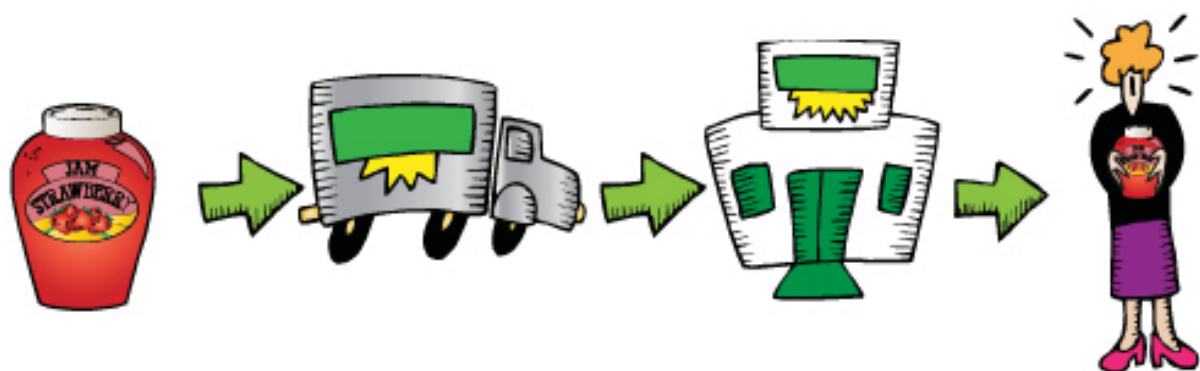




STUDENT WORKBOOK

Year 6: Economics And Business



By Lisa Craig

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Trade-Off 2

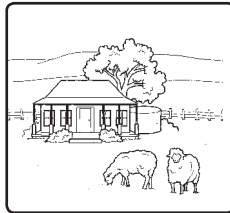
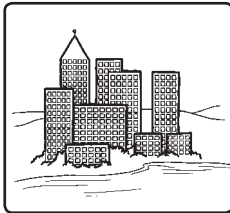
Trade-offs are commonplace in our daily lives. Trade-offs affect individuals, families and communities.

- Look at the five scenarios below. Shade the choices that you would make. Write the trade-off(s) for each choice made. Discuss your choices and trade-offs with a partner.

Choices

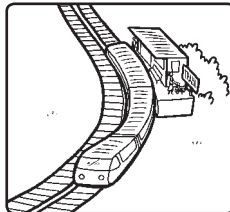
Trade-Offs

①



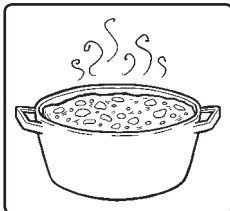
To live in the city or the country?

②



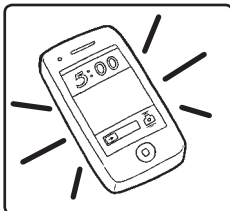
To drive to work or take public transport?

③



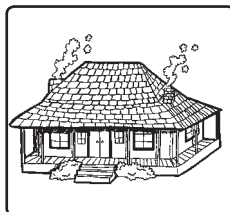
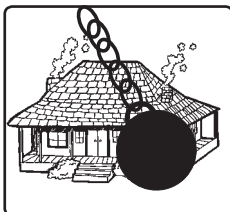
To cook at home or buy take-away?

④



To buy a new mobile phone or repair the old one?

⑤



To demolish a historic building or restore it?

INFORMATION

The study of economics helps consumers make informed decisions about what goods and services they want most and what resources are available to meet those wants. Most resources are limited or scarce. While sunshine and wind are limitless, we can't say the same for clean drinking water, land to build houses on or our income. Scarcity of a good or service can make you go without, pay a lot more to have it or go to different places to find it.



1. Your teacher has put you in groups to make a collage. The teacher hands out the glue sticks, but there are not enough for everyone at your table. This situation is an example of **SCARCITY** because:

A choice I can make in this situation is: _____

2. Describe from your own experience a time when you wanted a good or service and it was scarce. What choice did you make?

3. How could the scarcity of the resources in the text box below change how people live in the near future? Choose two of the scarce resources and explain what changes might take place if these resources were not available to meet our needs and wants. You might like to do some research first on some of these resources.

potable water

coal

phosphorus

diamonds

natural gas

fish stocks

land for building blocks

old growth forests

chocolate (cacao)

iron ore


RESOURCE 1: _____

RESOURCE 2: _____

Activity

Sustainable Choices 1

The scarcity of resources means that consumers and producers should make economic choices that minimise harmful impacts on society and/or the environment. Labelling and certification on products help consumers to make more sustainable purchases.

