Prince Edward Island
CANADA

Education, Early Learning and Culture
English Programs

Prince Edward Island Social Studies Curriculum

Social Studies

Draft

Introductory Economics ECO621A

CURRICULUM

Draft

2015
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Acknowledgments

The Prince Edward Island Department of Education, Early Learning and Culture gratefully acknowledges the contribution of the following individuals in the development of the *Grade 12 Introductory Economics ECO621A* curriculum.

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The Prince Edward Island Department of Education, Early Learning and Culture recognizes the contribution of The Province of Newfoundland, Department of Education, for granting permission to use their ideas and resources in the creation of this curriculum guide, and student and teacher resources.

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Introduction

Background

Introductory Economics (ECO621A) is a full-credit course offered at the Grade 12 level. The major areas of study include fundamental economic theories, microeconomics, macroeconomics, and global economic concepts. Students will also move through the inquiry process by exploring an economics topic that is of interest to them. The renewal of ECO621A-Introductory Economics was based upon the need for an updated approach to economics that would reflect current pedagogical theory and use a twenty-first century lens. Economic decisions affect the day-to-day life of every person. It is therefore vital that senior high school students understand the basic principles and concepts of economics, as well as develop and acquire economic literacy so they can respond to the challenges of modern society.

Rationale

The importance of economics cannot be overstated. It is one of the oldest social science disciplines, and economic issues influence most aspects of our lives. Students have a great deal to gain by studying economics. The theories, concepts, and analysis students will be exposed to throughout this course will help them develop ideas and principles useful for examining and explaining real-world events and making predictions about economic behaviour.

Introductory Economics introduces students to the fundamental principles and concepts of the field. The overall objective of the course is to provide students with the knowledge and skills needed to understand economic concepts and issues, and to prepare them for effective decision-making, responsible citizenship, and critical analysis. By becoming informed, students will gain the prerequisite knowledge and skills necessary to understand complex issues, so they are able to form opinions about the pressing issues of their time. By examining the decisions made by both businesses and governments, students will better understand fundamental economic concepts. They will also make better decisions as consumers, producers, savers, and investors.

Economic issues are rooted in social, political, and environmental problems that require a great deal of attention and have important consequences. Studying economics allows students to enter into a discussion about these important topics in an attempt to analyse and better understand them. Understanding more about economics helps explain the atmosphere in which we live and the way people behave and are governed. Students begin to see Canada not just as an independent country, but also as a country that is interconnected with other nations throughout the world. By examining global links, students gain increased awareness that Canada is part of the world economy. Economic events should, therefore, be analysed from a local, regional, national, and global perspective. Economics can equip students to participate more successfully in the increasingly knowledge-based and interdependent global economy.

Course Description

Economics is a broad area of study that covers several different topics. This course has been organized thematically and examines five major units. The five units cover the major topics and concepts essential to understanding the field. The list below details the five units for Introductory Economics:

Unit 1: Introduction to Economics
Unit 2: Microeconomic Concepts
Unit 3: Macroeconomic Concepts
Unit 4: Global Economic Concepts
Unit 5: Student Inquiry on Economic Issues

The course is designed to grow in scope as students encounter each unit. The first unit provides foundational information and concepts related to economics. Microeconomics or "small economics" studies the interaction of people and businesses within a market. It will help students understand how businesses make difficult decisions, including what products to sell/produce, how much to produce, how to price the goods and services they sell/produce, and what wages to pay employees. Within the unit on microeconomics, students will build knowledge around concepts such as demand and supply, theory of the firm, market structures, and financial planning. Macroeconomics or "large economics" covers large-scale economic concepts and issues. Microeconomics and macroeconomics are similar; however, they vary in terms of the scope of their analysis of economic behaviour. While a single business has employees, a nation has a national employment rate. While an individual business may produce a set of goods or services, a country produces a gross domestic product. Therefore, when studying macroeconomics, students will deal with the performance, structure, behaviour, and decision-making of an economy as a whole. Within the unit on macroeconomics, students will build knowledge around concepts such as measuring economic activity, money and financial institutions, monetary policy, and fiscal policy. Students will then move on to global economic concepts. Students will learn more about trade between countries and about the concept of globalization. Throughout the course, students will move from looking at individuals and individual businesses, to an individual market, to the national economy, and finally to the global market.

Although each theme is treated separately, they are interconnected. Students will need to make connections among the themes to see how individual needs and wants impact a world of limited resources. These connections can be made by exploring local, regional, national, and global economic events, and infusing them into the dialogue and discussions on the topics covered within these units. Throughout this course, students are expected to examine and reflect on news stories related to economics. It is encouraged that students maintain a portfolio of current events and journal entries related to these events. News stories are a valuable source of information and can be used as a resource to meet outcomes and illustrate the importance of economics.

The final unit allows students to research a topic related to economics by using inquiry-based research. A focus on developing and applying the processes of economic inquiry is integrated within the course to enable students to study economics through varied approaches and explore their own areas of interest. **Students will begin this process at the beginning of the semester to receive the guidance and support necessary to move through the inquiry process.** Topics can come from a variety of sources, including discussions related to the textbook or current events, or suggested topics provided in the Unit 5 breakdown.

Program Design and Components

Aims of Social Studies

The vision for the Prince Edward Island social studies curriculum is for it to enable and encourage students to examine issues, respond critically and creatively, and make informed decisions as individuals and as citizens of Canada, in an increasingly interdependent world.

An effective social studies curriculum prepares students to achieve all essential graduation learnings. In particular, social studies, more than any other curriculum area, is vital to developing active citizenship at all levels of study: local, national, and global. Social studies embodies many more principles and areas of study than is often recognized. While most people traditionally think of geography and history as social studies, there are many other areas that are, by their nature, part of the realm of social studies. Civics, philosophy, ethics, law, economics, religion, governance, environmental studies, and many more subjects may form a part of any study of a region or the world.

Purpose of Curriculum Guide

The general purpose of this curriculum guide is to advance social studies education and social studies teaching and learning.

More specifically, this curriculum guide

- provides the specific curriculum outcomes educators need when making decisions around instructional strategies, student learning, and assessment and evaluation;
- informs educators, students, parents, and other members of the general public regarding the philosophy and scope of Introductory Economics ECO621A;
- promotes high quality learning and teaching for students enrolled in Introductory Economics ECO621A.

Principles Underlying the Social Studies Curriculum

Empowering and effective social studies is meaningful, significant, challenging, active, integrative, and issues based.

- ***Meaningful*** social studies encourages students to learn through purposeful experiences designed around stimulating ideas, social issues and themes, and discourages the memorization of disconnected pieces of information.
- ***Significant*** social studies is student centred and age appropriate. Superficial coverage of topics is replaced by emphasis on the truly significant events, concepts, and principles that students need to know and are able to apply in their lives.
- ***Challenging*** social studies requires that teachers model high expectations for their students and themselves, promote a thoughtful approach to inquiry, and demand well-reasoned arguments.
- ***Active*** social studies encourages students to assume increasing responsibility for managing their own learning. Exploration, investigation, critical and creative thinking, problem solving, discussion and debate, decision making, and reflection are essential elements of this principle. This active process of constructing meaning encourages lifelong learning.
- ***Integrative*** social studies crosses disciplinary borders to explore issues and events while using and reinforcing informational, technological, and application skills. This approach facilitates the study of the physical and cultural environment by making appropriate, meaningful, and evident connections to the human disciplines, and to the concepts of time, space, continuity, and change.
- ***Issues-based*** social studies considers the ethical dimensions of issues and addresses controversial topics. It encourages consideration of opposing points of view, respect for well-supported positions, sensitivity to cultural similarities and differences, and a commitment to social responsibility and action.

Essential Graduation Learnings

Essential Graduation Learnings are statements describing the knowledge, skills, and attitudes expected of all students who graduate from high school. Proficiency in the Essential Graduation Learnings will prepare students to continue to learn throughout their lives. These learnings describe expectations not in terms of individual school subjects but in terms of the knowledge, skills, and attitudes developed throughout the curriculum. They confirm that students need to make connections and develop abilities across subject boundaries if they are to be ready to meet the shifting and ongoing demands of life, work, and study today and in the future. Essential Graduation Learnings are cross-curricular, and curriculum in all subject areas is focused to enable students to achieve these learnings. Essential Graduation Learnings, along with the Essential and Employability Skills, serve as a framework for the curriculum development process.

Specific Essential Graduation Learnings

Aesthetic Expression: Graduates will be able to respond with critical awareness to various forms of arts and be able to express themselves through the arts.

