Commerce Year 7-10. Core 2 - The economic and business environment.

Students develop an understanding of the importance, and features of, the economic environment, including markets. They explore the nature, role and operation of businesses in the context of an increasingly globalised economy. Students investigate cause-and-effect relationships in relation to a major economic event or development affecting Australian consumers and businesses.

Skills to be integrated in this topic as appropriate: developing questions, gathering and processing relevant information, analysing familiar and new situations, evaluating options, developing and implementing plans, developing evidence-based conclusions/decisions and reasoned arguments, working independently and collaboratively.

## Outcomes

A student:

* **COM5-1** applies consumer, financial, economic, business, legal, political and employment concepts and terminology in a variety of contexts
* **COM5-2** analyses the rights and responsibilities of individuals in a range of consumer, financial, economic, business, legal, political and employment contexts
* **COM5-4** analyses key factors affecting decisions
* **COM5-5** evaluates options for solving problems and issues
* **COM5-6** develops and implements plans designed to achieve goals
* **COM5-7** researches and assesses information using a variety of sources
* **COM 5-8** explains information using a variety of forms
* **COM5-9** works independently and collaboratively to meet individual and collective goals within specified timeframes

**Related Stage 4 outcomes:** COM4-1, COM4-2, COM4-4, COM4-5, COM4-6, COM4-7, COM4-8, COM4-9

[Commerce 7-10 Syllabus](http://educationstandards.nsw.edu.au/wps/portal/nesa/k-10/learning-areas/hsie/commerce-7-10-2019) © NSW Education Standards Authority (NESA) for and on behalf of the Crown in right of the State of New South Wales, 2019

## Teaching and learning activities

### Learning sequence 1 – the nature of the economy

Students:

* investigate the role of consumers, business, government, financial institutions and the overseas sector in the five sector circular flow model (ACHEK027).
* explain the interdependence between different sectors of the economy, for example the role of the government in protecting consumers, the role of the financial sector in facilitating business investment.
* investigate the business cycle and its impact on the economy.

#### 1.1 - the role of consumers, business, government, financial institutions and the overseas sector in the five sector circular flow model

**Teachers’ note** - students will need access to ICT for online research. It is important to include definitions of key concept before activities. For example, consumers, financial institutions, circular flow model and so on.

#### Activities:

* Create a definition of the five sectors, consumers, business, government, financial institutions and the overseas sector, and a class definition of the role of the five sectors in the economy. Use the [Think, Pair, Share](https://www.theteachertoolkit.com/index.php/tool/think-pair-share) discussion technique.
* Gather information about the role each sector and provide examples of consumers, business, government, financial institutions and the overseas sector.
* Watch [The Five Sector Model Explained](https://www.youtube.com/watch?v=DTqydvoO3nk) (duration 2:26). This explains the five sector circular model and students identify the sectors, the injections (inflows) and the leakages (outflows) in the economy.
* Develop and complete a circular flow model diagram that must include all five sectors with examples. The diagram must show connections, injections (inflows) and the leakages (outflows) between each sector including a definition with real life example. Alternatively, give students the definition, examples of the five sectors and, using a graphic organiser, complete the circular flow model diagram.

#### 1.2 - the interdependence between different sectors of the economy and the role of the government in protecting consumers

**Teachers’ note -** students will need access to ICT and an appropriate infographic website (possible site for the creation of the infographic is [venngage.com](https://venngage.com/)).

#### Activities:

* Using the information from the previous activities, construct a flow chart between sectors and provide examples of the interdependence between different sectors of the economy.
* Create an infographic for [NSW Fair Trading](https://www.fairtrading.nsw.gov.au/) or the [Australian Competition & Consumer Commission (ACCC)](https://www.accc.gov.au/). The infographic should explain the interdependence between different sectors of the economy. The infographic content must outline the role of the government in protecting consumers. The infographic must embed a variety of visual representations of the interdependence of the different sectors of the economy. The infographic may include:
  + the rights, guarantees and protection of consumers by the government
  + how consumers can make a complaint against a business or financial institution
  + how NSW Fair Trading or the ACCC informs businesses about the requirements under the Australian Consumer Law
  + the right to receive accurate and truthful messages about the products and services consumers purchase.

#### 1.3 - the business cycle and its impact on the economy

**Teachers’ note** - the business cycle, is the fluctuation in economic activity and has five phases - Peak, Contraction, Trough, Recovery, and Expansion. The [Reserve Bank of Australia’s Historical Forecasts](https://educationstandards.nsw.edu.au/wps/portal/nesa/mini-footer/copyright) provides forecasts, actuals and errors information that useful to understand the economy.