1. You probably recognise this symbol . It appears on labels to indicate that products have been made with recyclable materials or can be recycled. But what about the many other symbols that appear on our health care, stationery, food and clothing labels? Do your own research to find and draw the symbols for the following certifications.

CARBON FOOTPRINT

NOT TESTED
ON ANIMALS

NATURAL WOOL FIBRE

PROTECTS RAINFORESTS
AND THE ENVIRONMENT

SUSTAINABLE
WOOD SOURCE

ORGANICALLY
GROWN FOOD

2. Do you think that it's important to choose goods and services that are produced and packaged in a sustainable way? Why or why not?

3. According to researchers, 36% of Australian shoppers report that they are willing to pay more for sustainably-produced food such as: free-range eggs, dolphin-friendly tuna or organically-grown fruit and vegetables. But when it comes to the crunch, only 13% actually do. Discuss this issue with a partner then suggest two ways to encourage people to choose sustainable products.

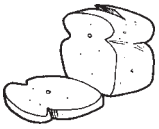
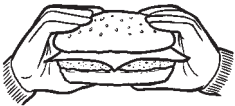

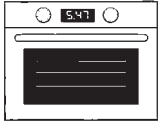
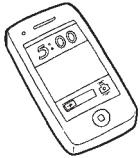
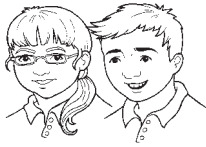






SUGGESTION 1: _____

SUGGESTION 1: _____

Student Information




Family Spending 1

Study the data in this infographic about the Average Australian Weekly Household Costs. (Source: ABS Household Expenditure Survey 2009-10)

BAKERY PRODUCTS  \$20	EATING OUT AND TAKE-AWAYS  \$32	SHOES  \$7	HOUSEHOLD APPLIANCES  \$13
MOBILE PHONE  \$12	CHILD CARE  \$9	AUDIO VISUAL EQUIPMENT  \$14	NEWSPAPERS AND BOOKS  \$9
HOLIDAYS  \$52	PET CARE  \$11	PERSONAL CARE  \$11	HEALTH SERVICES  \$20

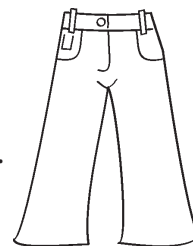
Study this table comparing the weekly spending of a family (aged under 35 years) with no children to a family with children (ages 5-14 years).

(Source: ABS Household Expenditure Survey 2009-10)

Goods and services 	Couple with no children (aged under 35) 	Couple with children (ages 5-14) 
Housing	\$360	\$325
Fuel and power	\$26	\$43
Food and drinks	\$207	\$279
Alcohol	\$41	\$31
Clothing and footwear	\$52	\$64
Medical and health expenses	\$58	\$77
Transport	\$224	\$254
Recreation	\$182	\$204
Total weekly expenditure	\$1429	\$1670

INFORMATION

Many of the top brands of clothes, accessories, shoes and sporting goods that you would like to buy are manufactured in developing countries in working conditions that are not healthy or safe. These factories are unflatteringly called sweatshops. Sweatshops demand long hours from their workers for very low pay. These manufacturing facilities are often set up in old, dilapidated buildings that lack safety inspections. In recent years, thousands of workers have been killed in building collapses, fires and have been poisoned from toxic fumes.



How do big brand manufacturers get away with producing their goods in sweatshops that mainly employ young women aged between 17-24 years old? Such companies claim that they are paying acceptable wages in these developing countries in which their factories operate. They also claim that the day-to-day running of these factories is difficult to monitor. Sweatshop workers know that their working conditions are dangerous. They have held strikes at the risk of losing their jobs which are essential for supporting their families.

What can consumers do to promote "fair trade" and help to improve the conditions of workers all around the world? We can look for clothes that carry the Ethical Clothing Australia Label (ECA). This label informs the buyer that the item was made legally and workers received their country's award wages.

Read these news headlines about sweatshops.

A 9 year old girl working for \$25 a month in clothes factory

B Bangladesh textile factory collapse – 326 killed

C *CELEBRITY BRAND PAYS POVERTY WAGES*

1. Write down three questions that you would like to ask about the headlines, then try to find out the answers to your questions through research, and report back to the class.

- i. _____
- ii. _____
- iii. _____

2. Visit this website ► www.ethicalclothingaustralia.org.au/ to help you to learn more about Ethical Clothing Australia and answer the following questions:

a) How can schools promote buying ethically-produced school uniforms?

b) Did you notice the ECA logos on the website? Design your version of it in your workbook.

c) Say why we should practise fair trade in Australia.

