

Year 5: Economics And Business



Contents

Teachers' Notes	4
National Curriculum Links	5-6
Section 1: Understanding Needs And Wants	7
Needs And Wants 1	8
Needs And Wants 2	9
Goods And Services	10
Personal And Community Needs And Wants 1	11
Personal And Community Needs And Wants 2	12
Needs And Wants In My Community	13
Debating Needs And Wants	14
The Economy Made Simple	15
The Economic Problem 1	16
The Economic Problem 2	17
Consumer Choices And Opportunity Cost	18
Needs And Wants Word Search	19
Section 2: Resources	20
Natural, Capital And Human Resources	21
Resource Types	22
Resources In My School Community	23
Resources In The Wider Community 1	24
Resources In The Wider Community 2	25
Aboriginal And Torres Strait Islander People's Knowledge And Use Of Resources 1	26
Aboriginal And Torres Strait Islander People's Knowledge And Use Of Resources 2	27
Aboriginal And Torres Strait Islander People's Knowledge And Use Of Resources 3	28
Aboriginal And Torres Strait Islander People's Use And Management Of Resources	29
Section 3: Personal Consumer Choices	30
Factors Affecting Consumer Choice	31
Advertising 1	32
Advertising 2	33
Advertising 3	34
Which Brand?	35
The Unit Pricing Method	36
Blind Taste Test 1	37
Blind Taste Test 2	38
Sales And Special Promotions	39
Having A Budget	40
Budgeting For A Birthday Party 1	41
Budgeting For A Birthday Party 2	42
Payment Methods	43
Cash Or Card?	44
Cash Or Card Crossword	45
Answers	46-50

Teachers' Notes

Year 5: Economics and Business is specifically written for 10-11 year olds who are living in Australia and studying Economics and Business. The text is divided into three sections comprising student information pages and student activity pages which explore economics and business skills as prescribed in the Australian Curriculum.

Section One, *Understanding Needs And Wants*, differentiates between those things that we would like to have and those things that are necessary for us to stay alive and healthy. Students explore the reasons why individuals cannot have all the items that they want and therefore must make a choice.

Section Two, *Resources*, explores the ways that societies use natural, capital and human resources in order to satisfy the needs and wants of present and future generations. Students investigate how Aboriginal Peoples and Torres Strait Islanders use resources and compare this to the ways that resources are used to meet community wants in their local areas and in wider communities.

Section Three, *Personal Consumer Choices*, identifies factors that influence spending behaviours of buyers and the strategies that can be used when making consumer and financial decisions. The advantages and disadvantages of using cash and cards to purchase goods and services are also examined.

Activity

Goods And Services

1. Complete the sentence below by inserting the following words:

services needs goods wants producers consumers

_____ obtain _____ and _____ from
_____ in order to satisfy their _____ and _____.

2. In your own words explain the difference between a good and a service.

3. Identify whether a good or a service is primarily being consumed in each situation below. Write **G** for good or **S** for service.

___ Getting a haircut.	___ Buying groceries.	___ Catching a bus.
___ Dining at a restaurant.	___ Going to school.	___ Buying a computer.

4. Do any of the situations above involve the exchange of both a good and a service? Explain.

5. Identify all of the goods and services that you have consumed today. Discuss which goods and services are needs and which are wants.

Food	Clothing	Transport
Household	School	Technology

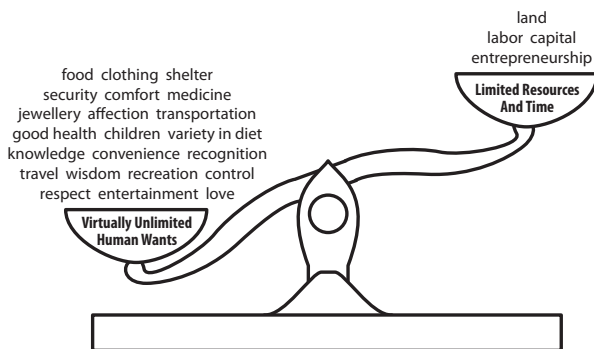
Activity

The Economic Problem 2

Read the information on the previous page then complete the questions.

1. Define the term 'scarcity'.

2. After studying the illustration below and referring to the information on the previous page, describe 'the economic problem'.



3. Recall a time when you were forced to decide between satisfying competing personal wants. Explain why you made the choice that you did.

4. Explain why you think that it is difficult for governments to make decisions about which community wants to satisfy.

5. Explain what it means to use resources in a sustainable way.



Activity

Resource Types

After reading the information on the previous page, describe the three types of resources which are used to produce goods and services. Provide examples and pictures to support your answers.

NATURAL

CAPITAL

SAMPLE

RESOURCES

HUMAN

Activity

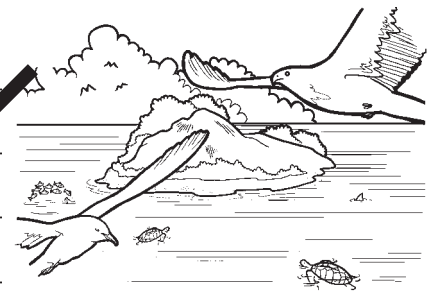
Aboriginal And Torres Strait Islander People's Knowledge And Use Of Resources 2

Read the information on page 26 to help you to complete this page.

