**VCE Economics 2017–2022**

School-based assessment report

This report is provided for the first year of implementation of this study and is based on the coursework audit and VCAA statistical data.

GENERAL COMMENTS

This is the first audit review under the [*VCE Economics Study Design*](http://www.vcaa.vic.edu.au/Pages/vce/studies/economics/economicsindex.aspx) 2017–2022. It is important for teachers to note that as this study design is significantly different from the preceding one, teachers must ensure that School Assessed Coursework tasks comply with the current study design. The [VCE Economics Advice for Teachers](http://www.vcaa.vic.edu.au/Pages/vce/studies/economics/economicsindex.aspx) provides teaching and learning advice for Units 1 to 4 and assessment advice for school based assessment in Units 3 and 4. Other support materials for the study can be located on the [VCAA index page for VCE Economics](http://www.vcaa.vic.edu.au/Pages/vce/studies/economics/economicsindex.aspx) in the form of a Study Summary, Summary of Changes and Frequently Asked Questions. Schools audited indicated that they used a range of resources to develop tasks for the unit. These included the Assessment handbook, Advice for Teachers, textbooks, networks and relevant subject associations

When designing a SAC task schools must ensure that the task is appropriate and covers key skills and key knowledge. The task must be achievable for all students and allow students to demonstrate their highest level of ability

The majority of schools audited demonstrated that they were meeting VCAA School-assessed Coursework requirements through the initial audit questionnaire. Most teachers demonstrated a strong understanding of the course material and assessed Unit 3 within appropriate guidelines. It was clear that most teachers had referred to appropriate VCAA resources when planning SAC assessments.

It was apparent that teachers are successfully applying theoretical concepts in the study design to contemporary economic events. Schools are however reminded that the study design specifically states that students must study factors that have affected the achievement of macroeconomic goals over the last two *years*. Whilst historical economic information more than two years old may be useful for reflection and determination of economic trends, anything economic information included in a SAC assessment task must sit within the two year time frame mandated in the study design.

Teachers should avoid re-using assessment tasks from previous years in order to both ensure that information is contemporary, and ensure authentication of student work. In some cases assessment tasks included graphs that were clearly out of date. SAC materials were sighted that incorporated information more than two years old. Schools are advised that economic information must be contemporary.

Teachers are generally using a limited range of assessment tasks types. An overwhelming majority of schools reported the use of structured questions under test conditions as the only form of assessment used during Unit 3.It appears that many schools are using School-assessed Coursework tasks as a proxy for exam preparation. The VCAA encourage schools to use a variety of assessment task formats as part of School-assessed Coursework assessment in order to allow students to develop a range of assessment skills.

The use of tasks written by commercial providers appeared to be common amongst schools audited. More than 50% of the schools audited in Unit 3 indicated use of commercial tasks in some form. These tasks tend to be limited to ‘structured question tests’, thereby restricting the range of assessment types utilised. Schools are advised that significant authentication issues are evident with the use of commercial tasks. Many of these tasks are readily available through students sharing between schools. It is therefore strongly recommended that tasks purchased from a commercial provider be modified/adapted in order to make them unique to the individual school and thereby reduce issues with authentication of student work.

Schools should note that all required materials must be submitted for the audit. These are listed in the *VCE and VCAL Administrative Handbook* with a checklist for the audit published each year on the VCAA website. If all requested material is not submitted a judgment cannot be made, resulting in an unsatisfactory audit result.

Specific information

Unit 3: Australia’s economic prosperity

School-assessed Coursework for Unit 3 contributes 25 per cent to the study score. Of this, Outcome 1 will contribute 40%, Outcome 2 30% and Outcome 3 30%.

Outcome 1

On completion of this unit the student should be able to explain how markets operate to allocate resources, and discuss the effect of government intervention on market outcomes. To achieve this outcome the student will draw on key knowledge and key skills outlined in Area of Study 1.

The student’s performance on each outcome is assessed using one or more of the following:

* a folio of applied economic exercises
* an essay
* a report
* media analysis
* a case study
* structured questions.

Most schools audited assessed Outcome 1 using a single task. Structured questions were the most common form of assessment used.

A minority of schools assessed Outcome 1 through two separate tasks, with each being worth 20% of the Unit 3 coursework score. This approach allows students to build on and improve their approach to assessment and thereby maximise their score as they can improve performance between the two assessment dates. It does however require that more lesson time be allocated for assessment tasks.