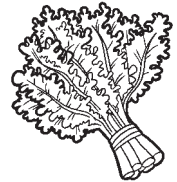
Activity

Consumer Influence

Consumer choices influence what supermarkets sell. Read about the meteoric rise in demand for a cabbage variety called kale and its effects on retailers and farm producers.

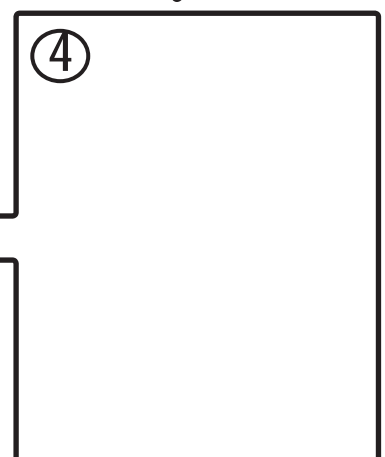
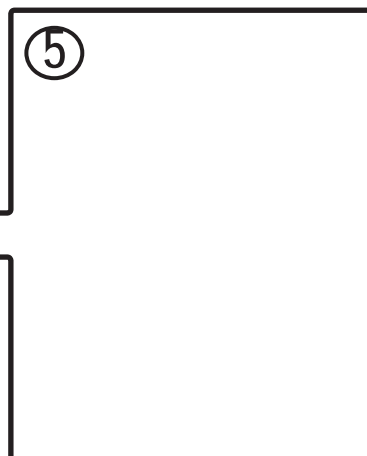
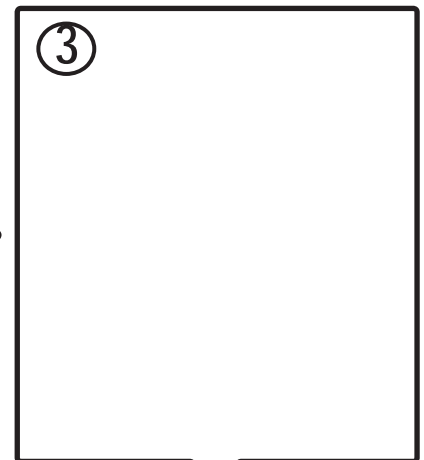
CASE STUDY

Until recently in Australia, the leaves of kale were used to garnish meals and were usually left uneaten on the side of the plate. When the humble cabbage was labelled a “super food”, the demand in supermarkets for kale skyrocketed. In fact, it is one of the fastest growing products. Soon kale on the shelves became scarce. How did supermarkets respond to this unexpected demand from consumers for a product?



Supermarkets turned to farmers to ask them to increase their kale production. Some producers stopped planting other vegetable crops to make room in their fields for kale. But there was a problem: there weren't enough seeds readily available for planting to meet the demand. Farmers had to look overseas to buy kale seed supplies and realised that there could be a shortage due to the demand for the vegetable from other countries, particularly the United States. Australian farmers, however, were soon able to quadruple their kale production to supply supermarkets in order to satisfy health-conscious consumers' needs.

- Using the case study of kale above, complete this flow diagram to show how consumer demand can influence what products are sold in a supermarket.