1. Define the Aboriginal meaning of the term 'Country'.

2. Describe the spiritual connection that Aboriginal Peoples have with 'Country'.

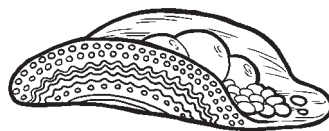
3. Explain how geographical location influenced the kinds of natural and capital resources used by different Aboriginal groups.



Research

Conduct some online research to find out how the following resources were used in traditional Aboriginal culture.

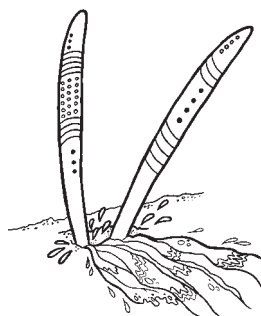
COOLAMON



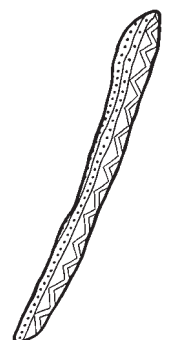
WOOMERA



DIGGING STICKS



MESSAGE STICKS



Activity

Factors Affecting Consumer Choice

Every day, consumers make decisions about which goods and services to buy. With so much choice on the market, it can often be difficult to decide which product to purchase. Below are some of the factors that influence these decisions.

- Provide an example of a time when you or someone who you know has been influenced by each factor below.

PRICE

When prices are lower, consumer demand for products is usually higher. Producers often consider this when they lower their prices in order to increase their sales.



CONSUMER TASTES

Consumers often know what they like and prefer to stick with those products. For example, some people prefer the taste of Vegemite over other similar spreads.



AVAILABILITY OF ALTERNATIVES

Goods and services which can be used as a substitute, such as margarine instead of butter, can often influence consumer choice, particularly if factors such as price and nutrition are valued.



ADVERTISING

Advertising is a strategy which is used to inform consumers about a product or persuade them to buy it. A good advertising campaign can influence consumers to make a purchase.



FASHION

Current trends in clothing, footwear and accessories, worn by celebrities, seen in magazines or on television, often become popular choices for consumers.



PEER PRESSURE

Consumers are sometimes influenced by the purchases made by their friends or people of a similar age or gender.



Activity

The Unit Pricing Method

INFORMATION

The unit pricing method uses the following formula to calculate the cost of goods by weight or volume. Before substituting values into the formula however, you need to ensure that the units are the same for each product's weight or volume that you are comparing.

$$\text{Cost per unit} = \text{price (in cents)} / \text{weight or volume}$$

Example


A popular brand of cereal advertises its large 750 gram box for \$5.95. This month it is also advertising a 1 kilogram value pack for \$8.00.

Box A: 750 grams \$5.95 $\text{Cost per unit} = \text{price (in cents)} / \text{weight}$ $= 595 \text{ cents} / 750 \text{ grams}$ $= 0.79 \text{ cents} / \text{gram}$	Box B: 1 kilogram (1000 grams) \$8.00 $\text{Cost per unit} = \text{price (in cents)} / \text{weight}$ $= 800 \text{ cents} / 1000 \text{ grams}$ $= 0.800 \text{ cents} / \text{gram}$
---	---

In this case, Box A (750 grams) is better value for money even though the larger box (1 kilogram) claims to be a value pack.

Your turn!

- A popular brand of soft drink is available in the following sizes and price range. Use the unit pricing method to calculate the price per millilitre for each size of soft drink. Remember there are 1000 millilitres in every litre!

375 ml can = \$1.20	1.25 litre bottle = \$2.49	2 litre bottle = \$4.29
		

- Which size soft drink provides the best value for money? _____
- Apart from the unit price what other factors might influence a buyer's decision to choose between the different sized soft drinks?

Activity

Budgeting For A Birthday Party 1

INFORMATION

It's your birthday and you are planning on having a party to celebrate. Your parents have given you a budget of \$100 to spend on the party and any money that is left over is yours to keep! In order to stay as close to your budget as possible, you have decided to invite only 10 friends and have the party at your house. You already have an outfit to wear, have organised music and have sent the invitations out by email. The only things left to buy include food, drinks, a cake, candles and decorations.



- **Prepare a budget for your party. Use an online store such as Woolworths or Coles to find prices for the items listed. Follow the links to 'shop online' to search for specific goods. Record the prices for each item then add up the total expenditure.**

PARTY ALLOWANCE FROM PARENTS = \$100

EXPENDITURE			
Multipack of chips		Cordial	
Lollies party mix x 3		Plastic cups	
Variety pack of party pies and sausage rolls		Birthday cake	
Tomato sauce		Candles	
Pizzas		Balloons	
Paper plates		Streamers	
Soft drink		Birthday banner	

TOTAL INCOME = \$100

TOTAL EXPENDITURE = \$

Balance = Total Income – Total Expenditure =

Activity

Cash Or Card?

After reading the information on the previous page, answer the questions and complete the task below.

1. Identify the meaning of the following acronyms:

EFTPOS: _____


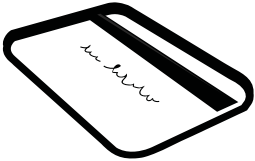
PIN: _____

ATM: _____

2. What is the main difference between the money used from a debit card and the money used from a credit card?



3. Complete the following summary of payment types.

Payment Method	Description	Advantages	Disadvantages
Cash 			
Debit card 			
Credit card 