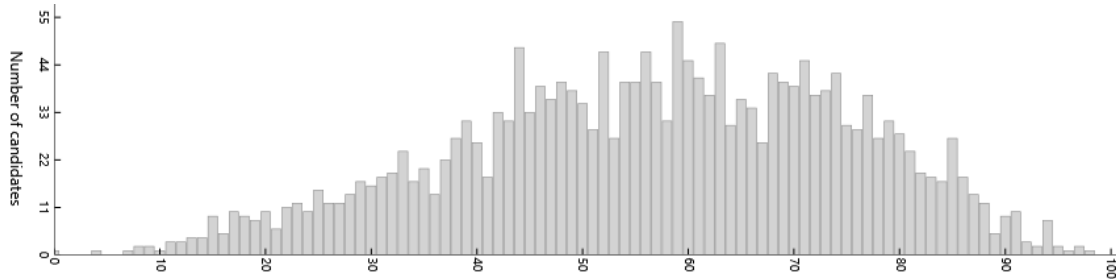




Summary report of the 2018 ATAR course examination: Economics

Year	Number who sat	Number of absentees
2018	2077	22
2017	2142	21
2016	2146	41

Examination score distribution-Written



Summary

Attempted by 2077 candidates Mean 56.28% Max 98.00% Min 0.00%
The examination consisted of three sections. Section One was Multiple-choice, Section Two was Data interpretation/Short answer and Section Three was 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 to answer.

Section means were:

Section One: Multiple-choice	Mean 69.77%		
Attempted by 2077 candidates	Mean 16.74(/24)	Max 24.00	Min 0.00
Section Two: Data interpretation/Short answer	Mean 55.27%		
Attempted by 2074 candidates	Mean 19.90(/36)	Max 36.00	Min 1.00
Section Three: Extended answer	Mean 49.64%		
Attempted by 2057 candidates	Mean 19.86(/40)	Max 40.00	Min 0.00

General comments

The examination was well balanced across the syllabus and included both topical and theoretical questions. There were no issues or errors in the paper. The paper contained a mix of theoretical and topical questions relating to the contemporary Australian economy. Several questions emphasised the use of economic models which are an important element of the Economics syllabus. Candidates were required to use economic models in two of the three data interpretation questions and three of the four extended answer questions.

Advice for candidates

- It is vital that you critically evaluate any information provided. Many students assume that government policies either in Australia or overseas (such as in the USA) have economic validity even when they are clearly in contrast with key points of the syllabus. The economic policy setting of many countries is strongly affected by the political cycle and you need to be aware of this.
- The use of economic models (diagrams) is an important skill in explaining concepts and theories in Economics. You must be able to use an appropriate model, fully labelled, and refer to it in your written response.

- When identifying information from data found in articles, tables and graphs, ensure that all aspects of the required information are stated in your answer. For example, '\$US28 billion' rather than just '28'.
- Significant economic events such as the United States Federal Reserve rate rising above the Australian cash rate for the first time in many years and the improvement in the budget position are often directly referenced in the examination. You are encouraged to remain abreast of such significant events and their implications.

Advice for teachers

- A sound understanding of the different requirements of the verbs used to discriminate between higher and lower order questions (and therefore the allocation of marks) is vital. Teachers are strongly recommended to use the *Year 11 and 12 Glossary of key words used in the formulation of questions* that is published by the School Curriculum and Standards Authority as part of the syllabus support information.
- When covering the economic skills component of the syllabus, ensure that students pay particular attention to the mathematical techniques and micro and macroeconomic models listed in the syllabus.
- Many students lacked a sound understanding of recent (the last ten years) and contemporary (the last three years) trends in economic data. It is vital that economic data and the associated trends are revealed to your students. Textbooks may not reflect more contemporary trends, so it is vital that a range of up-to-date economic data resources such as the Australian Bureau of Statistics and the Reserve Bank of Australia are used when teaching the syllabus.
- Many students were unable to draw the correct diagram for the operation of a subsidy affecting market efficiency. This is a required diagram for Unit 3 and must include the world price. A simple shift in the supply curve reflects Year 11 content and is not sufficient.
- The concepts and related aggregate expenditure (AE) diagram showing conditions of macroeconomic equilibrium and disequilibrium must be taught as a syllabus point. Many students wrongly assumed that the question relating to this concept dealt with the multiplier which involves an autonomous change in a component of AE.
- The Unit 4 syllabus section covering 'Measures to improve productivity' continues to be an area of poor student performance. It, however, requires significant exposure as supply-side policies are vital to Australia's economic growth.
- Students should have experience answering both sectionalised and non-sectionalised Section Three questions. Many students appear to struggle when required to structure a coherent 20 mark response.

Comments on specific sections and questions

Section One: Multiple-choice (24 Marks)

The mean for Section 1 (70%) was similar to the previous year but is higher than a preferred mean of around 65%. It was good to see that no questions had a mean greater than 90%, while there were only three questions with a mean less than 0.5.

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

The means for the three questions were relatively close indicating that the questions were of similar difficulty.

Section Three: Extended answer (40 Marks)

There was an appropriate mix of questions that were topical (28 and 31) and questions that were more textbook based (29 and 30). Three of the four questions specifically referred to economic models. Three of the four questions were sectionalised into parts (a) and (b). Question 31 was not sectionalised and was the least popular question with only 420 attempts compared to question 29 with 1561 attempts. Question 29 also had the highest mean and was a typical textbook style question. The means for questions 28, 29 and 31 were relatively close, each being above 50%.