Stage 1 – Economics 2020

Assessment Type 2: Economic Project Weighting: 40%

Task Description

You are required to undertake an in-depth analysis of an economic question or issue using a variety of data, both quantitative and qualitative. Through this research and interpretation of data, you will present a report on your findings together with recommendations for the relevant stakeholders.

***“Examine why governments tax some products sold in the marketplace more than others”.***

You will investigate why governments tax some products more than others by examining a range of products and their elasticity.

As part of your research:

* Consider why governments need to collect taxes.
* Select 3 products (with guidance from your teacher) sold in the marketplace; one product must be exempt from tax).

* Consider the following for the products chosen:

1. Substitutability
2. Addictiveness
3. Luxury/Necessity
4. Proportion of Income
5. Whether they create externalities.

* Consider the type of indirect taxes that governments place in the economy:

1. GST (consider exemptions to GST)
2. Product specific (such as; luxury cars, petrol)
3. Excise (such as petrol, alcohol, cigarettes).

* Analyse and evaluate why the government taxes some products sold in the marketplace more than others.

Task Requirements

Research

Initial research is to be undertaken in a small group. Use this as an opportunity to discuss and evaluate the relevance of the information provided/gathered.

It is important that you show evidence of:

* + analysis of a **range** of economic data, models, and principles
  + application of economic concepts, including scarcity, choice, opportunity cost, and cause and effect
  + application of data, principles and models
  + analysis and evaluation of the intended and unintended consequences of economic decisions on relevant stakeholders
  + reasoned arguments and evidence-based recommendations
  + appropriate use of economic terminology.

Presentation

You can present your project as either a written report of a **maximum of 1000 words** or as an oral or a multimodal presentation where **6 minutes is equivalent to 1000 words**.

Assessment

The following learning requirements and assessment design criteria apply:

|  |  |
| --- | --- |
| **Learning Requirements** | **Assessment Design Criteria** |
| 1. Understand economic concepts, principles and models in a variety of contexts  2. Apply economic concepts, principles and models in known and unknown contexts  4. Apply economic theory thinking to construct arguments  5. Analyse a range of economic data, models and theories  6. Analyse the intended and unintended consequences of economic decisions. | **U1** Understanding of economic concepts, principles and models in a variety of contexts  **Ap1** Application of economic concepts, principles, and models in known and unknown contexts.  **Ap3** Application of economic thinking to construct arguments.  **An1** Analysis of a range of economic data, models, and principles.  **An2** Analysis of the intended and unintended consequences of economic decisions. |

**Structure of the Economic Project (may include the following sub-headings)**

**Introduction**

What is tax?

What are the different types of tax?

Why do governments collect tax?

When do governments collect tax?

|  |
| --- |
| **Paragraphs could include** |
| Type of tax (GST exempt)   * aspects of the tax * products that tax would be placed on * why? |
| Type of tax (example product specific or GST)   * aspects of the tax * products that tax would be placed on * why? |
| Type of tax (example specific tax)   * aspects of the tax * products that tax would be placed on * why? |

Evaluation of the usefulness of taxing products and why governments consider taxing some products more than others in the marketplace.

Summary Statement

Reference List

**Report Structure**

Headings align with the option you use from above, however you should also include:

* Title Page
* Table of Contents
* Table of Figures
* Bibliography/Reference List.

**Multimedia**

You have more freedom as to how you present this, however, you must hand up your script and presentation. Content should be in a similar order as above and must include a Bibliography/Reference List.

|  |  |  |
| --- | --- | --- |
| ***Collaboration Table for resources - Examine why governments tax some products sold in the marketplace more than others*** | | |
|  | **Topic** | **Resources** |
| **Products** | Product A – GST exempt |  |
|  | Product B – GST/specific |  |
|  | Product C – Excise |  |
|  |  |  |
|  |  |  |
| **Tax** | Goods and Services Tax | * <http://education.abc.net.au/home#!/media/2438789/what-is-the-gst-> * <https://www.taxsuperandyou.gov.au/course/430/goods-and-services-tax-gst> |
|  | Product Specific Tax | * <http://www.taxreview.treasury.gov.au/content/ConsultationPaper.aspx?doc=html/publications/Papers/Consultation_Paper/section_11.htm> |
|  | Product Specific Fuel | * <https://www.ato.gov.au/business/excise-and-excise-equivalent-goods/fuel-excise/excise-rates-for-fuel/> * <https://www.accc.gov.au/system/files/Fuel%20facts%20-%20Unleaded%20petrol.pdf> |
| **Benefits of Tax** | Producer |  |
|  | Consumer |  |
|  | Government |  |
| **Costs of Tax** | Producer |  |
|  | Consumer |  |
|  | Government |  |

Performance Standards for Stage 1 Economics (for use from 2020)

| - | Understanding | Application | Analysis |
| --- | --- | --- | --- |
| A | Perceptive understanding of economic concepts, principles, and models in a variety of contexts. | Highly effective application of economic concepts, principles, and models in known and unknown contexts.  Highly effective application of communication skills in an economic context.  Highly effective application of economic thinking to construct reasoned arguments. | Critical analysis of a range of economic data, models, and principles.  Critical analysis of the intended and unintended consequences of economic decisions. |
| B | Well-informed understanding of economic concepts, principles, and models in a variety of contexts. | Mostly effective application of economic concepts, principles, and models in known and unknown contexts.  Mostly effective application of communication skills in an economic context.  Mostly effective application of economic thinking to construct arguments with some reasoning. | Mostly critical analysis of a range of economic data, models, and principles.  Well-considered analysis of the intended and unintended consequences of economic decisions. |
| C | Competent understanding of economic concepts, principles, and models in a variety of contexts. | Competent application of economic concepts, principles, and models in known and unknown contexts.  Competent application of communication skills in an economic context.  Competent application of economic thinking to construct arguments. | Considered analysis of a range of economic data, models, and principles.  Considered analysis of the intended and unintended consequences of economic decisions. |
| D | Basic understanding of economic concepts, principles, and models in a context. | Basic application of economic concepts, principles, and models in a context.  Basic application of communication skills in an economic context.  Basic application of economic thinking to construct one or more arguments. | Description with basic analysis of economic data, models, and principles.  Description of one or more intended or unintended consequences of an economic decision. |
| E | Awareness of some economic concepts, principles or models. | Attempted application of economic concepts, principles, and models in a context.  Attempted application of communication skills in an economic context.  Attempted application of economic thinking to construct an argument. | Attempted description of some economic data, models, or principles.  Attempted description of one intended or unintended consequence of an economic decision. |