

understanding of economic theory, economic policy, and the use of economic models in demonstrating the operation of policies.

Advice for candidates

- Familiarise yourself with the verbs used to formulate lower and higher order questions and what sort of response is required in your answers, depending on the particular verb used (i.e. describe, explain, discuss, analyse). The *Glossary of key words used in the formulation of questions* can be found on the ATAR course page on the website.
- Read the questions carefully, e.g. if asked to use an aggregate supply/aggregate demand (AS/AD) model, do not use the aggregate expenditure (AE) model. If asked to demonstrate a currency appreciation, do not illustrate a depreciating currency.
- When stating numerical values, such as a percentage, state what the value is a percentage of, such as GDP.
- Understand the two time periods used in the syllabus, that is, contemporary (last three years) and recent (last ten years). The context and time periods for questions in Section Two are often indicated by the time period on the accompanying graph at the beginning of the question.
- Practise reading data from graphs – particularly line graphs, where precision is important.

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), found on the ATAR course page on the website.
- Stress that 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, and the relevant time frame. This is particularly important if the question states ‘with reference to the data/table/graph/article’.
- Opportunities to practise extracting data from graphs should be provided, particularly the accurate reading of line graphs.
- Link the syllabus content to current changes in the economy and relevant government policies.
- Demonstrate how economic models can be used to demonstrate the effects of government policies.

Comments on specific sections and questions

Section One: Multiple-choice (24 Marks)

Candidates performed well in Section One with a mean of 68%. Some questions involved calculations, and some required understanding economic models. Overall, the quantitative and model-type questions were well done. There was an equal balance of Unit 3 and Unit 4 questions.

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

Candidates performed less well in Section Two, with a mean of 54%, compared to 2020 (58%). The mean for Question 27 (65%) was significantly higher than for Question 25 (49%) and Question 26 (46%). Questions 25 and 26 required candidates to interpret data presented in graphical form, whilst Question 27 was based on a written source.

Section Three: Extended answer (40 Marks)

Section Three had a slightly higher mean in 2021 compared to the previous year (54% compared to 53%), with students preferring to answer the questions involving contemporary

economic issues. Questions 29 and 31 included references to topical economic issues and contemporary events. Each of the four questions were sectionalised into parts (a) and (b).