Citizenship: Graduates will be able to assess social, cultural, economic, and environmental interdependence in a local and global context.

Communication: Graduates will be able to use the listening, viewing, speaking, reading, and writing modes of language(s), and mathematical and scientific concepts and symbols, to think, learn, and communicate effectively.

Personal Development: Graduates will be able to continue to learn and to pursue an active, healthy lifestyle.

Problem Solving: Graduates will be able to use the strategies and processes needed to solve a wide variety of problems, including those requiring language, mathematical, and scientific concepts.

Technology Competency: Graduates will be able to use a variety of technologies, demonstrate an understanding of technological applications, and apply appropriate technologies for solving problems.

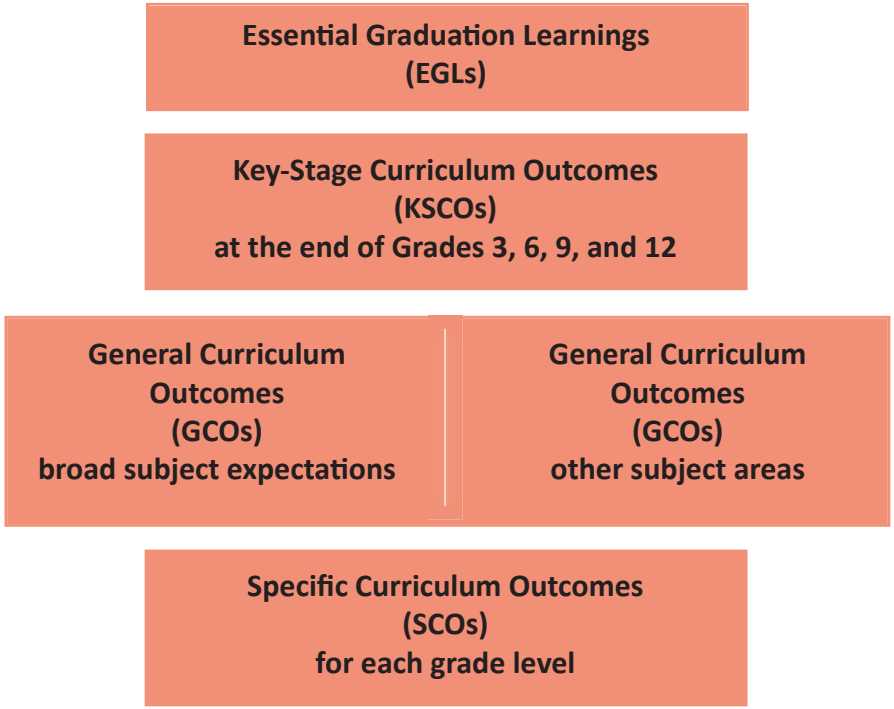
Curriculum Outcomes

Curriculum outcomes are statements articulating what students are expected to know and be able to do in particular subject areas. These outcome statements also describe the knowledge, skills, and attitudes students are expected to demonstrate at the end of certain key stages in their education. These are based upon their cumulative learning experiences at each grade level in the entry-graduation continuum. Through the achievement of curriculum outcomes, students demonstrate the Essential Graduation Learnings.

Key-Stage Curriculum Outcomes are statements that identify what students are expected to know and be able to do by the end of Grades 3, 6, 9, and 12 as a result of their cumulative learning experience in a curriculum area.

General Curriculum Outcomes are statements that identify what students are expected to know and be able to do upon completion of study in a curriculum area.

Specific Curriculum Outcomes are statements identifying what students are expected to know and be able to do at a particular grade level. The specific curriculum outcomes serve as a framework for students to achieve key stage and general curriculum outcomes.



Contexts for Learning and Teaching

Meeting The Needs of All Students

Prince Edward Island curricula is inclusive and is designed to help all students reach their potential through a wide variety of learning experiences. The curricula seeks to provide equal entitlements to learning opportunities for all students.

In recognizing and valuing the diversity of students, teachers must consider ways to

- provide a climate and design learning experiences to affirm the dignity and worth of all learners in the classroom community;
- redress educational disadvantage - for example, as it relates to students living in poverty;
- model the use of inclusive language, attitudes, and actions supportive of all learners;
- adapt classroom organization, instructional strategies, assessment strategies, time, and learning resources to address students' needs and build on their strengths by
  - providing opportunities for students to work in a variety of learning contexts, including mixed-ability groupings;
  - identifying and responding appropriately to diversity in students' learning styles;
  - building upon students' individual levels of knowledge, skills, and attitudes;
  - designing learning and assessment tasks that correspond to diverse learning styles;
  - using students' strengths and abilities to motivate and support learning;
  - offering multiple and varied avenues to learning;
- celebrate the accomplishments of learning tasks by students.

Equity and Inclusive Education

In a supportive learning environment, all students receive equitable access to teachers' assistance, resources, technology, and a range of roles in group activities. It is important that the curriculum reflect the experiences and values of all students and that texts and other learning resources include and reflect the interests, achievements, and perspectives of all students.

Teachers promote equity and inclusion in their classrooms when they

- articulate equally high expectations for all students;
- provide equal opportunity for input and response from all students;
- model gender-fair and inclusive language, and respectful listening in all interactions with students;
- promote critical thinking and challenge discrimination.

Inclusive education is central to the achievement of high-quality education for all learners and the development of more inclusive societies. Inclusion is still thought of in some countries as an approach to serving children with disabilities within general educational settings. Internationally, however, it is increasingly seen more broadly as a reform that supports and welcomes diversity amongst all learners.
- UNESCO - Inclusive education: The way of the future, 2008

Nature of the High School Learner

High school adolescent learners usually range in age from 15 to 19. While there may be some general characteristics of adolescent learners at the high school level, it is imperative that each high school learner be recognized as a unique individual. Within any group of students, a range of differences in rates and ways of learning, and in experiences and interests, are expected and respected. **Unique qualities should be celebrated and built upon.**

Adolescence is a time of increasing autonomy and self-discovery leading to identity formation. There may still be considerable differences in the characteristics of the entry-level high school adolescent and senior high school adolescent. **Teachers will need to consider their students' prior learning and experiences in order to meet the students' needs and interests.**

Senior high adolescents approach their world of diversity and complexity with both enthusiasm and trepidation. They encounter clashes of values, personal conflicts, and social pressures in developing their sense of self. A high degree of students' learning occurs in a social context. The opportunity for collaboration promotes critical thinking and problem solving, stimulates curiosity and imagination, and improves adaptability and analytical thinking. By providing students with a safe, inquiry-based learning environment, teachers can foster the skills of critical analysis, group interaction, and decision-making.

A viable goal for each individual student is to have an equitable opportunity to experience success as he/she works toward the achievement of intended outcomes and a personal best. Improving performance and realizing potential is more important than competition and comparisons to others. The adolescent learner has built a framework which includes tolerance and respect. In senior high, students will seek out questions and develop answers which incorporate more sophisticated reflective practices.

The High School Learner

The high school learner

- is able to think abstractly and needs fewer concrete examples;
- is concerned about future educational and vocational plans;
- is developing a consciousness of the broader local and global community;
- is less likely to accept the status quo in attempting to attain his/her objectives;
- asserts his/her own ideas about his/her learning;
- enjoys questioning;
- experiences internal and external motivation;
- experiences a desire to take on leadership roles;
- has a deeper capacity for caring and sharing, and for the development of more intimate relationships;
- looks for opportunities for self-expression;
- is more autonomous in his/her decision-making;
- needs to know his/her opinions are welcomed and can be expressed without fear of ridicule;
- needs to understand the purpose and relevance of instructional activities;
- seeks relevance and connection between life outside school and the curriculum;
- values sincere relationships with adults;
- strengthens motor skills and experiences a varying increase in body size and proportion;
- wants to establish immediate and long-term goals.

Valuing Social and Cultural Diversity

In order to engage in and maximize learning, all students need to see their social and cultural identities reflected and affirmed in curriculum and classroom practices.

It is important to recognize that students in Prince Edward Island come from an increasingly wide range of diverse ethnic, racial, cultural, and social backgrounds than in the past. In addition, they communicate with the wider multicultural world through technology, media, travel, and family and business connections in order to understand their own and others' customs, histories, traditions, values, beliefs, and ways of seeing and making sense of the world.

Through experiential learning, interactions with peers from multicultural backgrounds, or reading, viewing, and discussing authentic texts that reflect diverse social and cultural voices, students from different social and cultural backgrounds can come to understand each other's perspectives, to realize that their own ways of seeing and knowing are not the only ones possible, and to probe the complexities of the ideas and issues they are examining.

