

Welcome

26 November 12 noon

Annual General meeting



Economics 2022 UNPLUGGED!



Queensland Economic Teachers Association (QETA) is proud to present a full day Professional Development session for our members across Queensland.

- Face to face – unplugged version at Brisbane Girls Grammar School
- Online, for our regional and remote members
- Economics Society of Australia Queensland / QETA scholarships to cover flight costs for regional and remote teachers – refer website for application details

Members \$65
before 4 Nov
Members \$80
before 4 Nov
Preservice teachers \$50
Non-members \$90

Keynote speaker:
Dr Matthew Peters
Chief Economist for QIC, one of Australia's largest institutional funds managers, where he oversees global economic forecasting and research

Guest speakers:
Alex Symonds
(Look him up on YouTube!)
Dr Stephen Whyte
Behavioural Economics QUT

Teachers will have an opportunity to:

- upskill and update their knowledge of resources and teaching, learning and assessment ideas
- participate actively by asking questions
- gather with like-minded economic leaders to increase communities of practice.



Door prize – will you be a winner?

Guest speaker:

Alex Symonds

Teaching economics in the middle years

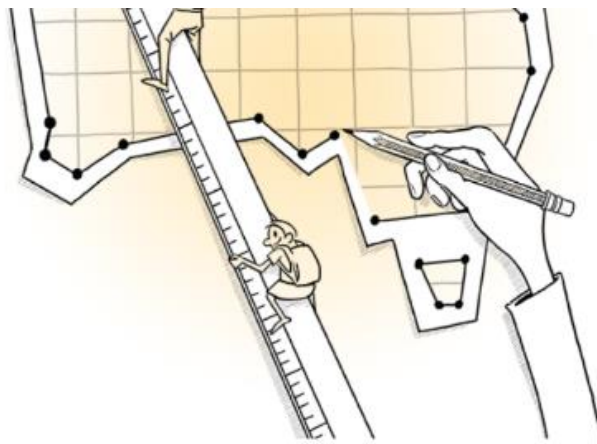
Alex Symonds

Our focus

- You're a teacher who's relatively new to teaching economics in the middle years
- You would like some guidance on how to teach elements of economics
- You understand that you won't get all the answers today
- We're going to look at some core eco concepts...and some specific curriculum areas

The Australian Curriculum

... setting the expectations for what all young Australians should be taught, regardless of their background or where they live.



Explore the Australian Curriculum, Version 9.0

Watch the website tour or get started with the F-10 Australian Curriculum learning areas, general capabilities and cross-curriculum priorities.

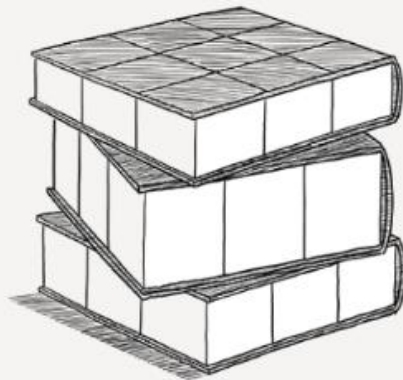
[Website tour](#)

[F-10 Curriculum](#)

Three dimensions of the Australian Curriculum

The Australian Curriculum is 3 dimensional; it includes learning areas, general capabilities and cross-curriculum priorities.

[Read more](#)



- What is economics?
- Consumer sovereignty
- Resources
- Scarcity/opportunity cost
- The use of models
- Specific curriculum areas

The big picture

Keep returning to this point.



Let's take an example.

Neither of these happens by accident.



Economics is
the **study of**
choices.

- As a society, what choices do we have to make to end up with the goods and services that we want and need?
- Haircuts don't grow on trees; Air Force Ones don't occur in nature
- How do we figure out what to make?