#### Activities:

* Watch [The Business Cycle](https://www.youtube.com/watch?v=T5seDnLO6M4) (duration 3:08) and identify the key concepts.
* Develop a graph of the business cycle. The business cycle graph must include a correctly labelled x and y axis, a trend line and the following five phases
  + recovery
  + expansion
  + peak
  + contraction
  + trough.
* Show the positive and negative impacts on the economy at each phase of the business cycle.
* Using a [T-chart graphic organiser](https://www.enchantedlearning.com/graphicorganizers/tchart/) collect online or newspaper articles relating to the business cycle and discuss how the articles relate to the business cycle and the impact on the economy.
* Identify time periods of each phase of the Australian economy over the last 50 years (for example, the decline in the Australian economy after 2008 financial crisis) and investigate the impacts on consumers, businesses, the government and financial institutions.
* Access and read the [Reserve Bank of Australia (RBA) Historical Forecasts](https://www.rba.gov.au/statistics/historical-forecasts.html). Use the excel spreadsheets to develop a timeline of the historical changes to the unemployment rate, the inflation and Gross Domestic Product (GDP) growth. This will help to develop knowledge of the business cycle and the impact on the economy.
* Collect the RBA [Key Economic Indicators](https://www.rba.gov.au/snapshots/economy-indicators-snapshot/) snapshot and discuss the current business cycle. Using each ‘Key Economic Indicator’ student explain the impact on the economy.

### Learning sequence 2 - the nature of markets within the economy

Students:

* explain the price mechanism and the interaction of demand and supply within a market.
* investigate the concept of a market and the various types of markets, for example retail markets, labour markets, financial markets, stock markets (ACHEK027).
* explore customary trading practices of Aboriginal Peoples and Torres Strait Islander Peoples and the nature of participation in historical and contemporary markets, for example trade in rare and valuable goods, changes in technologies and ideas, use of cultural knowledge in enterprising ways (ACHEK028).
* examine the reasons for government intervention in the market, for example energy pricing, prevention of environmental degradation, conservation of natural resources.

#### 2.1 - the price mechanism and the interaction of demand and supply within a market

**Teachers’ note -** the price mechanism, refers to the process by which the forces of supply and demand interact to determine equilibrium price and quantity. During the discussion the concepts of demand, supply and the price mechanism should be introduced.

The glossary located on the first page of the online module is helpful in defining important concepts including: price mechanism, demand, supply, equilibrium and commodities.

**Price**, is the amount of money a consumer is prepared to offer in exchange for a good or service.

#### Activities:

* Brainstorm reasons how and why prices change and list certain ways price can change in a market.
* Access the Econ Essential website and complete [the facts about food](https://www.econessentialsinschool.com/interactive-modules#facts-about-food) module. Examine the key terms covered in the glossary. Read through the module information and watch the videos about the interaction between supply and demand. Summarise each section and describe the examples of the changing the demand and supply curves in the interactive sliders section. This must include the changes to prices, quantity and the equilibrium price when sliding the interactive supply and demand curves.
* Read and discuss the RBA [Exploring the Supply and Demand Drivers of Commodity Prices](https://www.rba.gov.au/publications/bulletin/2019/jun/exploring-the-supply-and-demand-drivers-of-commodity-prices.html) article about the demand and supply in commodity prices. Write a one page response that defines the meaning of demand, supply, equilibrium and commodities that summarises the article. The response should explain how demand and supply affects commodity prices in Australia.
* Read the Business.gov.au article [How to value a business](https://www.business.gov.au/Finance/Seeking-finance/How-to-value-a-business) on valuing a business and discuss the involved price mechanism in determining value of a business. Use the return on investment method from Section 3 to calculate value, complete the formula and develop a theoretical scenario for a hypothetical business. Share the scenario with a peer and complete the other student’s scenario.

#### 2.2 - investigate the concept of a market and the various types of markets

#### Activities:

* Use the group discussion technique of word banking (word association) with the concept of a ‘market’ and develop a list of different types of markets. For example: retail markets, labour markets, financial markets, stock markets. Find an image that visually represents the types of markets and the concept of a market.
* Inquire into and draw conclusions about media articles that include information about different types of markets. Construct a mind map that provides examples of different types of markets. The mind map should including a description of the purpose and the process of each type of market.
* Using information from previous activities and further research, complete a case study on a particular market. For example, the financial market, specifically examine a banking institution.