Curriculum, classroom practices, and learning resources should reflect the diverse and multicultural nature of our society, examine issues of power and privilege, and challenge stereotypes and discrimination.

Supporting English as an Additional Language (EAL) Learners

Students from language backgrounds other than English add valuable language resources and experiences to the classroom. The language, prior knowledge, and culture of EAL students should be valued, respected, and whenever possible, incorporated into the curriculum. The different linguistic knowledge and experience of EAL students can be used to extend the understanding of linguistic diversity of all students in the class.

The learning environment and organization of the classroom should affirm cultural values to support EAL students and provide opportunities for individual and group learning. While EAL students should work toward achievement of the same curriculum outcomes as other students, they may approach the outcomes differently and may at times be working with alternate learning resources at varied levels within a different time frame than that of other students. **It is especially important for these students to have access to a range of learning experiences, including opportunities to use language for both formal and informal purposes.**

Teachers may need to make explicit the ways in which different forms, styles, and registers of English are used for many different purposes. It is particularly important that EAL students make connections between their learning in English language arts and other curricular areas, and use learning contexts in other subjects to practise, reinforce, and extend their language skills.

Advanced Learners

Teachers should adapt learning contexts to stimulate and extend the learning of advanced learners, using the continuum of curriculum outcomes to plan challenging experiences. In designing learning tasks, teachers should consider ways students can extend their knowledge bases, thinking processes, learning strategies, self-awareness, and insights.

Advanced learners also need significant opportunities to use the general curriculum outcomes framework to design their own learning experiences, which they may undertake individually or with community partners. Project-based learning is one example of this type of opportunity.

Advanced learners need experiences working in a variety of grouping arrangements, including partnering, mixed-ability and similar-ability cooperative learning groups, and interest groups.

Engaging All Students

One of the greatest challenges to teachers is engaging students who feel alienated from learning—students who lack confidence in themselves as learners and have a potential that has not yet been realized.

These students need essentially the same opportunities as their peers. Specifically,

- engagement in authentic and worthwhile communication situations;
- time to construct meaning, connect, collaborate, and communicate with each other;
- the opportunity to form essential links between the world of text and their own world;
- developing a sense of ownership of learning and assessment tasks.

They need additional experiences as well—experiences designed to engage them personally and meaningfully, to make their learning pursuits relevant. They need substantial support in reading and writing. They need positive and motivational feedback. They need all of these experiences within purposeful and interactive learning contexts.

Ultimately, the curriculum should prepare students for life after high school.

Preparing students means engaging them with resources and with people from whom they can learn more about themselves and their world. Many students feel insecure about their own general knowledge and are reluctant to take part in class discussions, deferring to their peers who seem more competent.

Through the curriculum, each student must find his/her own voice. The learning environment must be structured in such a way that all students, alongside their peers, develop confidence and gain access to information and to communities—locally and globally.

The greatest challenge in engaging learners is finding an appropriate balance between supporting their needs by structuring opportunities for them to experience success in their individual learning and challenging them to grow as learners. **Teachers need to have high expectations for all students and to clearly articulate these expectations.**

Differentiating Instruction

Differentiated instruction is a teaching philosophy based on the premise that teachers should adapt instruction to student differences. Rather than marching students through the curriculum lockstep, teachers should modify their instruction to meet students' varying readiness levels, learning preferences, and interests. Therefore, the teacher proactively plans a variety of ways to 'get it' and express learning. - Carol Ann Tomlinson.

Curriculum is designed and implemented to provide opportunities for all according to student abilities, needs, and interests. Teachers must be aware and responsive to the diverse range of learners in their classes. Differentiated instruction is a useful tool in addressing this diversity.

Differentiated instruction responds to different readiness levels, abilities, and learning profiles of students. **It involves actively planning for student differences in terms of the core concepts and skills being taught, the process by which the content is delivered, the resources used, and the products that students create.** The learning environment is tailored to the individual needs of the student.

Teachers continuously make decisions about selecting teaching strategies and structuring learning activities to provide all students with a safe place to grow and succeed in a dynamic and personalized space.

Differentiating by Content

Based on the SCOs, the content can be described as the knowledge, skills, and attitudes we want students to develop. Differentiating content requires teachers to pre-assess students. This will identify students who require prerequisite instruction, as well as those who have already mastered the concept and may, therefore, move past the instruction and proceed to apply the concepts to problem solving. Another way to differentiate content is to permit an able student to accelerate his/her rate of progress. He/she can work independently on projects to more deeply explore topics under consideration.

Teachers should consider the following examples of differentiating by content:

- Using reading materials such as novels, web sites, and other reference materials at varying reading levels.
- Presenting ideas through auditory, visual, and tactile means.
- Meeting with small groups to re-teach an idea or skill, or to extend the thinking or skills when necessary.

Differentiating the Process

Differentiating the process means varying learning activities or strategies to provide appropriate methods for students to explore and make sense of the concepts. A teacher might assign all students the same product (for example, giving a presentation) but the process students use to create the presentation may differ.

Some students could work in groups and peer critique while others meet with the teacher alone. The same assessment criteria can be used for all students.

Teachers should consider flexible groupings of students such as whole class, small group, or individual instruction. Students can be grouped according to their learning styles, readiness levels, interest areas, and the requirements of the content or activity presented. Groups should be formed for specific purposes, be flexible in composition, and short-term in duration.

Teachers should consider the following examples of differentiating by process:

- Using activities in which all learners work with the same learning outcomes, but proceed with different levels of support, challenge, or complexity.
- Providing activities and resources that encourage students to further explore a topic of particular interest to them.
- Providing students with activities that contain work common to the whole class, and that address individual needs and interests of learners.
- Offering hands-on activities or other supports for students who need them.
- Varying the length of time a student may take to complete a task in order to provide additional support or to encourage an advanced learner to pursue a topic in greater depth.

Differentiating the Product

Differentiating the product means varying the complexity and/or type of product that students create to demonstrate learning outcomes. Teachers provide a variety of opportunities for students to demonstrate and show evidence of what they have learned. When students have a choice in what the end product can be, they become more engaged in the activity.

Teachers should consider the following examples of differentiating by product:

- Giving students options of how to express their learning (e.g., create an online presentation, write a letter, or develop a mural).
- Using rubrics that match and extend students' varied skill levels.
- Allowing students to work alone or in small groups on their products.
- Encouraging students to create their own product assignments as long as the assignments contain required elements.

Allowing students to choose how they demonstrate their understanding is a powerful way to engage students. It is important to offer students learning activities that are appropriate to their learning needs, readiness, and interests.

Differentiating the Learning Environment

The learning environment includes the physical and affective tone or atmosphere in which teaching and learning take place, and can include the noise level in the room, whether student activities are static or mobile, and how the room is furnished and arranged.

Classrooms may include tables of different shapes and sizes, spots for quiet individual work, and areas for collaboration. Teachers can divide the classroom into sections, create learning centres, or have students work independently or in groups. The structure should allow students to move from whole group, to small group, pairs, and individual learning experiences, and supporting a variety of ways to engage in learning. Teachers should be sensitive and alert to ways in which the classroom environment supports their ability to interact with students.

Teachers should consider the following examples of differentiating the learning environment:

- Ensure that there are places in the room for students to work quietly and without distraction, as well as places that invite student collaboration.
- Provide materials that reflect diversity of student background, interests, and abilities.
- Establish clear guidelines for independent work that matches individual needs.
- Develop routines that allow students to get help when teachers are with other students and cannot provide immediate help.

Inquiry-Based Learning

Inquiry-Based learning (IBL) allows students to explore, investigate, and construct new meaning from prior knowledge and from new information that is retrieved from other sources. It is not linear in nature, but promotes a continual looping back and forth throughout the process as students gather and process new information, redirect their inquiries, and continue through the process. Inquiry into a global issue will require students to practice and refine their critical and creative-thinking skills. *Inquiry* and *research* are often used interchangeably within an educational context. While research often becomes the end-result of an inquiry process, it is the process itself — working with acquired information and reformulating it into newly-constructed meaning — that is emphasized in this course.

In order for students of ECO621A to become fully engaged in the inquiry process, they will need to draw upon their prior knowledge, conduct preliminary research to help them define the direction of their inquiry, and ask many questions. Classroom discussions about specific economic issues may help them to decide where their inquiry will lead them. Current events portrayed in the media may be catalysts for student inquiry, as may information from other sources. A research plan will ensure that students know what is expected of them and will provide a means of keeping track of progress throughout the inquiry unit. At the beginning of the semester, teachers should introduce the inquiry process and provide each student with their *Student Guide to the Inquiry Process*. This guide provides mini lessons for each stage of the inquiry process and guided practice that models the expectation for students.