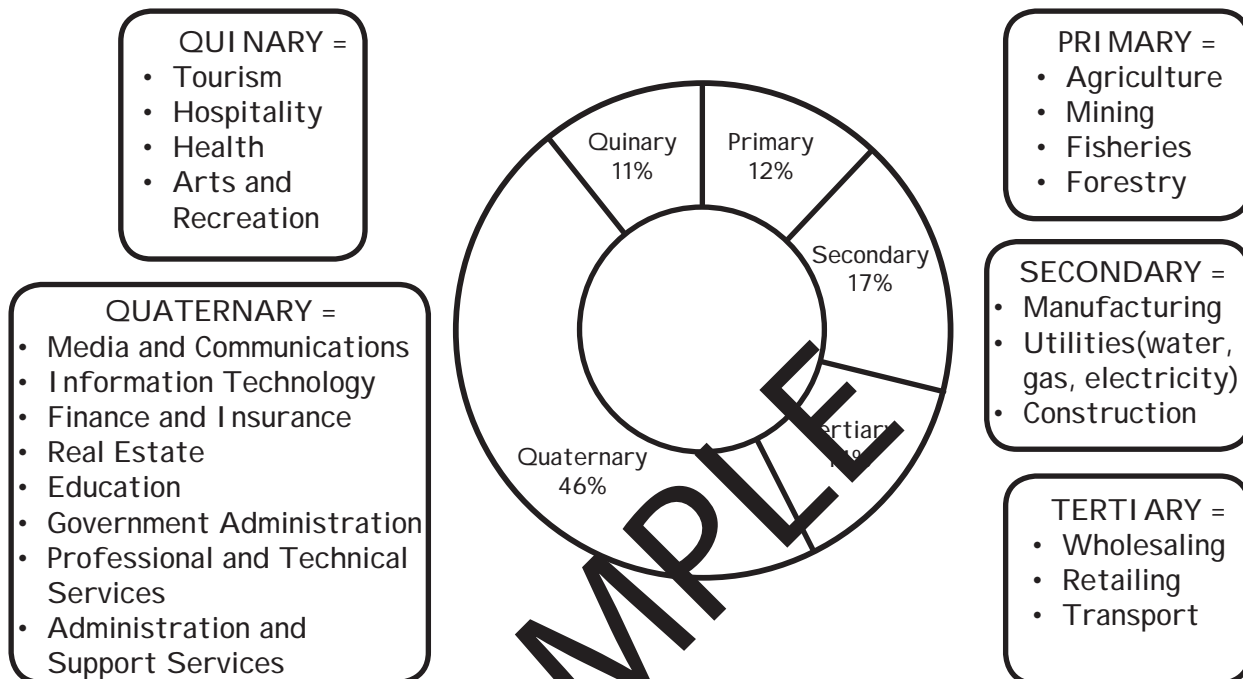
Student Information

Types Of Industries 1

Read the information below, then complete the tasks on the following page.

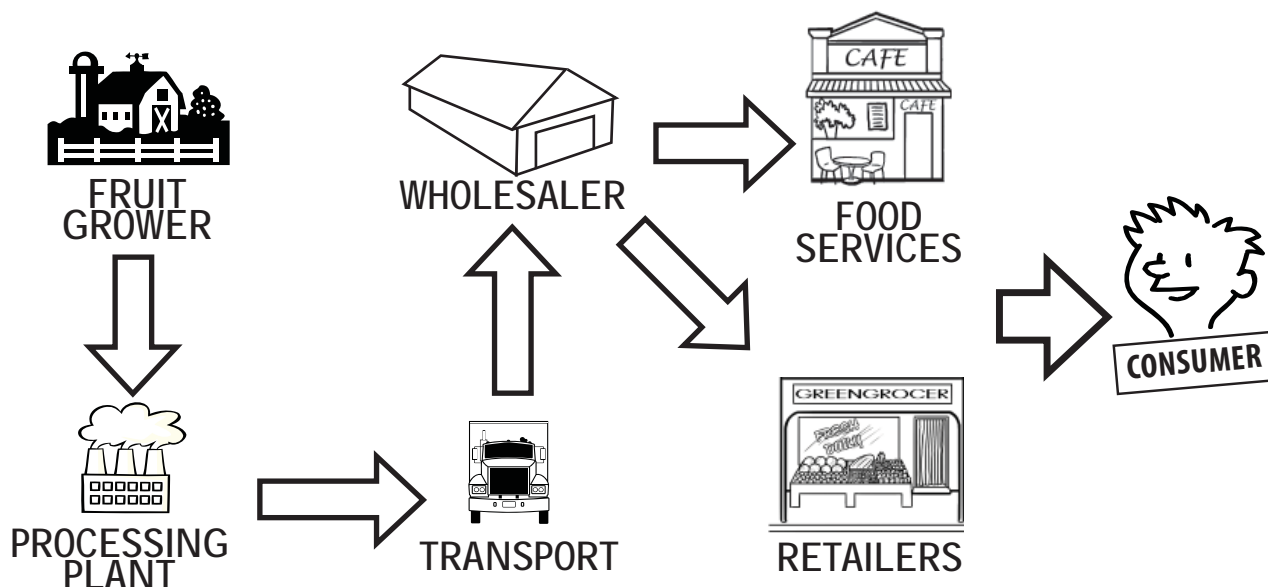
Australia's industries drive the economy and provide goods and services locally, nationally and internationally. According to the ABS (2013), the country's various industries employed more than 11.4 million people.

- Study the chart below which shows the types of industries within five categories that exist in Australia. (Source: ABS 2013.)



How Industries Are Connected

In order to transform raw materials from primary industries into products that consumers can buy, the raw materials undergo various processes. This is known as the production chain. Look at the various stages in the production chain of canned fruit before the final product reaches the consumer:



Ways Of Providing Goods And Services 2

Read the information on the previous page to help you to answer the questions on this page.

1. List three advantages for consumers of shopping at shopping centres or malls.

- i. _____
- ii. _____
- iii. _____

2. What are chain stores? _____

3. Why do chain stores take up a large percentage of retailer space in shopping centres?

4. Compare the goods and services that you've recently bought from shopping centres with those from local small independent retailers in this Venn diagram.



- Share your comparison with other peers. Is there a pattern for the types of goods and services bought from small independent retailers?

5. What strategies do small independent retailers use to attract consumers?