#### 2.3 Explore customary trading practices of Aboriginal Peoples and Torres Strait Islander Peoples and the nature of participation in historical and contemporary markets

**Teachers’ note** - a site study will enable students to explore the customary trading practices that take place in an economic context which will help students develop an understanding of key factors affecting decisions that shape the lives of Aboriginal and Torres Strait Islander Peoples. The site studies may involve an examination of a physical or virtual space but teachers should identify the outcomes relevant to the activity and respect the customary trading practices.

**Customary trading**, is the practice and systems associated with trade between groups in Aboriginal and Torres Strait Islander cultures.

#### Activities:

* Working with a local Aboriginal land council, Elders and/or NSW Indigenous Chamber of Commerce, students research customary trading practices of Aboriginal Peoples and Torres Strait Islander Peoples. This research should include the nature of the participation in a historical and contemporary markets. For example, Aboriginal people now recognise that bush foods are trading internationally with a monetary currency rather than trade at a small, local and regional level based around social relationships.
* Research the customary trading practices between Aboriginal and Torres Strait Islander groups which may be historical and contemporary. This research may include an investigation of:
  + trade routes
  + on-country and off-country protocols
  + exchange of natural resources (raw materials)
  + manufactured goods
  + innovations including changes in technologies and ideas
  + trade in rare and valuable goods
  + use of cultural knowledge in enterprising ways.
* Examine the Business.gov.au article ‘[Starting an Indigenous business](https://www.business.gov.au/Planning/Business-structures-and-types/Starting-an-Indigenous-business)’ and complete the following activities. Use the [Think, Puzzle, Explore](https://pz.harvard.edu/resources/think-puzzle-explore) method, a routine for eliciting prior knowledge and developing curiosity about a topic, discuss:
  + What are the steps to start, run and grow an indigenous business?
  + How can an Indigenous business owner access additional government support and assistance?
  + How can Indigenous businesses access advice, training or financial assistance to help start or develop their business?
  + Where and how can employees seek further information on hiring Indigenous Australians?
  + How can Indigenous businesses access assistance and support from different State and territory governments?
  + How has the nature of participation changed for Aboriginal Peoples and Torres Strait Islander Peoples?
  + How has it changed in a historical and a contemporary markets? This may be conducted in groups in a [Yarning Circle](https://www.schoolsreconciliationchallenge.org.au/activities/yarning-circle/).
* [Indigenous Business Australia](https://www.iba.gov.au/home/) (IBA) is a successful and long standing Indigenous specific commercial organisations in Australia. Use the pages [Our History](https://www.iba.gov.au/about-us/our-history/) and [Our Values](https://www.iba.gov.au/about-us/our-values/) from IBA, to present to the class the history of IBA and their values. Explain IBA’s nature of participation in contemporary markets, how the history and values of IBA has maintained continuity and change in customary trading practices of Aboriginal Peoples and Torres Strait Islander Peoples.

#### 2.4 - examine the reasons for government intervention in the market

**Teachers’ note** - Government intervention is any action carried out by the government that affects the economy with the objective of having an impact on a market. For further information regarding how to implement a Self-Organised Learning Environments (SOLE) use [Learning collaboratively through SOLE](https://education.nsw.gov.au/teaching-and-learning/professional-learning/scan/past-issues/vol-37-2018/learning-collaboratively-through-self-organised-learning-environments). The timing of the SOLE lesson is flexible and should be determined by the teacher based on the needs of the student.

#### Activities:

* Inquire into and develop a presentation on the reason for government intervention in a market. The presentation may focus on energy pricing, prevention of environmental degradation or conservation of natural resources and must show the:
  + types of market failures and the reason for intervention
  + government’s capacity to intervene in a market
  + cost of market intervention for the government.
* Present an opened ended inquiry question and engage with a supporting, focus stimulus (for example, short film, images, poem or a quote). Use of a [SOLE lesson](https://education.nsw.gov.au/teaching-and-learning/professional-learning/scan/past-issues/vol-37-2018/learning-collaboratively-through-self-organised-learning-environments) configuration is suggested.
* The inquiry question for this SOLE is ‘What would happen if the government did not intervene in the market? Present the findings.

### Learning sequence 3 - interaction within markets

Students:

* explore different types of businesses and their features, for example online, on-demand, global, offshore, small and large scale, government, not for profit (ACHEK030).
* investigate factors influencing business decisions, for example technology, business cycle, globalisation.
* investigate the contribution of entrepreneurship and innovation.
* explore the importance of ethical decision-making for businesses and corporate social responsibility (ACHEK029).