Inquiry Stages and Skills

Independent inquiry involves certain process skills (learned abilities), habits of mind (acquired attitudes), and responsibilities related to interaction with new information. Independent thinkers will practice multiple strategies to maneuver through an inquiry process. A typical inquiry process may follow three stages — Beginning Inquiry, Ongoing Inquiry, and Concluding Inquiry — each stage associated with specific skills and corresponding to sequential phases within the inquiry model used in this document. Note that there may be some overlap of phases.

Beginning Inquiry Stage (Planning and Retrieving)

- using prior and background knowledge as base for new inquiry
- developing and refining a range of inquiry questions
- finding, evaluating, and selecting appropriate sources in a range of formats (e.g., textual, digital, visual, other media) to pursue inquiry

Ongoing Inquiry Stage (Retrieving and Processing)

- evaluating information for accuracy, validity, appropriateness, relevance, and context
- interpreting and contextualizing information from different sources by identifying main ideas and supporting evidence, conflicting ideas, bias, and points of view
- using technology to access and organize information
- collaborating with others to exchange new ideas and develop new understandings

Concluding Inquiry Stage (Creating, Sharing, and Evaluating)

- using writing, media and visual literacy, and technology skills to create a product that expresses new understandings
- using communication skills to share new understandings in a way that others can access, view, and use
- using information and technology ethically and responsibly by documenting sources accurately, avoiding plagiarism, and respecting the rules of intellectual property

Adapted from *Standards for the 21st-Century Learner*

Guided Inquiry

Guided inquiry draws upon the expertise of teachers and teacher-librarians in directing students to find a variety of sources to address an inquiry, solve a problem, or increase understanding of an issue. This type of ongoing mentoring of students requires careful planning and ongoing assessment. However, the rewards of a guided inquiry approach are many. Students are more engaged when they are grappling with a question of their own making, and they develop more competencies as they work through the process of finding relevant information, evaluating that information, and analysing their findings. The guided inquiry approach in ECO621A takes students through stages of an inquiry a step at a time. Students will learn how to navigate each stage by first following a teacher-led model of the step, and then applying the skills learned in this stage to their own inquiry project. The *Student Guide to the Inquiry Process* provides an easy stage-by-stage way to assess student progress during the inquiry as well as in the final stage when they present their end products.

Habits of Mind for Inquiry

Students grow as independent inquirers and critical thinkers by developing and refining learned inquiry skills, and by practising positive dispositions that support their inquiry. Habits of mind for inquiry are the attitudes or dispositions that allow a person to set aside personal bias or self-limiting beliefs that may interfere with the ability to reach newer levels of understanding. To achieve deeper understanding in any inquiry, students need to practice being

1. open-minded (willing to consider evidence that may oppose their own views);
2. fair-minded (willing to consider others' viewpoints);
3. independent-minded (willing to stand up for firmly held beliefs);
4. critical thinkers (willing and able to question for clarity and validity.

Additional habits of mind that lead to a successful inquiry include persistence, adaptability, and the ability to collaborate. These habits of mind enable a student to deal with common obstacles that arise during an inquiry process. Persistence in pursuing information, despite challenges, will ensure a broad range of information on which to base new meaning. Adaptability allows a student to deal with possible changes related to focus questions, resources, or strategies. A willingness and ability to collaborate with others will enrich the inquiry process and lead to a broader and deeper understanding of new information for all involved.

Adapted from *Active Citizenship: Student Action Projects (2004) and Standards for the 21st-Century Learner*, (2007), AASL.

Community-Based Learning

Community based learning programs encourage the expansion of learning opportunities for primary, elementary, intermediate, and senior high school students by bringing the community into the school and by placing students in the community as part of their studies.

Community-based learning is a partnership involving the student, family, school, and community, with each of the partners sharing responsibility for the student's learning experiences.

Students benefit from the expertise, talent, and resources of community based service organizations, agencies, businesses, industry, citizen groups, entrepreneurs, and parents/guardians. They also gain opportunities to apply and enhance in real-life contexts the knowledge, skills, and attitudes acquired through their work in the school.

Community-based learning enhances students' personal development, their sense of belonging in their community, and their understanding of community roles and responsibilities.

Community-based experiences improve students' understanding of employment requirements and the links between their future plans and the knowledge, skills, and attitudes they are acquiring in school. Encouraging the local community and businesses to become involved in the classroom helps to extend the learning beyond the classroom walls and provides relevance to the classroom experience.

21st Century Learning

A 21st century curriculum incorporates learning and innovation skills, literacy, and life and career skills. These three areas are addressed in the context of academic subjects and across interdisciplinary themes. Effective 21st century instruction employs methods that integrate innovative and research-driven teaching strategies, modern learning technologies, and real-world resources and contexts.

Literacy

Students in the 21st century must be skilled consumers of information, critical readers, writers and creators, and be critically aware of the world in which they live. Teachers have a major responsibility to develop and support each individual student's capacity to achieve these key understandings. A person's ability to communicate with others and to manipulate texts is intimately linked with the quality of his/her life. Without a solid foundation in literacy, even the ability to articulate thoughts and ideas becomes compromised.

The range of literacies required for success in the 21st century, include, but are not limited to:

- Artistic and Creative Literacy
- Eco-Literacy
- Physical Fitness and Health Literacy
- Globalization and Multi-Cultural Literacy
- Social and Emotional Literacy
- Technology and Multi-Media Literacy
- Financial Literacy
- Numeracy
- Critical Literacy and Problem Solving
- Self Literacy
- Career Literacy
- Information Literacy
- Communication and Collaboration Literacy

Learning and Innovation Skills

Creativity and Innovation

- Developing, implementing, and communicating new ideas to others
- Being open and responsive to new and diverse perspectives

Critical Thinking and Problem Solving

- Understanding the interconnections among systems
- Identifying and asking significant questions that clarify various points of view and lead to better solutions

Communication and Collaboration

- Demonstrating ability to work effectively with diverse teams
- Assuming shared responsibility for collaborative work

Life and Career Skills

Flexibility & Adaptability

- Ability to adapt to change; to continue to function in a variety of situations

Initiative & Self-Direction

- Working without supervision, completing tasks that are not necessarily assigned but are required to be completed

Social & Cross-Cultural Skills

- The ability to work well with others, being cognizant of cultural mores and differences

Productivity & Accountability

- Completing work assigned in the time required, to the skill level required, and taking responsibility for your own actions and work

Leadership & Responsibility

- Being able to enlist the aid of others in completion of a task, and being dependable enough to complete that task

The acquisition of these literacies and skills is important across curriculum areas and should be integrated into teaching, learning, and assessment strategies. Opportunities within the curriculum for integration of these skills exist and should be planned with rich, engaging, experiential activities that support gradual release of responsibility.

Habits of Mind

Research on thinking and behaviour reveals some identifiable characteristics of effective thinkers. It is not necessarily scientists, artists, mathematicians, or the wealthy who demonstrate these behaviours – they can be found in people in all walks of life.

The following list of habits of mind outlines the common behaviours indicative of the efficient, effective problem solver. They can be included in project outcomes and assessed through self-reflection, journals, discussions, and rubrics.

- Persisting
- Managing Impulsivity
- Listening to Others with Understanding and Empathy
- Thinking Flexibly
- Thinking About Our Thinking (Metacognition)
- Striving for Accuracy and Precision
- Questioning and Posing Problems
- Applying Past Knowledge to New Situations
- Thinking and Communicating with Clarity and Precision
- Gathering Data Through All Senses
- Creating, Imagining, and Innovating
- Responding with Wonderment and Awe
- Taking Responsible Risks
- Finding Humour
- Thinking Independently
- Remaining Open to Continuous Learning

Education for Sustainable Development

The overall goal of Education for Sustainable Development (ESD) is to integrate the knowledge, skills, values, and perspectives of sustainable development into all aspects of education and learning.

ESD is based on ideals and principles such as intergenerational equity, social tolerance, human rights, gender equity, health, poverty alleviation, environmental preservation and restoration, natural resource conservation, as well as just and peaceable societies.

It is a complex and evolving concept that requires learners to analyse the key themes from social, cultural, environmental, and economic perspectives, and understand how these factors are interrelated and interdependent.

ESD is not teaching about sustainable development. Rather, ESD involves teaching for sustainable development – helping students develop skills, attitudes, and perspectives to meet their present needs without compromising the ability of future generations to meet their needs.