The production perspectives

A selling perspective

- We can make 65mm countersunk screws very cheaply
- We produce 5,000 screws
- We hope consumers buy them

A consumer perspective

- Consumers purchase large quantities of 75mm countersunk screws
- In response, companies produce more screws

**So, the consumer wears
the crown
(consumer sovereignty –
consumer is king)**

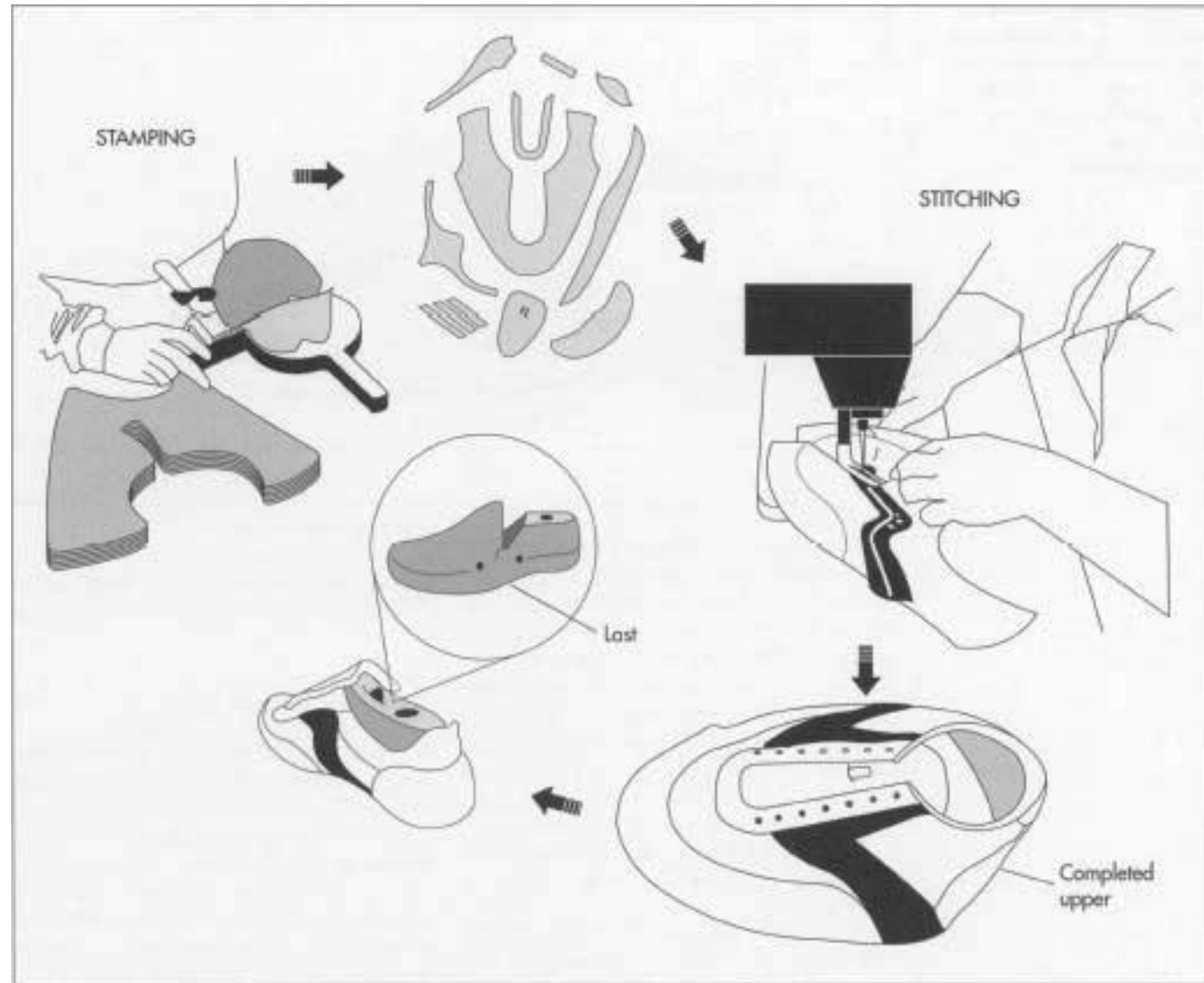
Making stuff

So, we've got to choose what we to make, and then we're going to focus on what consumers actually want
But how do we make stuff in the economy?

From a business perspective: we use inputs to create outputs

In economics: we use resources* to create goods and services

*Resources = *factors of production*



Making stuff from economic resources

- To clearly classify all factors of production, we keep it simply by dividing them into four types of economic resources:
 - ***Land*** (natural resources)
 - ***Labour*** (effort from workers)
 - ***Capital*** (man-made, e.g. machinery, factories)
 - ***Enterprise/entrepreneurship*** (the management of land, labour and capital resources)

Money is not an economic resource.

In economics, money is a way to trade resources, goods and services, it is also a useful store of value.