Schools are encouraged to utilise a variety of SAC formats other than simply replicating the final exam through structured questions.

Assessment

Assessment procedures and forms used by schools audited were generally appropriate. Most schools indicated use of marking descriptors by the VCAA. Few were able however to directly link/align the specific task used to the VCAA descriptors. It is recommended that the VCAA descriptors be adapted to the specific assessment task given by a school in order to reflect that specific task.

The audit process may require a school to submit extra documentation in the form of a marking guide. This document must specifically link to the assessment tasks given and indicate how marks will be allocated for specific questions.

Outcome 2

On completion of this unit the student should be able to analyse key contemporary factors that may have influenced the Australian Government’s domestic macroeconomic goals over the past two years and discuss how achievement of these goals may affect living standards.

To achieve this outcome the student will draw on key knowledge and key skills outlined in Area of Study 2.

The student’s performance on each outcome is assessed using one or more of the following:

* a folio of applied economic exercises
* an essay
* a report
* media analysis
* a case study
* structured questions.

Most schools audited assessed this outcome through a single task. This created large and lengthy SACs due to the breadth of the material assessable for this outcome. In a program of teaching and learning it is likely that schools will spend the second half of Term 1 and several weeks in Term 2 covering the work in Outcome 2. This results in an extended period between assessment tasks. As with Outcome 1, this may be addressed through use of two assessment tasks rather than one.

Again a narrow range of assessment tasks, specifically structured questions were predominantly used.

Schools appear to have adapted to and adopted the new language included in the current study design. Terms such as ‘core inflation’, ‘redistributive effects’, ‘resource misallocation’ and ‘price stability’ were embedded into SAC tasks provided.

It is emphasised that reusing SAC materials from prior to 2017 is not appropriate. In addition authentication and security issues much of the key skills and knowledge prior to 2017 are no longer relevant.

Assessment

Most schools audited cited use of VCAA assessment descriptors for Outcome 2 assessment tasks. Teachers are reminded that these do require adaptation in order for them to be applicable to a specific SAC task given within a school. Schools are discouraged from applying these generically

Outcome 3

On completion of this unit the student should be able to explain the factors that may influence Australia’s international transactions and evaluate how international transactions and trade liberalisation may influence the current account balance, the Australian Government’s domestic macroeconomic goals and living standards in Australia. To achieve this outcome the student will draw on key knowledge and key skills outlined in Area of Study 3.

The student’s performance on each outcome is assessed using one or more of the following:

* a folio of applied economic exercises
* an essay
* a report
* media analysis
* a case study
* structured questions.

The majority of schools used a single assessment task to assess this outcome. Judging from assessment timelines submitted it was evident that for many schools there was only a brief gap between Outcome 2 and Outcome 3 assessments occurring. In several schools it was apparent that Outcome 3 was being taught and assessed within two weeks. These schools may need to look at covering Outcome 2 in a shorter period of time in order to allow time to adequately address Outcome 3.

There was evidence that teachers were not planning assessment before teaching the key skills and key knowledge. Several chose to not answer questions related to Outcome 3 on the basis that they had not yet determined how it would be assessed. Teachers are advised that assessment should be planned concurrently with a learning program. It is expected that a teacher should have a general idea of SAC materials to be used before teaching an outcome.

The audit questionnaire does not require schools to submit assessment tasks, only to answer questions about the ways in which various aspects will be addressed. The questionnaire is also a useful guide for ensuring that all aspects of the course are being assessed appropriately. For this reason, schools are encouraged to open the audit as soon as they receive it, review the expectations and then fill it in progressively as they work towards the deadline. Teachers who appeared to work in this manner generally provided high quality submissions.

Assessment

Schools generally used the VCAA descriptors provided in the Advice for Teachers document. These descriptors lend themselves more to certain forms of assessment (such as case studies, essays and reports) than to structured questions answered under test conditions.

Unit 4 – Managing the economy

GENERAL COMMENTS

This is the first School-assessed Coursework audit undertaken with the reaccredited [*VCE Economics Study Design 2017–2022*](http://www.vcaa.vic.edu.au/Pages/vce/studies/economics/economicsindex.aspx). Given the reaccredited study design is significantly different from the preceding one, it is vital schools ensure that SAC tasks are compliant and reflect the current study.