With this in mind, it is important all teachers make an effort to incorporate ESD themes into their subject areas. One tool that can be used is the searchable on-line database Resources for Rethinking, found at: **http://r4r.ca/en.**

It provides teachers with access to materials that integrate ecological, social, and economic spheres through active, relevant, interdisciplinary learning.

Safety

Students and teachers need to feel safe, both physically and emotionally, in the school setting. In a learning environment where cooperative, active, and collaborative teaching strategies are utilized, students must become knowledgeable of their role in enabling a safe environment to exist.

Being empowered to take ownership for their safety and that of their peers is an essential component of classroom learning. Teachers can provide students with the knowledge required to prevent unnecessary risks in their learning environment. By being educated about the risk factors involved in the classroom setting, students can become active participants in the ownership of their own safety. **In all learning situations, the teacher needs to encourage a positive, responsible student attitude toward safety.**

While physical safety is of utmost importance in the learning environment, emotional safety is equally important. Students need to know what constitutes acceptable and unacceptable behavior, and should be encouraged to be active learners without being intimidated by others or engaging in intimidating behavior themselves.

Risk is involved in everything a person does. To minimize risk, students must become conscious participants in ensuring a healthy, safe learning environment and must avoid complacent attitudes with regards to safety.

Role of Parents and Guardians

Parents and guardians play a fundamental role in the educational focus of the students. Although parents and guardians may or may not necessarily feel comfortable to help in specific subject learning with their children, their role is a vital link in the development of the students.

It is most important that parents and guardians understand and support school policies. Parents and guardians are an essential component in the facilitation of the learning of student responsibility in such areas as attendance, safe school policies, and goal setting. **Schools need parents and guardians to share in their children's successes.**

Teachers should invite opportunities for parents and guardians to discuss these matters. Frequent parent-teacher conferences are encouraged via telecommunications and/or school-based meetings. Involvement in school councils, home and school associations, and/or other school-based organizations enable parents and guardians to play an active role in the educational development of their child.

Parents and guardians may become actively involved as guest speakers in the classroom for students to understand the community in which they live or as spokespeople on particular occupations.

Homework

Student learning improves when homework serves a clear purpose and is matched to both the skills of each individual student and to the curriculum being taught in class.

Homework provides an effective means to model classroom practice. This might involve seeking community input, constructing a model, having a group discussion to prepare a presentation, or answering questions for assessment purposes.

Homework is an essential component of a program as it extends the opportunity to think and reflect on ideas investigated during class time. Meaningful homework experiences can allow the students to learn self-discipline and team responsibility while acquiring a sense of self-worth. Teachers use their professional judgment to assign homework as a means of exploration, reinforcement, assessment, and/or further investigation.

Homework is another channel for parents and guardians to be involved. It is a tool for parents and guardians to understand the focus of their child's education in a specific subject area. In some cases, it provides the opportunity for parents and guardians to become actively involved in the education process.

Outcomes and Achievements

Specific Curriculum Outcomes (SCOs)

Specific Curriculum Outcomes state the intended outcomes of instruction, and identify what students are expected to know and be able to do within a particular grade and subject area of study.

The learning expected of students in PEI is defined by SCOs for each area of study within each grade. As PEI students achieve the grade and subject-specific outcomes identified in curricula, they will deepen their understanding of each area of study as a living field of knowledge. **All SCOs within a grade and subject area of study are compulsory.**

SCOs provide the goals or targets of instruction in terms of measurable or observable student performance. SCOs provide a focus for instruction and provide a basis for the assessment of student achievement. SCOs are observable, assessable, and supported by achievement indicators that help to define the breadth and depth of the outcome. The outcome of learning described in each SCO provides the basis for selecting learning and teaching strategies. SCOs contribute to the achievement of the KSCOs and provide a continuum of learning from entry through Grade 12. In short, SCOs describe the intended outcomes of instruction in performance terms without restricting the means of achieving them.

Although schools have the responsibility to ensure that all SCOs in a curriculum document are met, schools have flexibility in determining how the delivery of instruction and assessment for, as, and of learning can best take place. Instruction, assessment, evaluation, and reporting with respect to these SCOs are dependent on the professional judgment and experience of teachers, guided by provincial and/or board policy.

Achievement Indicators

Achievement indicators, taken together as a set, define the specific level of attitudes demonstrated, skills applied, or knowledge acquired by the student in relation to the corresponding SCO.

The set of achievement indicators provided for an SCO

- provides the intent (depth and breadth) of the outcome;
- tells the story, or creates a picture, of the outcome;

- defines the level and types of knowledge intended by the outcome;
- is not a mandatory checklist, prioritized list of instructional activities, or prescribed assessment items.

When teachers are planning for instruction, they must be aware of the set of achievement indicators in order to fully understand the breadth and depth of the outcome. Based on their resulting understanding of the outcome, teachers may add to the existing achievement indicators to support the intent of the outcome and to be responsive to their students' interests, lives, and prior learning. It is important to note that if additional achievement indicators are developed or if given achievement indicators are substituted, they must be reflective of and consistent with the breadth and depth that is defined by the given achievement indicators.

Teachers determine which achievement indicators are most relevant at a particular time (e.g., developmental stage, time of the year, relevant circumstance) by analysing the needs and interests of the student – what s/he already knows, understands, and is able to do. **Lists of achievement indicators will begin with the phrase, *"Students who have achieved this outcome should be able to…"***

Working With Curriculum Outcomes

In order to fully understand an SCO, it is important to understand how the learning is representative of both the Knowledge and Cognitive Process Dimensions.

The Knowledge Dimension classifies four types of knowledge learners may be expected to acquire or construct, ranging from concrete to abstract.

Factual
The basic elements students must know to be acquainted with a discipline or solve problems:

- knowledge of terminology (e.g., technical vocabulary)
- knowledge of specific details and elements (e.g., major natural resources)

Conceptual
The interrelationship among the basic elements within a larger structure that enables them to function together:

- knowledge of classifications and categories (e.g., periods of geological time)
- knowledge of principles and generalizations (e.g., Pythagorean theorem)
- knowledge of theories, models, and structures (e.g., structure of government)

Procedural
How to do something, methods of inquiry, and criteria for using skills algorithms, techniques, and methods:

- knowledge of subject-specific skills and algorithms (e.g., skills used in painting with watercolors)
- knowledge of subject-specific techniques and methods (e.g., interviewing techniques)
- knowledge of criteria for determining when to use appropriate procedures (e.g., criteria used to judge the feasibility of using a particular method to estimate business costs)

Metacognitive
Knowledge of cognition in general as well as awareness and knowledge of one's own cognition:

- strategic knowledge (e.g., knowledge of outlining as a means of capturing the structure of a unit of subject matter in a textbook)
- knowledge about cognitive tasks, including appropriate contextual and conditional knowledge (e.g., knowledge of the cognitive demands of different tasks)
- self-knowledge (e.g., awareness of one's own knowledge level)

The **Cognitive Process Dimension** represents a continuum of increasing cognitive complexity, from lower order thinking skills to higher order thinking skills. The verb that begins an SCO represents the cognitive process dimension.

Remember
Retrieve relevant knowledge from long-term memory.

- Define…
- Describe…
- Identify…
- Label…
- Name…
- Quote…
- Recall…
- Recognize…
- Repeat…

Understand
Construct meaning from instructional messages, including oral, written, and graphic communication.

- Associate…
- Classify…
- Compare…
- Compute…
- Defend…
- Distinguish…
- Explain…
- Infer…
- Interpret…
- Paraphrase…
- Characterize…
- Summarize…

Apply
Carry out or use a procedure in a given situation.

- Apply…
- Demonstrate…
- Dramatize…
- Execute…
- Illustrate…
- Implement…
- Perform…
- Practice…
- Prepare…
- Produce…
- Use…

Analyse
Break material into constituent parts and determine how parts relate to one another and to an overall structure or purpose.

- Analyse…
- Attribute…
- Categorize…
- Correlate…
- Diagnose…
- Differentiate…
- Distinguish…
- Examine…
- Infer…
- Organize…
- Relate…

Evaluate
Make judgments based on criteria and standards.

- Appraise…
- Argue…
- Assess…
- Check…
- Conclude…
- Critique…
- Defend…
- Estimate…
- Evaluate…
- Justify…
- Predict…
- Rank…

Create
Put elements together to form a coherent or functional whole; reorganize elements into a new pattern or structure.