What if we're...

Remember economists like to start simple and then add complexity. Students can list inputs, and in the next activity, classify them as one of the four economic resources.

'Making' haircuts

- What do we need?
List the inputs/resources.

'Making' Air Force One sneakers



- What do we need?
List the inputs/resources.



But here's a
problem.

- Can a worker produce sneakers and haircuts at the exact same time?
- Can an exact amount of money be used to buy **both** hairdressing supplies and leather/rubber/stitching for the shoes?

This is scarcity.

- As a society, we have unlimited wants and limited resources
- Think of your students – what are some examples where they face the issue of scarcity?
- Think of your school – what are some examples where they face the issue of scarcity?
- Think of the federal government – where do they face the issue of scarcity?

Scarcity leads
to **opportunity
cost.**

- We can't have everything
- So, we have to make choices
- **The choice we give up = the opportunity cost**

“Opportunity cost is the value of the next-best alternative when a decision is made; it’s what is given up,” Andrea Caceres-Santamaria, senior economic specialist, St Louis Fed

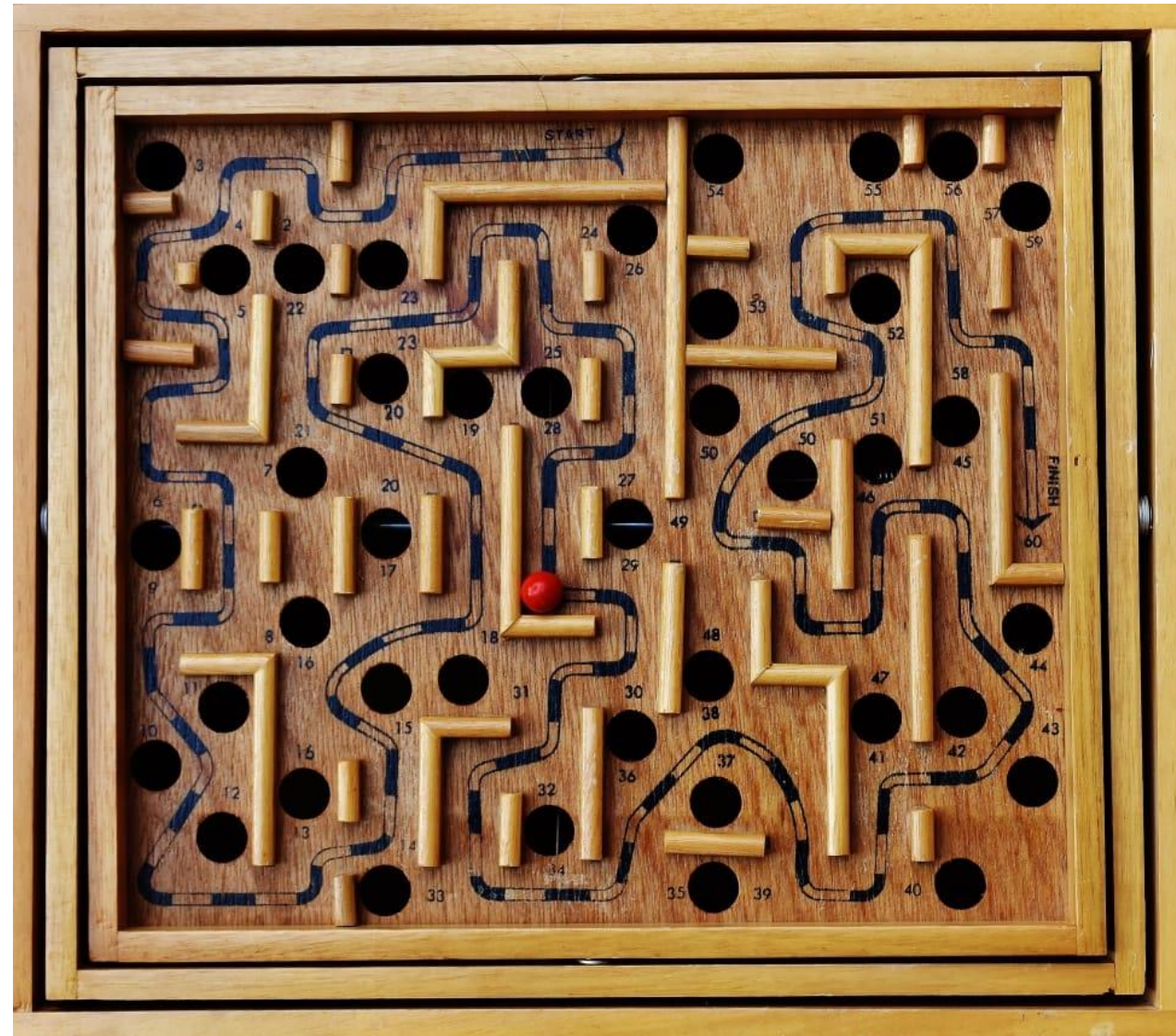
- Examples?