#### 3.1 - explore different types of businesses and their features

**Teachers’ note** - it is important to read the [Business.gov.au](https://www.business.gov.au/) website pages linked below to be aware of concepts such as assets, inventory, liabilities, partnerships, business structure may need further clarification.

#### Activities:

* Use [Business structures & types](https://www.business.gov.au/Planning/Business-structures-and-types/Starting-an-Indigenous-business) to create a table outlining each business type and their features. The table should include the following types of businesses – established, family, foreign, franchise, home-based, import or export, indigenous and online. The table should include an explanation of each type of business, some features of the type of business and an example of each type of business.
* Use [Buying an existing business](https://www.business.gov.au/Planning/New-businesses/Buying-an-existing-business) to create a “pros and cons” of buying an established business. Include the steps and features of ensuring a smooth hand over when determining the current worth of an established business as a future investment prospect.
* Form a line, from agree to disagree, to reflect a viewpoint from each of the following statements:
  + All business should be online
  + Small businesses are better suited for the local community
  + Large businesses destroys small businesses
  + Non for profit businesses are not effective
  + The government has too much regulation on businesses.

#### 3.2 - investigate factors of technology and globalisation influencing business decisions

**Teachers’ note -** Globalisation, is the ongoing process that is linking people, neighbourhoods, cities, regions and countries much more closely together than they have ever been before.

#### Activities:

* Compile a summary of factors influencing business decisions (for example, environmental factors influence the decision making of business).
* Conduct an informal survey of the use of technology and recently used businesses.
  + Design a survey for peers and the local community that gathers information about the participant’s use of technology, products or services that were recently used and were made overseas.
  + Surveys should include information gathered about globalisation and the awareness of the participant.

Globalisation is the breaking down of barriers between people, goods, businesses and ideas. Technology has been a large factor that has influenced the process of globalisation.

* Read the UN article on the new [Globalisation Report](https://www.un.org/development/desa/en/news/intergovernmental-coordination/new-globalization-report.html), identify and define the 3 ‘mega-trends’ covered in the article.
* Discuss how globalisation and technology influence business decisions.
* Using the Business.gov.au website [Importing and exporting](https://www.business.gov.au/Products-and-services/Importing-and-exporting) identify the correct steps and regulation for importing and exporting of goods.
  + The steps should include possible licensing, permits, quarantine procedures, mandatory safety, information standards, Australian customs and potential taxes.
  + Investigate how technology is used in each of those steps and how regulations are being followed by businesses.
  + Once technology has been identified in the importing and exporting goods, create a hypothetical business profile that shows the business decision making.
* Using the hypothetical business profile from the previous activity, students develop an export plan. The plan should include business decisions about:
  + the products that will be exported
  + the target markets (group of consumers in which the product is aimed for)
  + the timeframe
  + customs duties
  + the marketing strategies (for example online advertising, word of mouth)
  + the technology used in the export process.
* Advances in transport and information technology have dramatically transformed the economy and the decision making for businesses. The internet is a valuable tool for businesses in an interconnected world. Provided below is a list of ways the internet has affected businesses. Provide examples of each dot point and describe the ways these dot points relate globalisation and business decision making.
  + Identifying new and expanded economic opportunities.
  + Faster and more informed analyses of economic trends around the world.
  + Easy and instantaneous transfers of payments and profits.
  + Speedy, often instantaneous, communication and decision-making.
  + Partnerships with far-flung partners.

#### 3.3 - investigate the contribution of entrepreneurship and innovation

**Teachers’ note** – an entrepreneur is a person who sets out to build a successful business in a new field. Entrepreneurship, is the process of designing, launching and running a new business, which is often initially a small business. An entrepreneur’s methods are sometimes regarded as innovative.

Innovation is a process of creating a new method, idea or product. The [Starting a business success stories](https://www.business.nsw.gov.au/support-for-business/success-stories/starting-business) can be printed and students divided into groups with a jigsaw approach.

Extension activity for the research project may include a prototype of new method, idea or product.