- Compose…
- Construct…
- Create…
- Design…
- Develop…
- Generate…
- Improvise…
- Invent…
- Plan…
- Produce…

Teaching Strategies

Learning theory research clearly indicates that teachers need to employ a wide variety of instructional strategies to address the learning styles of all learners. Moreover, the nature of certain content or processes can only be taught effectively if specific instructional strategies are employed. In order to achieve this objective, students must have an opportunity to cooperatively brainstorm, discuss, evaluate information, and make informed decisions. Students often point to experiential activities as the best part of a program as they have the chance to work cooperatively and be actively involved in the learning process.

Teachers are ultimately responsible for determining the best teaching methods for their students, the best way of grouping them, and the best way to present material to make it relevant and interesting. Exemplary teachers use a variety of instructional strategies and have the flexibility to call upon several different strategies both within one period and during a unit of study. Adolescent learners need a balance between practical work, listening, discussing, and problem-solving.

Indirect instruction involves inquiry, induction, problem-solving, decision-making, and discovery. It is mainly student-centred and is used to generate alternatives and solve problems. The teacher acts as facilitator, supporter, and resource person, while the student is highly involved observing, investigating, inferring information from data, or forming hypotheses.

Interactive instruction relies heavily on discussion and sharing among participants. For the teacher, it involves management and organizational skills to set up the activities which may involve a variety of group structures. The teacher must observe the students in action and have good record keeping methods. The students will learn from peers and the teacher through interactions with both.

Direct instruction is highly teacher-directed consisting of lectures, explicit teaching, and demonstrations. It is effective for providing information and developing step-by-step skills.

Independent study includes the range of instructional strategies which are intended to develop individual student initiative, self reliance, self-improvement, and responsibility for self-learning.

Assessment and Evaluation

The terms *assessment* and *evaluation* are often used interchangeably, which is incorrect. Although they are inherently connected, each term refers to a different stage of the overall evaluative process.

Assessment and evaluation are integral components of the teaching-learning cycle.

Effectively planned assessment and evaluation promotes learning, builds confidence, and develops students' understanding of themselves as learners. Effectively planned assessment and evaluation also improves and guides future instruction and learning.

Assessment and evaluation are continuous activities that are planned for and derived from SCOs and are consistent with the instructional learning strategies. The depth and breadth of each SCO, as defined by the achievement indicators, informs teachers of the skills, processes, and understandings that should be assessed.

Effective and authentic assessment and evaluation involves

- designing performance tasks that align with specific curriculum outcomes;
- including students in determining how their learning will be demonstrated;
- planning for the three phases of assessment (*for*, *as*, and *of*) and evaluation.

Assessment

Assessments need to be reflective of the cognitive processes and level(s) of knowledge indicated by the outcome. An authentic assessment will only collect data at the level for which it is designed.

Assessment is the act of gathering information on an ongoing basis in order to understand individual student's learning and needs. It is the journey of his or her learning.

Effective assessment improves the quality of learning and teaching. It can help teachers to monitor and focus their instruction, help students to become self-reflective, and to make them feel in control of their own learning. When students are given opportunities to demonstrate what they know and what they can do with that knowledge, optimal performance can be realized.

Assessment has three interrelated purposes:

1. Assessment **for** learning to guide and inform instruction.
2. Assessment **as** learning to involve students in self-assessment and setting goals for their own learning.
3. Assessment **of** learning to make judgments about student performance in relation to curriculum outcomes.

Even though each of the three purposes of assessment requires a different role and planning for teachers, the information gathered through any one purpose is beneficial and contributes to an overall picture of an individual student's achievement.

Effective Assessment Strategies

All assessment practices should respect the needs of diverse learners in classrooms and should respect and appreciate learners' cultural diversity. Teachers should provide students with a variety of ways to demonstrate through an ongoing basis what they know and are able to do with many different types of assessments over time. Valuable information about students can be gained through conversations, observations, and products. A balance among these three sources ensures reliable and valid assessment of student learning.

Effective Assessment Strategies

- are explicit and communicated to students and parents so students know the expectations and criteria to be used to determine the level of achievement;
- must be valid in that they measure what they intend to measure;
- must be reliable in that they consistently achieve the same results when used again, or similar results with a similar group of students;
- involve students in the co-construction, interpretation, and reporting of assessments by incorporating their interests, multiple intelligences and their learning styles;
- reflect where the students are in terms of learning and help to determine the levels and types of support or instruction that will follow;
- allow for relevant, descriptive, and supportive feedback that gives students clear directions for improvement, and engage students in metacognitive self-assessment and goal setting that can increase their success as learners;
- are fair in terms of the students' backgrounds or circumstances and provide all students with the opportunity to demonstrate the extent and depth of their learning;
- accommodate the diverse needs of students with exceptionalities, including students with individual learning plans;
- assist teachers in selecting appropriate instruction and intervention strategies to promote the gradual release of responsibility;

- are appropriate for the learning activities used, the purposes of instruction, and the needs and experiences of the students;
- are comprehensive and enable all students to have diverse and multiple opportunities to demonstrate their learning consistently, independently, and in a range of contexts in everyday instruction.

Students should know what they are expected to learn as designated by SCOs and the criteria that will be used to determine the quality of their achievement.

This information allows students to make informed choices about the most effective ways to demonstrate what they know and are able to do. **It is important that students participate actively in assessment by co-creating criteria and standards which can be used to make judgments about their own learning.** To get an idea of some possible criteria, students may benefit from examining various scoring criteria, rubrics, and student exemplars. Assessment must provide opportunities for students to reflect on their progress, evaluate their learning, and set goals for future learning.

Teachers can involve students in the assessment process by using the following suggestions:

- Incorporate students' interests into assessment tasks (for example, allowing students to select texts to read/view that relate to their interests).
- Provide opportunities for students to self-assess their learning.
- Co-create assessment criteria with the student, working to describe how a specific skill or product is judged to be successful.
- Use student exemplars to illustrate a range of skill development (so students can use them to compare to their own work, or practise using the assessment criteria that would be used for their own activities).

Students are more likely to perceive learning as its own reward when they have opportunities to assess their own progress. Rather than asking teachers, "What do you want?" students should be asking themselves questions such as, "What have I learned? What can I do now that I couldn't do before? What do I need to learn next?"

Formative Assessment - Assessment *for* and *as* Learning

Assessment for learning involves frequent interactive assessments designed to make student understanding visible so as to enable teachers to identify learning needs and adjust teaching accordingly.

Students learn from assessments when the teacher provides specific, detailed feedback and direction to guide learning. Feedback for learning is part of the teaching process. It is the vital link between the teacher's assessment of a student's learning and the action following that assessment. To be useful, feedback needs to be immediate and must identify the way forward. Descriptive feedback makes explicit connections between student thinking and the learning that is expected, providing the student with manageable next steps and exemplars of student work. It gives recognition for achievement and growth and includes clear direction for improvement.

Assessment for learning

- requires the collection of data from a range of assessments to find out as much as possible about what students know and can do in order to plan for future instruction, and identify student needs that still must be addressed;
- uses SCOs as reference points, along with exemplars and achievement indicators that differentiate quality;
- provides descriptive, specific, and instructive feedback to students and parents regarding the next stage of learning;
- allows for judgments about students' progress for reporting purposes;
- provides information on student performance that can be shared with parents/guardians, school and board staff, and other educational professionals.

Assessment as learning actively involves students' reflection on their learning, and monitoring of their own progress.

Student-driven, and supported with teacher guidance, assessment as learning focuses on the role of the student as the critical connector between assessment and learning, thereby developing and supporting metacognition in students.

The goal in assessment as learning is for students, with teacher support and guidance, to acquire the skills needed to be meta-cognitively aware of their increasing independence as they take responsibility for learning and constructing meaning.

Through self-assessment, students think about what they have learned and what they have not yet learned, and decide how to best improve their achievement.

Learning is enhanced when students see the effects of what they have tried and can envision alternative strategies to understand the material. Students need feedback to help them develop autonomy and competence. Feedback as learning challenges ideas, introduces additional information, offers alternative interpretations, and creates conditions for self-reflection and a review of ideas.

Assessment as learning

- focuses on students as they monitor what they are learning and use what they discover to make adjustments, adaptations, or changes in their thinking so as to achieve deeper understanding;
- supports students in critically analysing their learning as it relates to learning outcomes;
- prompts students to consider how they can continue to improve their learning;
- enables students to use collected information to make adaptations to their learning processes and to develop new understandings.

Summative Assessment – Assessment *of* learning

Assessment of learning involves strategies designed to confirm what students know, demonstrate whether or not they have met curriculum outcomes or the goals of their individual learning plans, or certify proficiency and make decisions about their future learning needs.

