

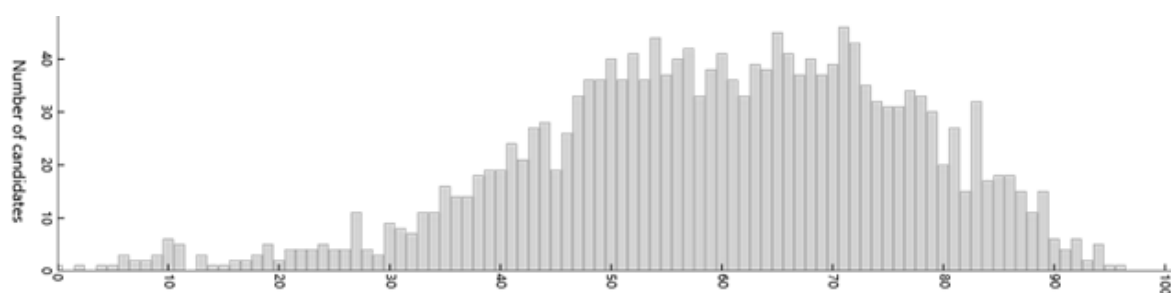


Summary report of the 2023 ATAR course examination report: Economics

Year	Number who sat	Number of absentees
2023	1824	28
2022	1754	38
2021	1863	44
2020	1921	36

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



Summary

The examination consisted of three sections: Section One: 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. For Section Three, candidates were required to choose one extended answer question from each of Unit 3 and Unit 4.

Attempted by 1824 candidates Mean 59.29% Max 96.00% Min 0.00%

Section means were:

Section One: Multiple-choice	Mean 71.16%		
Attempted by 1824 candidates	Mean 17.08(/24)	Max 24.00	Min 0.00
Section Two: Data interpretation/Short answer	Mean 58.63%		
Attempted by 1815 candidates	Mean 21.11(/36)	Max 36.00	Min 0.00
Section Three: Extended answer, Unit 3	Mean 53.09%		
Attempted by 1790 candidates	Mean 10.62(/20)	Max 20.00	Min 0.00
Section Three: Extended answer, Unit 4	Mean 52.43%		
Attempted by 1773 candidates	Mean 10.49(/20)	Max 20.00	Min 0.00

General comments

The overall mean for the examination was 59.29%. This was 4% higher than the mean in 2022. Candidates performed well in Section Two: Data interpretation/Short answer with a mean of 58.6%, which was significantly higher than the mean in 2022 of 53.6%. For Section Three, Unit 3, the mean was 53.1%, up from 45.2% in 2022. For Section Three, Unit 4, the mean was 52.4%, up from 45.6% in 2022. In the Extended answer sections, most candidates demonstrated a strong understanding of economic concepts, while some found it difficult to demonstrate their application using economic models.

Advice for candidates

- Ensure that you take the time to read the data sources carefully.
- Ensure that you understand the common directional verbs used for each question and their associated mark allocations. Identify and state are lower-order verbs and are normally allocated lower marks. Describe and outline questions may be awarded more marks. When asked to explain, you are normally required to link cause and effect. The *Glossary of key words used in the formulation of questions* can be found on the course page.
- Ensure that your diagrams are correctly labelled and reflect what is being requested in the question.
- Ensure that you understand the difference between models used in the context of Unit 3 content (subsidy, tariffs and exchange rates) and that of Unit 4 (aggregate demand/aggregate supply (AD/AS) model and the aggregate expenditure (AE) model).
- Label models correctly, for example:
 - Label the axes on the AD/AS model 'The Price Level' (y-axis) and 'Real GDP' (x-axis), not P and Q. Label the curves AD and AS, not D and S.
 - Label the axes on the AE model 'Aggregate Expenditure' (y-axis) and 'Real GDP' (x-axis), not P and Q.
 - Label the axes on the exchange rate model 'The Price of 1\$AUD' (y axis) and the 'Quantity of AUD' (x-axis), not P and Q. Label the curves D(\$A) and S(\$A).
- When modelling the AD/AS or AE model, you should always refer to the impact of the multiplier and your responses should demonstrate understanding of this key economic concept.
- Ensure that you understand what causes commodity prices to change and how this affects Australia's exchange rate.
- The lined spaces provided are only a guide, however you should ensure that the depth of your response reflects the mark allocation and time spent on answering the question.

Advice for teachers

- Teaching the interpretation of the directional verbs should form a crucial element of your teaching. Questions that ask students to identify or state normally only require students to provide a word, short statement or a figure. Describe and outline typically require information regarding the main characteristics or features, while explain requires students to link cause and effect. Higher-order questions may require discussion or analysis.
- Emphasise the importance of economic models and labelling these correctly.
- Encourage regular practise of data analysis questions. Note the typical mark allocation for a model and the written response. There should be a direct reference to the movement or shift in the diagram to support the response.
- Based on the performance of candidates in Question 25 of the 2023 paper, careful consideration should be given to the teaching and learning of the terms of trade topic, in particular the effects of rising commodity prices and demand and supply factors.
- It is important for teachers to be aware that the multiplier effect applies to both the AE and the AD/AS models.

Comments on specific sections and questions

Section One: Multiple-choice (24 Marks)

Overall, candidates performed well in Section One with a mean score of 71.2%. The questions that referred to either AD/AS, the multiplier or the business cycle were answered well, and candidates demonstrated a strong understanding of the link between economic theory and models. The contents that candidates found most challenging were foreign investment, the consumption function and the AE model.

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

In Section Two, candidates were required to interpret a table, read passages of text and interpret a graph. The mean for this section was 58.6%. Question 25 produced the lowest mean with a score of 49%. Question 26 produced a mean of 61% while the mean for Question 27 was 66%. It appeared that candidates preferred the stimulus of written content compared to calculations or graphical interpretations.

Section Three: Extended answer

The mean for Section Three was 53%, which was significantly higher than the mean of 45% in 2022. Each of the four questions were sectionalised into parts (a) and (b). Questions 28, 29 and 30 each recorded a mean greater than 50%. Question 30 concerned monetary policy and was particularly topical in 2023, due to actions undertaken by the Reserve Bank of Australia to control inflation. Question 31 focused on the concept of 'structural change'.