#### Activities:

* Read the Forbes article [What Are The Most Important Skills Entrepreneurs Need?](https://www.forbes.com/sites/quora/2017/09/11/what-are-the-most-important-skills-entrepreneurs-need/#6d0bcb58106c) which identifies 10 skills of entrepreneurship:
  + curiosity
  + time management
  + strategic thinking
  + efficiency
  + resilience
  + communication
  + networking
  + finance
  + branding
  + sales
* Industry NSW has provided students with a grant to develop a practical entrepreneurial skills. The aim of the grant is to encourage high school student to build capacity for entrepreneurship and to foster leadership qualities through innovation of products for consumers. Develop a new method, idea and/or product. Create a grant proposal that addresses how each skill will be developed through the innovation of a new method, idea and/or product.
* Read the article ‘[Starting a business success stories’](https://www.business.nsw.gov.au/support-for-business/success-stories/starting-business) and create a business profile sheet of each story that explicitly makes a contribution to entrepreneurship and innovation of a product.
* Industry NSW offers a [TechVoucher](https://www.industry.nsw.gov.au/business-and-industry-in-nsw/innovation-and-research/techvouchers) to NSW companies for amounts up to $15,000 for joint research projects. The research project is to encourage collaboration between small-to-medium enterprises (SMEs) and Boosting Business Innovation Program (BBIP) delivery partners. Develop a theoretical research project with BBIP to receive the $15,000 TechVoucher. The research project must innovate a new method, idea and/or product that contributes to entrepreneurship. The research project may include:
  + funding access to research facilities and equipment such as microscopes, medical imaging, e-research supercomputers, nanofabrication, marine and climate infrastructure
  + funding products or process design activities, such as engineering or technical design expertise to determine prototype structure, function and/or materials
  + access to technical assistance
  + trial production runs or processes to demonstrate technical concepts
  + demonstrate technical capabilities of a product, process or technology
* Before starting the research project, read the [Industry NSW](https://www.industry.nsw.gov.au/) [latest news stories](https://www.industry.nsw.gov.au/business-and-industry-in-nsw/innovation-and-research/boosting-business-innovation-program/news) and watch the [UNSW & the NSW Government's Boosting Business Innovation Program.](https://www.youtube.com/watch?v=NqmU20dQLPM&feature=youtu.be)(duration 2:12) which identifies the capabilities of the delivery partners. This will ensure the correct partners are chosen for the research project and this will further clarify the process of BBIP and the TechVoucher.
* The research project must include a written submission of the innovation of a new method, idea and/or product that contributes to entrepreneurship. Extension activity for the research project may include a prototype of a new method, idea and/or product.

#### 3.4 - explore the importance of ethical decision-making for businesses and corporate social responsibility

**Teachers’ note** - corporate social responsibility is when businesses consider the interests of stakeholders, society and the environment when making economic and business decisions. Allowing students to read through the scoring table for the  [Policonomics Game theory II: Prisoner’s dilemma](https://policonomics.com/lp-game-theory2-prisoners-dilemma/) game will help students develop a strategy.

#### Activities:

* Conduct a game of [Prisoner’s dilemma](https://policonomics.com/lp-game-theory2-prisoners-dilemma/) in which a win-win situation (co-operative) or win-lose situation (selfish competitive) or a combination is used. This game deals with the issue of risk and trust between players, competition, the effects of betrayal and problem solving. The game consists of two players who play 10 rounds in which the players will either choose blue or red, as shown in Table A below, depending what the two player’s selects determines the points allocated to the player for that round.

Table A

|  |  |  |  |
| --- | --- | --- | --- |
| Player A | Player B | Score for Player A | Score for Player B |
| Red | Red | +5 | +5 |
| Red | Blue | -10 | +10 |
| Blue | Red | +10 | -10 |
| Blue | Blue | -5 | -5 |

Table B – complete decisions, score and cumulative score.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Round | Player A – colour played | Score for Player A | Player B – colour played | Score for Player B |
| **1** |  |  |  |  |
| **2** |  |  |  |  |
| **3** |  |  |  |  |
| **4** |  |  |  |  |
| **5** |  |  |  |  |
| **6** |  |  |  |  |
| **7** |  |  |  |  |
| **8** |  |  |  |  |
| **9** |  |  |  |  |
| **10** |  |  |  |  |

* Following the game discussion questions should introduce the ideas of ethical decision-making and social responsibilities. The discussion should be framed around the idea of collaboration versus competition. Possible discussion questions:
  + Did the game change between wanting to win and wanting to collaborate?
  + Why and what round did it change? What initiated the change in the game?
  + Why did collaborative strategy work or not work?
  + Was it important to win? Do you think you played the game ethically?
  + Did you act responsibly? Would you conduct the game differently if you played another time?
  + How does decision-making affect businesses?
  + Why do businesses act ethically or unethically? What are some examples of ethical and unethical business decision making?
* Outline the ethical decision-making for businesses and corporate social responsibility including the importance for businesses in a competitive market. Choose businesses that have shown one example of:
  + ethical decision-making
  + unethical decision-making
  + Corporate Social Responsibility (CSR).