What are some other examples of opportunity cost?

- A student spends three hours and \$20 at the movies the night before an exam. The opportunity cost is time spent studying and that money to spend on something else.
- A farmer chooses to plant wheat; the opportunity cost is planting a different crop, or an alternate use of the resources (land and farm equipment).
- A commuter takes the train to work instead of driving. It takes 70 minutes on the train, while driving takes 40 minutes. The opportunity cost is an hour spent elsewhere each day.

The key question: when we make an economic decision, what is given up?

The economy
is very
complex.
We need to
simplify it.



Let's
imagine...

- There are only five parts to an economy
- We watch how these five parts interact with each other
- And we exclude everything else (ceteris paribus)

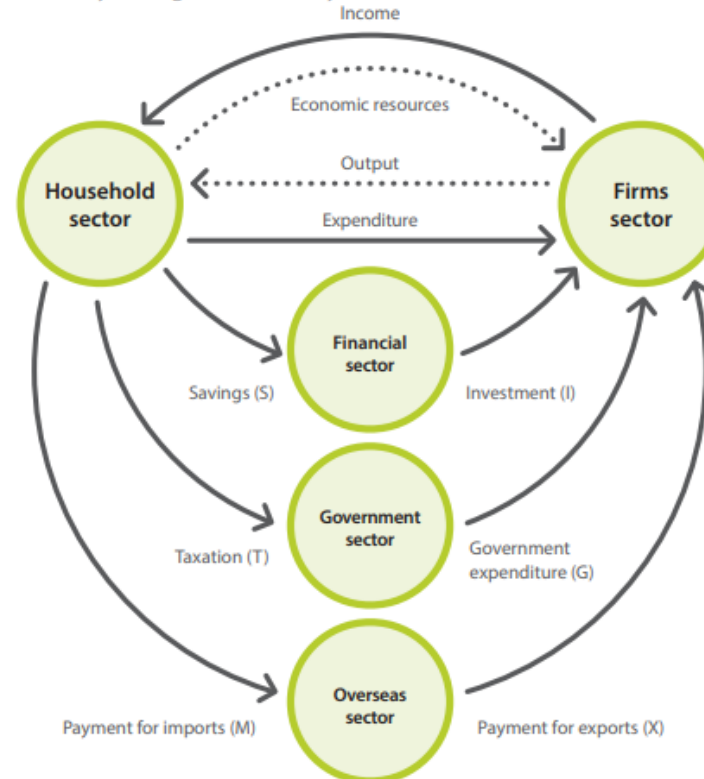
Take it one sector at a time



RESERVE BANK OF AUSTRALIA

Illustrator Circular Flow Model

The circular flow model describes the flow of money and goods and services between different sectors of the economy. The solid arrows below show the flow of money through the economy.



Examples

The Household Sector: people like you and me

- We go to work and earn **wages** from our employer
- We use these **wages** to purchase good and services
- We deposit **savings** into banks
- We pay **taxation** to the Federal Government
- We purchase **imports** from overseas

Taxing times

the importance of Australia's system of taxation and how this system affects decision-making by individuals and businesses (ACgHE8Ko4)



explaining how, when and why young Australians pay tax, and the type of government services provided to them



