Financial literacy – Government budgets

Levels 9 and 10,   
Economics and Business,   
resources

Authorised and published by the Victorian Curriculum and Assessment Authority  
Level 7, 2 Lonsdale Street  
Melbourne VIC 3000

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**Note:** Please see the accompanying Financial Literacy – Government Budgets activities document for a full description of the sample activities.

Worksheet A: The roles and responsibilities of government

Different levels of government (federal, state/territory and local) have different roles and responsibilities in Australia, which they deliver through their budgets.

Some government roles and responsibilities are shared between levels of government. For example, in relation to education, state governments are responsible for school education while federal government is responsible for tertiary education.

1. Responsibility and level of government

Categorise each of the following areas of government responsibility as F (federal government), S (state government) or L (local government). The first one has been done as an example.

|  |  |  |  |
| --- | --- | --- | --- |
| **Responsibility** | **Level (F, S or L)** | **Responsibility** | **Level (F, S or L)** |
| Australia Post | **F** | Public transport services |  |
| Local roads |  | Consumer laws |  |
| School libraries |  | In-home care for elderly |  |
| Issuing of driver licences |  | Garbage collection |  |
| Higher education |  | Power, gas, water, sewerage |  |
| Medicare |  | School infrastructure |  |
| National environmental policies |  | Australian Institute of Sport |  |
| Police |  | Safety in the workplace |  |
| Unemployment benefits |  | Local libraries |  |
| Pet registration |  | Traffic laws |  |
| Traffic lights and road signs |  | Footpaths |  |
| ABC TV and Radio |  | Local kindergartens and pre-schools |  |
| Immigration |  | Major roads |  |
| National library |  | State library |  |
| Health inspection of shops/restaurants |  | Local sports fields and playgrounds |  |
| Local environment protection |  | Street signs |  |

2. Daily life and government

Note the government responsibilities associated with each of the following daily activities. (Some activities will involve more than one area of government, while some may involve only one.)

|  |  |  |  |
| --- | --- | --- | --- |
| Activity | Federal government responsibility | State government responsibility | Local government responsibility |
| You take a shower |  | Water supply |  |
| You catch a flight to Brisbane | Aviation |  |  |
| You take public transport to school |  |  |  |
| You go to the school library to borrow a book |  |  |  |
| You go to the local library to read |  |  |  |
| You attend university |  |  |  |
| You eat in a restaurant |  |  |  |
| You put the recycling out for collection |  |  |  |
| You attend a public hospital to visit a friend |  |  |  |
| You play football at a local park |  |  |  |
| You pay income tax |  |  |  |
| You are caught speeding by a police officer |  |  |  |
| You visit a national park |  |  |  |
| You sit a VCE examination |  |  |  |

Worksheet B: Government spending in the community

1. Local governments have publicly available budgets that outline what services and projects will be provided in the financial year. For example, see the City of Kingston 2020–21 budget [here](https://www.kingston.vic.gov.au/About-Us/Plans-Policies-and-News/Council-Plan-and-Budget); page 6 of the budget lists a number of projects that are being funded by the City of Kingston and the amounts allocated to them.

Working in small groups, research and find evidence about local government spending and funding of projects in your community. Use the budget as a place to identify a recent project that interests you, then explore the local government website or other sites to learn more about the project and its progress.

2. Create and film a news segment or print media article explaining a local government-funded project in the community identified through your research.

The video or article should include:

• a description of the project and the benefit it will potentially provide the community

• the approximate amounts of government funding to be spent on the project

• the level(s) of government is providing funding for the project

• the individuals or groups that are going to benefit most from the project

• a description of how specific people stand to benefit. For example, new bike lanes would allow students and commuters to travel quickly and safely along certain routes, and could improve the health of the people using them.

Also include answers to the following questions:

• Do you consider this project is money well spent? Give reasons for your answer.

• What is the ‘opportunity cost’ of this project? In what other ways could this money have been spent, and/or what benefits may be lost by adopting this proposal?

3. Each group shares their news segment or article with the class.

Worksheet C: Writing a funding proposal

In this activity, you will be working in pairs to write a description of a funding proposal to your local government. Your aim is to secure money to meet a community need. There are $25 million of government funds available to spend in this scenario. You will need to:

* identify an area of need in the local community
* write a brief proposal for funding for that area of need. Include a description of the groups in the community will benefit from the proposal, and exactly how these groups will benefit.

Remember your aim is to convince the local government (your peers) that they should spend their money on this proposal.

Examples of community needs include:

* an education program to reach a specific group or to educate the community on a specific topic
* a sports/physical education program for a specific community group
* research and development for a new technology
* higher levels of welfare
* a sustainable energy program
* a green waste or recycling program
* an alternate environmental program.

1. Identify an area of need in the community and conduct research to collect the following information for your proposal.

• What exactly is the issue identified?

• Which members of the community are affected by the issue?

• How are these people/groups affected?

• How will funding meet the needs of the community?

2. Using your research, write the proposal. Ensure the proposal includes:

• a brief description or introduction to the proposal

• approximately how much will it cost, based on other similar projects (it can be less than $25 million)

• the potential benefits of this spending proposal (who and/or what will benefit?)

• potential risks associated with the proposal.

3. Once you have finished your proposal, create a pitch/short summary of it. Present your proposal summary to the class, with your partner.

4. Make notes about your peers’ presentations, including the positives and negatives of their plans. Decide which of the proposals you think is the best use of government funds.

5. As a class, vote to decide which proposal should receive the funds.

Worksheet D: Unexpected events and government budgets

In this activity, you will investigate the impact of unexpected events, such as a major natural disaster, on government budgets.

1. Select a recent major unexpected event, such as COVID-19, the 2019–2020 bushfires, or another human/natural disaster.

2. Research the event and its effects on government budgets. Note: entering ‘effect of [chosen unexpected event] on budget’ into a search engine will provide material for this step.

3. Identify which levels of government have been affected financially. In what ways has the government budget been affected?

4. Using information from your research, write a list of two short-term and two long-term effects of the event on government budgets, considering the:

• financial costs of the disaster

• effects of the disaster on Australian businesses

• effects of the disaster on employment levels

• effects of the disaster on the amount of tax collected by the government.