

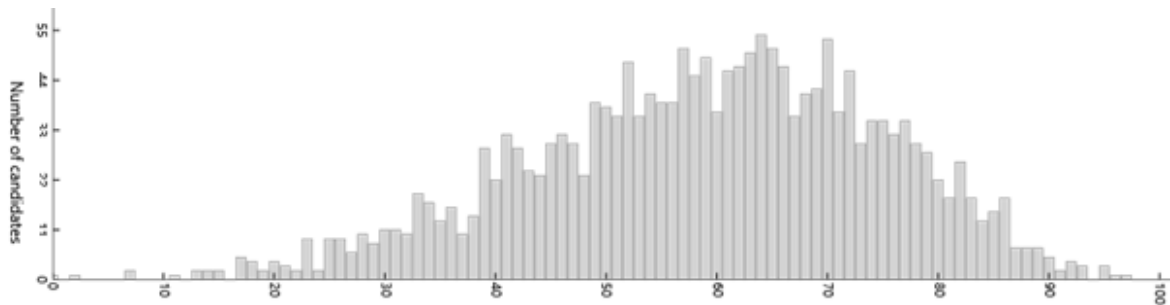


Summary report of the 2020 ATAR course examination: Economics

Year	Number who sat	Number of absentees
2020	1921	36
2019	1978	21
2018	2077	22
2017	2142	21

The number of candidates sitting and the number attempting each section of the examination can differ as a result of non-attempts across sections of the examination.

Examination score distribution–Written



Summary

Attempted by 1920 candidates Mean 58.62% Max 97.00% Min 0.00

The examination consisted of three sections. Section One involved multiple-choice, Section Two data interpretation/short answer and Section Three extended answer. Candidates were required to attempt all questions in Sections One and Two and to choose two of the four questions available in Section Three.

Section means were:

Section One: Multiple-choice	Mean 69.57%		
Attempted by 1920 candidates	Mean 16.70(/24)	Max 24.00	Min 0.00
Section Two: Data interpretation/Short answer	Mean 57.88%		
Attempted by 1916 candidates	Mean 20.84(/36)	Max 35.00	Min 0.00
Section Three: Extended answer	Mean 52.72%		
Attempted by 1904 candidates	Mean 21.09(/40)	Max 40.00	Min 0.00

General comments

The examination was well balanced across the syllabus and included both topical and theoretical questions. The paper emphasised the use of economic models, which are an important element of the Economics syllabus. Candidates were required to use economic models in one of the three data interpretation questions and three of the four extended answer questions. The mean of 58.62% was an improvement from 2019 (54.14%) with the mean for Section Three above 50%, which in previous years had not been achieved.

Advice for candidates

- Carefully read and answer the specific question.
- In Section Two, it is vital that you refer to any introductory information about the data provided. This will provide a clear context for the data and assist with identifying the correct piece of data to use when answering the questions.
- The use of economic models is an important skill in explaining concepts and theories in Economics. You must be able to use an appropriate model (i.e. fully labelled diagram), and refer to it in your response.
- When identifying information from data in graphs, ensure you understand whether you must refer to the right hand side axis (RHS) or the left hand side axis (LHS).
- Significant economic events, such as the change in fiscal and monetary policy settings, are often directly referenced in the examination. You need to provide specific information about these policies rather than broad generalisations.
- A well-structured written response that coherently addresses the requirements of the question will receive high marks.
- Specific details about fiscal policy and budgets are an expectation for higher scoring responses on these syllabus areas.

Advice for teachers

- Teachers are strongly encouraged to use the ‘*Glossary of key words used in the formulation of questions*’ that is published by the School Curriculum and Standards Authority (the Authority). It is vital that students understand the different requirements of the verbs used to formulate lower and higher order questions.
- When covering the economic skills component of the syllabus, ensure that students pay particular attention to the mathematical techniques and the microeconomic and macroeconomic models listed in the syllabus.
- The slowdown in globalisation continues and students should be made aware of this as part of the relevant Unit 3 syllabus points.
- Both Questions 25 and 26 included a graph with two separate vertical axes. Many candidates were confused and made simple errors in reading these graphs. Teachers should note this and provide students with practice in using graphs with dual axes.
- In Section Two, candidates must refer to the data provided within their answers, as this is the intention of this section of the examination. The data reveals the reality of the theoretical economic concepts studied. This is particularly important if the question actually states ‘with reference to the data/table/graph/article’.
- The most appropriate model to use to show the boom phase of the business cycle is the one showing both the LRAS and the SRAS curves. A boom phase is shown with the economy in short run equilibrium to the right of the LRAS curve. This clearly demonstrates an inflationary gap with real GDP above potential GDP and the unemployment rate below the natural rate. Teachers should encourage students to use this version of the model.
- Aggregate supply, productivity and reform remain weak points in student understanding. The importance of changes in AS and their effect on national income need to be emphasised.

Comments on specific sections and questions

The mean of the examination was 58.6%, which was higher than the mean for the 2019 examination.

Section One: Multiple-choice (24 Marks)

The mean for Section One (69.6%) was significantly higher than 2019 (62.83). This indicates the pitch of the questions were accessible to all compared to previous years with only one multiple-choice question having a mean below 0.5. Twelve questions had a mean above 0.7.

Section Two: Data interpretation/Short answer (36 Marks)

The mean for Section Two was 58%, which was slightly higher than the previous year (56.47%). The means for Question 27 were significantly higher than for Question 25 and 26 in which candidates were required to analyse and interpret the two data sources and needed to refer to global economy rather than only Australian economy.

Section Three: Extended answer (40 Marks)

The mean for Section Three was 53% which was higher than the previous year (47%). Three of the four questions were more textbook/theory based (Questions 28, 29 and 30) while Question 31 was a topical question related to the use of fiscal and monetary policy in Australia in 2020. Three of the four questions were sectionalised into parts (a) and (b). Question 29, which was not sectionalised, was the least popular question and recorded the lowest mean in Section Three.