shows understanding by describing limited means in context of time or money, AND **TWO** of: * describes choice * defines opportunity cost * identifies two likely values * identifies a conflict or a compromise | Shows breadth of understanding by describing limited means in context of time or money, AND with **ALL** of:   * describes choice * defines opportunity cost * identifies two likely values * identifies a conflict or a compromise | Detailed explanation which includes   * correct description of money or time as a limited means   *AND* **TWO** OF   * linking to choice and opportunity cost * a valid conflict for (b) * how ONE resolution may be reached for (b). | Detailed explanation which includes  correct description of money AND time as a limited means  *AND* **ALL** OF   * linking to choice and opportunity cost * a valid conflict for (b) * how ONE resolution may be reached for (b). | Comprehensive explanation of how limited means and values affect consumer choices, and how this may lead to conflict and compromise; **mostly** in context of David’s options with **ALL** of the following:   * links the concepts of limited means, choice and opportunity cost in context off David’s options * links the two values to the most likely decisions or activities in context of David’s options * explains a valid conflict in context of David’s options * explains ONE way a resolution may be reached in context of David’s options. | Comprehensive explanation of how limited means and values affect consumer choices, and how this may lead to conflict and compromise; in context of David’s options with **ALL** of the following:   * links the concepts of limited means, choice and opportunity cost in context off David’s options * links the two values to the most likely decisions or activities in context of David’s options * explains a valid conflict in context of David’s options * explains ONE way a resolution may be reached in context of David’s options. |

N0 = no response or no relevant evidence

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| Q | Evidence Statement |
| T WO | (a) (b)  **Q2**  **Q1**  **P1**  **P2** |
|  | (c)  The Law of Demand States that as price falls, the quantity demanded will increase. We can see that in this case as the price falls from (P1 )$2.50 to (P2 )$2.00, David’s quantity demanded of boxes of strawberries rises from (Q1 )2 boxes, to (Q2 )5 boxes per week, ceteris paribas.  The increase in quantity demanded is due to 2 factors. David can now afford to buy more strawberries given his fixed income (income effect). David is likely to switch some of his spending from other goods towards purchasing strawberries as strawberries are now relatively cheaper.(substitution effect)  A substitute good for strawberries could be lollies. A flow on effect is that David will be demand less substitute goods, such as lollies, and more strawberries as strawberries are relatively cheaper. |

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| N1 | N2 | A3 | A4 | M5 | M6 | E7 | E8 |
| Shows partial understanding with only **ONE** of:   * correctly drawn graph (allow one omission from title, axes, scale, points, and D label) * a movement down the demand curve * the Law of Demand stated * an increase in quantity of strawberries demanded * identifies a substitute good for strawberries OR correctly defines substitute good | Shows partial understanding with **TWO** of:   * correctly drawn graph (allow one omission from title, axes, scale, points, and D label) * a movement down the demand curve * the Law of Demand stated * an increase in quantity of strawberries demanded * identifies a substitute good for strawberries OR correctly defines substitute good | Shows understanding with **THREE** of:   * correctly drawn graph (allow one omission from title, axes, scale, points, and D label) * accurate movement down the demand curve * the Law of Demand stated * an increase in quantity of strawberries demanded * identifies a substitute good for strawberries OR correctly defines substitute good | Shows breadth of understanding with **FOUR** of:   * correctly drawn graph (allow one omission from title, axes, scale, points, and D label) * accurate movement down the demand curve * the Law of Demand stated * an increase in quantity of strawberries demanded * identifies a substitute good for strawberries OR correctly defines substitute good | Detailed explanation of the Law of Demand using data / graph,   * correctly drawn graph (allow one omission from title, axes, scale, points, and D label) * accurate movement down the demand curve with prices and quantities identified (P1Q1,P2Q2 or arrows)   *AND*   * ONE reason given for the Law of Demand   *OR*   * substitute good is linked. | Detailed explanation of the Law of Demand using data / graph,   * correctly drawn graph (allow one omission from title, axes, scale, points, and D label) * accurate movement down the demand curve with prices and quantities identified (P1Q1,P2Q2 or arrows)   *AND*   * ONE reason given for the Law of Demand   *AND*   * substitute good is linked. | Comprehensive explanation of the Law of Demand **mostly** in context using data / graph and correct terms.   * Law of Demand explained with change in price *AND* quantity demanded, includes ceteris paribus   AND   * ONE reason given for the Law of Demand   AND   * flow-on to buying less substitute good explained. | Comprehensive explanation of the Law of Demand **in context** using data / graph and correct terms.   * Law of Demand explained with change in price *AND* quantity demanded, includes ceteris paribus   AND   * TWO reason given for the Law of Demand   AND   * flow-on to buying less substitute good explained. |

N0 = no response or no relevant evidence

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| Q | Evidence Statement |
| THREE | (a)  **David’s Monthly Demand for Broadband Data**  Price ($)  **D1**  **D**  Quantity (GB) |
|  | (b)  Broadband Data and PlayStation games are **complimentary goods** for David, which means he **consumes them together**. When the price of PlayStation games falls, David’s purchased more PlayStation games. As he consumes more games, he spends more time online so his demand for Broadband data will increase. This is shown by the shift in the demand curve on the previous page from D to D1.  **Possible flow on effects:**  David is spending more time gaming with his friends so he has less time for his studies.  David has less time to practice and train his sports resulting in his fitness and proficiency suffer.  David **may** end up paying more money for his games and broadband data, and have less money for other things such as strawberries.  David is spending more time gaming with his friends so he becomes more a accomplished gamer. |