Assessment of learning occurs at the end of a learning experience that contributes directly to reported results. When used in conjunction with assessment for and assessment as learning, assessment of learning is strengthened. Because the consequences of assessment of learning are often far reaching, teachers have the responsibility to report student learning accurately and fairly, based on evidence obtained from a variety of contexts and applications.

Because assessment of learning comes most often at the end of a learning experience, feedback to students has a less obvious effect on student learning than feedback for learning or as learning. Students do, however, rely on their marks and on teachers' comments as indicators of their level of achievement, and to make decisions about their future learning endeavors.

Assessment of learning

- confirms what students know and can do;
- occurs at the end of a learning experience, using a variety of tools;
- provides opportunities to report to parents/guardians, school and board staff, and other educational professionals evidence to date of student achievement relative to SCOs;
- provides a foundation for discussions on student placement or promotion.

Evaluation

Evaluation is the culminating act of interpreting the information gathered through relevant and appropriate assessments for the purpose of making decisions or judgments, often at reporting time.

Inherent in the idea of evaluating is *value*. **Evaluation should be based on the range of SCOs, which should be clearly understood by learners before teaching and evaluation takes place.** The quality of student work is judged on the basis of defined criteria of quality – in this case, the specific SCOs and related achievement indicators. The evaluation process is informed by quality assessments.

During evaluation, the teacher

- interprets the assessment information and makes judgments about student progress;
- makes decisions about student learning programs based on the judgments or evaluations;
- reports on progress to students, parents, and appropriate school personnel.

Upon completion of evaluation, the teacher reflects on the appropriateness of the assessment techniques used to evaluate student achievement of the SCOs. Such reflection assists the teacher in making decisions concerning improvements or modifications to subsequent teaching, assessment, and evaluation.

Curriculum Guide Organization

Overview

Specific curriculum outcomes are organized in units. Suggestions for learning, teaching, assessment, and resources are provided to support student achievement of the outcomes.

Curriculum Outcomes Overview

	Suggested Time-Frame	Suggested Weight for Grading	Number of Outcomes
Unit 1: Introduction to Economics Fundamental Concepts SCO 1.1 analyse the fundamental concepts and purpose of economics Economic Systems SCO 1.2 analyse the roots and characteristics of various economic systems	10 days	10%	2
Unit 2: Microeconomic Concepts Demand and Supply SCO 2.1 analyse factors and interactions significant to demand and supply Theory of the Firm SCO 2.2 analyse the relationship among production, costs, revenue, and profit Market Structures SCO 2.3 analyse the factors and characteristics significant to market structures Financial Planning SCO 2.4 evaluate how saving, investing, and credit decisions impact financial planning	32 days	30%	4
Unit 3: Macroeconomic Concepts Measuring Economic Activity SCO 3.1 analyse factors and concepts significant to economic indicators and economic fluctuations Money and Financial Institutions SCO 3.2 demonstrate an understanding of the historic and current roles of money and financial institutions in our society Monetary Policy SCO 3.3 analyse factors and concepts significant to monetary policy Fiscal Policy SCO 3.4 analyse factors and concepts significant to fiscal policy	20 days	20%	4
Unit 4: Global Economic Concepts Canada and the Global Economy SCO 4.1 evaluate factors and concepts significant to foreign trade	8 days	8%	1
Unit 5: Student Inquiry on Economic Issues Independent or Collaborative Inquiry SCO 5.1 produce a project on an area of interest in economics by following the inquiry process	10 days	12%	1
Final Exam		20%	
TOTALS	**80**	**100%**	**12**

The Cognitive Process Dimensions

ECO621A

Knowledge Dimension	Cognitive Process: Remembering (recalling information) — Lower Level Thinking	Understanding (constructing meaning, explaining ideas or concepts)	Applying (using ideas and concepts to solve problems)	Analysing (breaking information into parts to explore understanding, relationships, and overall structure)	Evaluating (justifying a decision or course of action based on criteria and standards)	Creating (generating new ideas, products, ways of viewing things, or structures) — Higher Level Thinking
Factual Knowledge (essential facts, terms, details, elements)						
Conceptual Knowledge (principles, generalizations, theories, models)		SCO 3.2		SCO 1.1 SCO 1.2 SCO 2.2 SCO 2.3 SCO 3.3 SCO 3.4	SCO 2.4 SCO 4.1	
Procedural Knowledge (methods of inquiry, skills, techniques, strategies)				SCO 2.1 SCO 3.1		SCO 5.1
Metacognitive Knowledge (awareness of own thinking and processes)						

Table of Specifications

Strands/Units	Level 1	Level 2	Level 3	% of Curriculum
Unit 1: Introduction to Economics		SCO 1.1 SCO 1.2		10%
Unit 2: Microeconomic Concepts		SCO 2.1 SCO 2.2 SCO 2.3	SCO 2.4	30%
Unit 3: Macroeconomic Concepts	SCO 3.2	SCO 3.1 SCO 3.3 SCO 3.4		20%
Unit 4: Global Economic Concepts			SCO 4.1	8%
Unit 5: Student Inquiry on Economic Issues			SCO 5.1	12%
			Final Exam	20%
			TOTAL	100%

Unit 1: Introduction to Economics

	Students will be expected to ...
SCO 1.1 Fundamental Concepts	• analyse the fundamental concepts and purpose of economics.
SCO 1.2 Economic Systems	• analyse the roots and characteristics of various economic systems.

Unit 1 introduces students to some of the fundamental concepts of economics. By the end of this unit, students will be familiar with how economic principles impact their lives and why they should study economics. The unit is broken up into two outcomes. The first outcome should be used as an entry point to discuss major economic principles such as scarcity and opportunity cost. This outcome provides an overview of the various forms of business enterprises and the economic goals of the Canadian economy. Students should also have the opportunity to examine how knowledge and skills in economics can be applied to various careers and occupations. The second outcome examines the roots and characteristics of different economic systems: traditional, command, market, and mixed. Students should learn how each of these systems answers the three economic questions—What to produce? How much to produce? For whom to produce? Students should interpret an economic system's performance based on criteria including freedom, efficiency, equity, employment stability, and growth. During this unit, students should also be introduced to the student inquiry project. Finally, making time to regularly discuss current events during class will expose students to various real-world topics that link to theory and provide students with ideas for their inquiry project.

Unit 1

Knowledge Dimension	Remembering	Understanding	Applying	Analysing	Evaluating	Creating
			Cognitive Process			
Factual						
Conceptual				**1.1 1.2**		
Procedural						
Metacognitive						

1.1	Remembering	Understanding	Applying	Analysing	Evaluating	Creating
Factual						
Conceptual		**1.1.1 1.1.3 1.1.4 1.1.5**		**1.1.2 1.1.6 1.1.7 1.1.8 1.1.9**		
Procedural						
Metacognitive						

Introduction to Economics

SCO 1.1 Fundamental Concepts

Students will be expected to ...

analyse the fundamental concepts and purpose of economics.

Achievement Indicators

Students who have achieved this outcome should be able to

1.1.1 explain the significance of economics in the lives of individuals, businesses, and governments

1.1.2 examine the relationships that exist among various economic concepts: needs and wants, economic scarcity, economic choice, decision-making, opportunity cost, and limited resources in an individual, local, national, and global context

1.1.3 explain the functions and importance of the factors of production: labour, natural resources, and capital goods

1.1.4 compare microeconomics and macroeconomics

1.1.5 compare positive and normative economics

1.1.6 distinguish between the various forms of business enterprises: sole proprietorship, partnership, co-operative, corporation, and public entity

1.1.7 examine the importance of establishing economic goals within an economy

1.1.8 examine how knowledge and skills in economics can be applied to various careers and occupations

1.1.9 analyse economic relationships by using economic models to forecast outcomes

Elaboration

The term *economics* is used flexibly; however, if you had to provide one definition it would most likely refer to a social science studying the choices regarding the allocation of scarce resources and goods to meet needs and wants. For students who are unfamiliar with economics, this definition is the starting point that will build a foundation for the remainder of the course. Throughout this outcome, students will learn the fundamental terms and concepts related to economics. The beginning of the course should also encourage students to begin thinking about "the economic problem" and their own role in the economy. Students should be introduced to the "what" and "why" of economics in everyday life and learn how economics relates to individuals, businesses, and governments. Students will also benefit from examining how economics is applied in various careers and occupations.