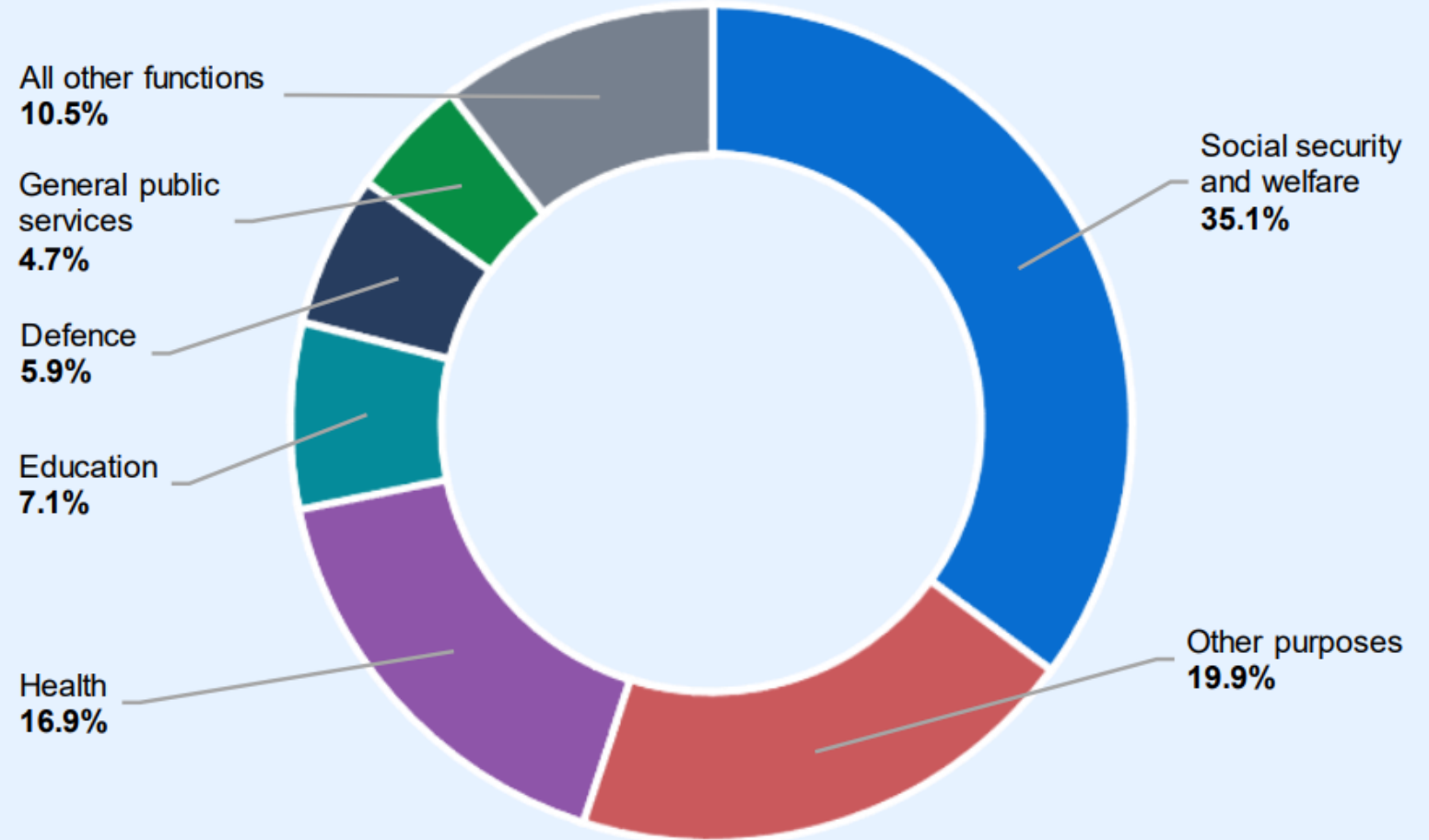
Taxing times

- We pay **taxation** to the Federal Government



Taxing times

Chart 6.1: Expenses by function in 2022–23



Superannuation

the importance of Australia's superannuation system and how this system affects consumer and financial decision-making (AC9HE10K04)

identifying why individuals make decisions about superannuation investment options and how their circumstances, such as age, employment status, dependents and anticipated retirement age, affect these decisions



Superannuation

identifying why individuals make decisions about superannuation investment options and how their circumstances, such as age, employment status, dependents and anticipated retirement age, affect these decisions



Age/life stage	Investment (level of risk)
What investment options should an individual be choosing? [What's the consequences of poor investment returns?]	

The key concepts

- What is economics?
- Consumer sovereignty
- Resources
- Scarcity/opportunity cost
- The use of models

Questions?

- symonds.alexander@gmail.com
- mrsymonds.com
- youtube.com/alexsymonds