Using those examples, prepare a structured response that explains the importance of businesses being ethical decision-makers and having a corporate social responsibility.

* Explore the [Australian Human Rights Commission publications](https://humanrights.gov.au/our-work/corporate-social-responsibility-human-rights) on CSR. Answer the following questions from the Human Rights page:
  + What is CSR? Why is the market context important for businesses?
  + How are human rights and CSR relevant to Australian companies?
  + What does the Human Rights Commission do on CSR and human rights?
  + Where can businesses find further information on Australian and international resources about CSR?
* Collect five newspaper or magazine articles about ethical decision-making for businesses and Corporate Social Responsibility. The articles may include positive or negative ethical decision-making and Corporate Social Responsibility. Summarise the information and discuss as a class the ethical decision-making and Corporate Social Responsibility.
* Explore the [Australasian Centre for Corporate Responsibility (ACCR)](https://www.accr.org.au/) resources section and complete a history of ACCR and a fact sheet about:
  + responsible investment
  + power of advocacy and engagement
  + shareholder resolutions including International context

### Learning sequence 4 - current issues

Students:

* investigate a major economic event or development that has affected Australian consumers and businesses, including causes, impacts and responses

#### 4.1 - major economic event or development that has affected Australian consumers and businesses

**Teachers’ note** - according to the [Family & Community Services NSW](https://www.facs.nsw.gov.au/providers/housing/affordable/about), affordable housing, is housing that is appropriate for the needs of a range of very low to moderate income households and priced so that these households are also able to meet other basic living costs such as food, clothing, transport, medical care and education. As a rule of thumb, housing is usually considered affordable if it costs less than 30% of gross household income.

#### Activities:

A major economic development that has affected consumers and businesses in Australia is [housing affordability](https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/BriefingBook45p/HousingAffordability). Parliamentary briefing documents reveal that there has been a broad decline in housing affordability since the early 1980s.

* Define housing affordability including details and specific examples. Use a [cluster/word web graphic organiser](https://www.eduplace.com/graphicorganizer/) in collaboration with internet research on the topic of housing affordability as an economic development.
* Create an e-portfolio about the development of the housing affordability issue in Australia and how the Australian consumers and business are affected. The e-portfolio must include the cause, impacts and responses. Students must use a variety of material to show the connection between housing affordability and the effects on Australian consumers and business.

Use a variety of primary and secondary sources that will help to develop a cohesive summary of the economic development.

* Explain the connection between the housing affordability and the effects on Australian consumers and business with specific examples. This connection must be a structured explanation which provides explicit cases that includes the following:
  + the causes of housing affordability – Is it an under-supply issue? Is it a demand issue due to population growth? Lack of adequate government incentives and/or policies? Is negative gearing promoting speculation in the housing market?
  + the impacts on Australian consumers and business – Does increased housing costs limit consumer preferences? Or limit investment in business development and growth?
  + the responses by stakeholders – these stakeholders may include government, consumers and businesses, agencies.
* An [e-portfolio rubric](http://www.phillipsexton.com/teacher-resources.html) (PDF 385.63KB) and [planning chart](https://www.eduplace.com/graphicorganizer/) (PDF 19.68KB) will help students to construct the e-portfolio. The e-portfolio material should use a variety of photographs, graphics, sounds or videos. A student personal reflection must be included in the e-portfolio that clearly expresses the student’s opinion on the connection between housing affordability and the effects on the Australian consumers and business. Include:
  + how housing affordability may affect decisions by consumers.
  + a timeline of changes to government policies
  + significant changes to median house prices in major cities to further show causes, impacts and responses.
* In the My Business article [Major economic events to watch in 2019](https://www.mybusiness.com.au/management/5332-major-economic-events-to-watch-in-2019), AMP ‘s Shane Oliver said there is a key market force that he’ll be watching closely in 2019, Australian housing downturn. He states that:

“If house prices come down, people feel less wealthy and they cut their spending. They’re less inclined to run down their savings rate to make up for any weakness in wages … So, there’s a lot of issues around that and, related to that, the credit tightening. Seeing whether the banks loosen up again, or whether the credit tightening continues.”

Using the quote above in a structured response, discuss how the changes in the prices of houses may affect Australian consumers and businesses. Use a graphic organiser to identify issues and provide points for and against.