The first stage of the School-based Assessment Audit requires schools to complete a preliminary questionnaire and provide information on the types of tasks set, assessment planning, timelines and the administration of assessment. Responses suggested that most schools audited were designing and using tasks that meet the requirements of the reaccredited study design. Almost all schools provided an assessment timetable to students to assist them in planning for assessment.

For each School-assessed Coursework task, students should be given a clear and accurate statement of:

* the outcome being assessed
* the task type
* the requirements and conditions of the task
* The contribution of the task to the final outcome score.

A significant proportion of schools indicated use of commercially developed tasks drawn from a range of sources. It is recommended that tasks purchased from a commercial provider be modified/adapted to reduce authentication issues. These tasks are readily available in the public domain, and therefore readily accessible to students. It is especially problematic if students within a school are given tasks from the one publisher to assess all outcomes.

Tasks should be adapted by changing task words and/or the case studies or prompt material in which the questions are based.

There were several examples of teacher-designed tasks evident, most of which met the requirements of the outcomes. Teachers are reminded that the [*VCE Economics Advice for* *Teachers*](file://VCAAFS01/Curriculum$/VCE/Maintenance%20(QA)/School%20Assessed%20Coursework%20Reports/2017/Unit%203%20reports/edited%20by%20CM/VCE%20Economics%20Advice%20for%20Teachers) contains sample approaches to developing assessment tasks. These will be of assistance to teachers who require guidance in the process of developing school based tasks.

The majority of schools audited met the requirements of the *VCE Economics Study Design* (2017–2022) for Unit 4 in the first year of implementation. In general, teachers appeared to have a strong grasp of the study design and its key knowledge and key skills. Resulting in appropriate assessment of the School-assessed Coursework components of Unit 4. It was evident that advice provided by the VCAA and subject associations regarding appropriate implementation and assessment of the study had been incorporated and appropriate assessment design and processes were generally evident.

There were indications that some teachers were unclear as to the exact definition of the two year timeframe regarding use of economic data and events. Some were clearly working with a calendar year, whilst others with the financial year. There were numerous instances of teachers using data and events not within the two year time frame. Teachers are reminded that economic data studied should be drawn from the calendar year both current and immediately prior. In effect this means that in 2017 students were required to know about the implementation of policies in 2017 and 2016 for the final examination.

It was noted that several schools focused on the impact of economic policy decisions made rather than the reasons for policy changes. This is not the intention of the study design. Students must examine the reasons for policy decisions through examination of desired outcomes. Page 24 of the study design explicitly states that students “examine and analyse the effects of the last two Australian Government budgets.”

Teachers appeared to be more confident in teaching and assessing demand management policies rather than aggregate supply policies. This was apparent as the language used and general level of assessment was significantly enhanced when assessing demand management policies than with supply side policy. Teachers are therefore encouraged to participate in professional learning opportunities in order to enhance personal knowledge of all aspects of the course in order to ensure students are able to engage with all content to the level required.

As with Unit 3, it was apparent that teachers were keen to minimise workload through reuse of tasks and questions from previous years and also through use of commercially produced SAC materials. Recycling of SAC tasks from prior years and the purchase of commercially produced SAC materials poses significant risk in terms of authentication of student work. Teachers are therefore advised to adapt SAC materials in order to ensure that they are unique to the individual school as potential exists for students to share such tasks through social media platforms, thereby raising authentication issues. The best option is to, if time permits, create a new assessment task each year, although adaptation of existing materials is possible.

Teachers are also advised that SAC materials used must assess the key knowledge and key skills of the relevant area of study to the appropriate level of detail and scope as stipulated in the study design.

Schools should ensure that all requested materials are submitted for the audit. Materials potentially required for submission are listed in the *VCE and VCAL Administrative Handbook*. If materials are not submitted as requested a judgment cannot be reached by the audit panel as to whether the school concerned has satisfied VCAA requirements for school assessed coursework.

Specific information

Unit 4: Australia’s economic prosperity

School-assessed Coursework for Unit 4 will contribute 25 per cent to the study score. Of this, Outcome 1 will contribute 60% and Outcome 2 will contribute 40%.

Outcome 1

On completion of Area of Study 1 the student should be able to discuss the nature and operation of aggregate demand policies and analyse how the policies may influence the Australian Government’s domestic macroeconomic goals and living standards. To achieve this outcome the student will draw on key knowledge and key skills outlined in Area of Study 1.