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| N1 | N2 | A3 | A4 | M5 | M6 | E7 | E8 |
| Shows partial understanding with only **ONE** of:   * shifts the *Broadband*  demand curve right. * identifies complement * states more Broadband is purchased * identifies a flow on effect | Shows partial understanding with **TWO** of:   * shifts the *Broadband*  demand curve right. * identifies complement * states more Broadband is purchased * identifies a flow on effect | Shows understanding with **THREE** of:   * shifts the *Broadband*  demand curve right. * identifies complement * states more Broadband is purchased * identifies a flow on effect | Shows breadth of understanding with **FOUR** of:   * shifts the *Broadband*  demand curve right. * identifies complement * states more Playstation games will be bought, so more Broadband is purchased * identifies a flow on effect | Detailed explanation of complementary goods using data / graph.  **AND TWO** of:   * explains complementary goods in terms of can be used together * refers toshift of demand curve for Broadband * ONE flow-on effect explained. | Detailed explanation of complementary goods using data / graph.  **AND THREE** of:   * explains complementary goods in terms of can be used together * refers toshift of demand curve for Broadband * ONE flow-on effect explained. | Comprehensive explanation of the concept of complementary goods **mostly** in context using graph and correct terms such as Quantity demanded and Demand.  AND   * fully explains complementary goods. * refers to shift of demand curve for broadband data. Eg: D to D1 * ONE flow-on effect explained. | Comprehensive explanation of the concept of complementary goods **in context** using graphs and correct terms such as Quantity demanded and Demand.  AND   * fully explains complementary goods. * refers to shift of demand curve for broadband data. Eg: D to D1 * TWO flow-on effects explained |

N0 = no response or no relevant evidence

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| Q 4 | Evidence Statement |
| (a) | **David’s Demand for second hand sporting equipment**  Price ($)  **D1**  **D**  Quantity (sporting equipment) |
| FOUR | (b)  Purchasing newer sporting equipment is a luxury good for David. The equipment has better features and are higher quality as they are new. He will only purchase more new sporting equipment if his income allows him to do so, as they tend to be relatively expensive.  2nd hand TradeMe purchases are an inferior good for David, as they are older with less features and older technology and may be slightly damaged as they are used already. David only buys 2nd hand sporting equipment as his income is low.  As David has started working at the supermarket he has a higher level of income he will switch away from buying second hand sports equipment on trade me to purchasing new sporting equipment.  His demand for 2nd hand sporting equipment will decrease as shown by the demand curve shifting from D – D1.  **Possible flow on effects:**  David will be able to improve his sporting skills as his equipment is of a higher standard/ selected for higher teams etc  David may spend more time playing sport, and less time gaming which may result in a healthier life style.  Using new equipment may decrease the chance of David injuring himself playing sport as they are new and provide more support, and have better features. |

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| N1 | N2 | A3 | A4 | M5 | M6 | E7 | E8 |
| Shows partial understanding with only **ONE** of:   * Defines luxuries * Defines inferior goods * Identifies new sports equipment as a luxury * Identifies 2nd hand sports equipment as an inferior good * Correctly shifts the demand curve for 2nd hand sports equipment, or states less 2nd hand equipment will be purchased | Shows partial understanding with **TWO** of:   * Defines luxuries * Defines inferior goods * Identifies new sports equipment as a luxury * Identifies 2nd hand sports equipment as an inferior good * Correctly shifts the demand curve for 2nd hand sports equipment, or states less 2nd hand equipment will be purchased | Shows understanding with **THREE** of:   * Defines luxuries * Defines inferior goods * Identifies new sports equipment as a luxury * Identifies 2nd hand sports equipment as an inferior good * Correctly shifts the demand curve for 2nd hand sports equipment, or states less 2nd hand equipment will be purchased | Shows breadth of understanding with **FOUR** of:   * Defines luxuries * Defines inferior goods * Identifies new sports equipment as a luxury * Identifies 2nd hand sports equipment as an inferior good * Correctly shifts the demand curve for 2nd hand sports equipment, or states less 2nd hand equipment will be purchased | Detailed explanation of inferior and luxury goods using data/graph  AND THREE of   * Explains luxury goods * Explains inferior goods * Refers to the graph * ONE flow on effect explained | Detailed explanation of inferior and luxury goods using data/graph  AND ALL of   * Explains luxury goods * Explains inferior goods * Refers to the graph * ONE flow on effect explained | Comprehensive explanation of the concept of luxury/inferior goods **mostly** in context using graph and correct terms:   * Fully explains luxury and inferior goods in relation to 2nd hand vs new sporting equipment and an increase in income, in context * Refers to graph when explaining the impact of higher income on demand for 2nd hand equipment * ONE flow on effect explained | Comprehensive explanation of the concept of luxury/inferior goods **in context** using features of 2nd hand sporting equipment, graph and correct terms:   * Fully explains luxury and inferior goods in relation to 2nd hand vs new sporting equipment and an increase in income, in context * Refers to graph when explaining the impact of higher income on demand for 2nd hand equipment * TWO flow on effects explained |

N0 = no response or no relevant evidence

Judgement statement

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|  | Not Achieved | Achievement | Achievement with Merit | Achievement with Excellence |
| Score range | 0 - 9 | 10- 17 | 18 - 24 | 25 - 32 |