The student’s performance on each outcome is assessed using one or more of the following:

* problem solving exercises
* an essay
* a report
* a folio of media commentaries
* a folio of applied economic exercises
* structured questions.

Outcome 1 has a weighting of 60% for Unit 4 School-assessed Coursework, and therefore contributes thirty percent to the overall School-assessed Coursework mark for VCE Economics. Whilst it is possible to assess this outcome using a single assessment task, problems were evident with this approach. Students who underperform on this task would experience a disproportionately large impact on their overall result, and therefore their ranking within the school cohort. Similarly, provision of one large task may limit the potential to explore key knowledge and key skills both in sufficient scope and depth within the assessment, thereby hindering the possibility of achieving an accurate ranking of the student cohort.

Most SAC tasks sighted were designed to be completed within a single lesson of approximately 50 minutes. This time allocation would make it difficult to cover/address key knowledge and key skills in appropriate detail and scope.

Teachers who separated the assessment of this outcome into two distinct SAC tasks were better placed to assess the scope and depth of student knowledge across the entire outcome. Most schools doing this used one task based on monetary policy and another based on budgetary policy.

Assessment

The majority of schools indicated use of marking descriptors provided by the VCAA when assessing Unit 4. Teachers should however note the need to adjust these in order to apply them to individual unique assessment materials.

When asked to provide a sample marking guide most schools provided either:

1. A commercial marking guide
2. A list of marks available for each task.

Commercially produced marking guides, like commercially produced SAC tasks, are also readily shared online. Provision of a simple list of mark allocations rather than a basic description of how the marks were to be designated during marking does not meet the requirements of the audit. Schools are strongly encouraged to produce specific marking guides for all assessment tasks created. There are significant benefits in terms of accuracy and consistency in marking and authentication of student work to be gained by doing this.

In schools with more than one class of VCE Economics being taught by different teachers, provision of a marking guide provides consistency between classes, thereby increasing the opportunity for accurate and fair reflection of student performance through subject rankings. A marking guide clarifies exactly what is what is required from students, thereby creating consistency between different markers. Similarly it will also serve as a learning activity / tool, for students.

Outcome 2

On completion of this unit the student should be able to discuss the nature and operation of aggregate supply policies and analyse how the policies may influence the Australian Government’s domestic macroeconomic goals and living standards. To achieve this outcome the student will draw on key knowledge and key skills outlined in Area of Study 2.

The student’s performance on each outcome is assessed using one or more of the following:

* problem solving exercises
* an essay
* a report
* a folio of media commentaries
* a folio of applied economic exercises
* structured questions.

The majority of schools audited assessed Outcome 2 Unit 4 through a single task. School-assessed Coursework tasks submitted as further evidence indicated utilisation of questions drawn directly from textbooks by some schools. Teachers are advised that it is important to check these to ensure they are relevant to key knowledge and key skills as stipulated in the study design. It is important that the language within School-assessed Coursework tasks reflect the language of the study design. Teachers should also be mindful of the fact that these questions are in the public domain, therefore use of them may provide some students with an unfair advantage.

Further evidence submitted also indicated that several schools tended to include significant numbers of lower and middle order task words. It is recommended that an effort be made to include more questions incorporating higher order task words in order to test students’ higher order thinking skills, and to ensure that an accurate ranking of the student cohort is achieved. Teachers need to ensure that higher order thinking skills such as analysis, discussion and application are assessed in terms of policy options in relation to influencing aggregate supply

Assessment

The issues associated with the use of the assessment criteria for Outcome 1 were also evident in relation to Outcome 2. These issues have been addressed previously in this report.

It was apparent that several schools had used past examination papers as a guide in determination of mark allocation for specific questions and tasks.

Two points were apparent in relation to the allocation of marks and weighting of questions. Firstly, several schools had maintained the practice of allocating more than one mark for multiple choice questions. Teachers are advised that the current examination specifications allocate one mark for each multiple choice question correctly answered. There were examples of schools allocating more marks to multiple choice questions that were perceived to be of greater difficulty. This is not the practice with the current examination specifications and has potential to create confusion for students.

Teachers are encouraged to be consistent with the mark allocation, both within and across papers. Similarly the number of lines allocated must also reflect the level of detail and depth required in a response.