Students should learn the intricate balance among scarcity, choice, and opportunity cost that occurs on a daily basis with individuals, businesses, and governing bodies. Students should be able to differentiate between needs and wants, and provide examples of each in a variety of settings (e.g., a child, youth, adult). Students should also learn the factors of production (labour, natural resources, and capital goods). Students should understand that scarcity exists because factors of production are finite, and needs and wants are infinite. As a result of scarcity, choices must be made. When an economic choice is made, an alternative is always forgone—the opportunity cost. The production possibility curve/frontier is a model that should be used to highlight these economic concepts. It shows how one good can only be produced by taking inputs away from another good. Throughout this course, economic models are often used. A model is a theoretical process that represents an economic process. It is typically a simplified framework that illustrates something more complex. The production possibility curve is a model students should use in this outcome, but teachers are encouraged to use models throughout the course to help students meet all outcomes. Discussions around causal relationships, inverse and direct relationships, and the need for assumptions within models should take place with students.

This outcome should be used as an entry point to introduce the concepts of *microeconomics* and *macroeconomics.* This knowledge will grow as students progress through the course. Students should also learn the difference between positive and normative economics. Positive economics is based purely on economic facts rather than opinions. Saying the unemployment rate is 6% represents a positive statement that can be accepted or rejected by applying the scientific method. In contrast, normative economics deals with opinions or value judgments. Normative statements relate to questions of ethical values, such as stating that pollution is the most serious economic problem. Students should be able to identify positive and normative economic information.

Within this outcome, students should learn about the different types of business enterprises found throughout Canada and other world economies: sole proprietorship, partnership, co-operative, corporation, and public entity. They should distinguish among structure, governance, strengths and weaknesses, and other characteristics of each form to draw conclusions about which type of business is best suited to each form of organization. Students should also examine the importance of establishing economic goals and objectives. Students should understand that depending on moral and political considerations, not all countries will necessarily choose to emphasize particular economic goals to the same degree. However, the economic goals that countries strive for are generally similar: income equality, price stability, full employment, viable balance of payments, economic growth, economic efficiency, and environmental sustainability. Again, students should be able to think more deeply about these goals and objectives as they progress through the course.

It is important to note that entire books have been devoted to each of the economic concepts mentioned above. Students need to come away from this outcome with the essential components of each concept, considering most economic problems and situations boil down to these topics. As a final note, students are expected to examine and reflect on news stories related to economics throughout this course. It is encouraged that students maintain a portfolio of current events and journal entries related to these events. News stories are a valuable source of information and can be used as a resource to meet outcomes and illustrate the importance of economics.

1.2	Remembering	Understanding	Applying	Analysing	Evaluating	Creating
Factual						
Conceptual		**1.2.1 1.2.3**		**1.2.2 1.2.4 1.2.5**		
Procedural						
Metacognitive						

Introduction to Economics

SCO 1.2 Economic Systems

Students will be expected to ...

analyse the roots and characteristics of various economic systems.

Achievement Indicators

Students who have achieved this outcome should be able to

1.2.1 describe the three economic choices: what to produce, how to produce it, and for whom

1.2.2 distinguish among the different economic systems: traditional, market, command, and mixed

1.2.3 explain why some goods and services are provided by governments while others are not

1.2.4 examine the implications as economic systems evolve and change over time

1.2.5 analyse an economic system based on criteria including freedom, human rights, political events, efficiency, growth, equity, and employment

Elaboration

The roots of economic systems and the impact of subsequent change in these systems is the focus of this outcome. Students will be ready to construct more meaning about how societies fulfill the needs and wants of its members and how societies allocate their resources. Central to this outcome is the need to focus on the extent to which governments should intervene in the allocation of scarce resources. Put simply, the economy is the means by which people organize the production of needed goods and services using the resources they have available. It is important for students to understand there are different economic systems throughout the world — each dependent upon the histories, traditions, values, goals, and politics of the society. Students should learn that all societies, despite their differences, must make three basic economic decisions — what to produce, how to produce, and for whom. Students should distinguish among the unique characteristics, strengths, and limitations of four main economic systems—traditional, market, command, and mixed. Economics and politics are interrelated; therefore, students should also have knowledge of the four big political economies — communism, socialism, capitalism, and fascism. Students should examine the current patterns among emerging and developed economies, so students can understand how conflicts and/or opportunities arise and change occurs. Students may explore historical change and the subsequent impact on a particular economic system, or they may focus on variables impacting current and future economic systems. The threat to sustainability as populations continue to grow and additional resources need to be allocated accordingly should be part of this discussion.

Students will benefit from examining various issues surrounding economic systems, including political events/crises, natural catastrophes, over-harvesting of resources, labour shortages, emerging technologies, climate change, global health issues, poverty, war, and other issues. By the completion of the outcome, students should have a strong grasp of the different economic systems, and be able to apply their understanding to historical and current situations of various economies.

Unit 2: Microeconomic Concepts

	Students will be expected to ...
SCO 2.1 Demand and Supply	• analyse factors and interactions significant to demand and supply.
SCO 2.2 Theory of the Firm	• analyse the relationship among production, costs, revenue, and profit.
SCO 2.3 Market Structures	• analyse the factors and characteristics significant to market structures.
SCO 2.4 Financial Planning	• evaluate how saving, investing, and credit decisions impact financial planning.

Unit 2 can be divided into four sections. The first section relates to demand and supply. The concepts and ideas presented here will allow students to better examine the role producers and consumers play in the marketplace. The main theme of this outcome is market equilibrium. The second section outlines the theory of the firm. Students will learn about production, costs, revenue, and profits. The third section of this unit deals market structures: perfect competition, monopolistic competition, oligopoly, and monopoly. Finally, Unit 2 will provide students with the opportunity to learn more about financial planning. Topics such as credit, saving, and investing will be discussed. The emphasis on this outcome is to provide students with the knowledge and skills necessary to make informed decisions regarding personal finances.

Unit 2

Knowledge Dimension	Remembering	Understanding	Applying	Analysing	Evaluating	Creating
	Cognitive Process					
Factual						
Conceptual				**2.2, 2.3**	**2.4**	
Procedural				**2.1**		
Metacognitive						

2.1	Remembering	Understanding	Applying	Analysing	Evaluating	Creating
Factual						
Conceptual	**2.1.10**	**2.1.1, 2.1.2 2.1.3, 2.1.6 2.1.8, 2.1.11**		**2.1.4 2.1.12**		
Procedural			**2.1.5 2.1.9**	**2.1.7**		
Metacognitive						

Microeconomic Concepts

SCO 2.1 Demand and Supply

Students will be expected to ...

analyse factors and interactions that are significant to demand and supply.

Achievement Indicators

Students who have achieved this outcome should be able to

2.1.1 explain demand and supply, and the law of demand and supply

2.1.2 explain the relationship between price, and quantity demanded and supplied

2.1.3 explain the difference between movements along, and shifts in, the demand and supply curve

2.1.4 examine how factors can change demand and supply

2.1.5 graph a demand and supply curve, and changes in a demand and supply curve

2.1.6 explain how demand and supply interact to produce market equilibrium

2.1.7 examine demand and supply by graphing changes in equilibrium

2.1.8 explain the concepts of price elasticity of demand and supply

2.1.9 calculate price elasticity of demand and supply

2.1.10 define the concepts of price elastic demand and supply, price inelastic demand and supply, unit elastic demand and supply, perfectly elastic demand and supply, and perfectly inelastic demand and supply

2.1.11 explain the factors that affect price elasticity of demand and supply

2.1.12 analyse the causes and consequences of price controls

Elaboration

Within this outcome, students will examine demand and supply. Interactions related to price and quantity are a key component of this outcome. Students should examine the factors that change demand or shift the demand curve (e.g., number of buyers, changes in income, and prices of substitutes and complements). They should also examine the factors that change supply or shift the supply curve (e.g., number of producers, costs of the factors of production, and expectations). Students should learn the difference between a movement along and a shift in the demand and supply curve. They should graph demand and supply curves, and changes within the graphs when various factors are considered. Students should understand the demand curve represents the relationship between the price and the quantity demanded of a product, and the supply curve represents the relationship between the price and the quantity supplied of a product. A significant theme of this outcome is market equilibrium. Students should learn how demand and supply interact to produce market equilibrium. They should be able to understand how changes can result in a new market equilibrium and be able to graph those changes.

Students should learn the impact that price has on various goods and services. They should learn about the concepts related to price elasticity of demand and price elasticity of supply. The degree the demand or supply curve responds to a change in price reflects the curve's elasticity. Students should calculate the price elasticity of demand and the price elasticity of supply for a number of products. This makes it possible to quantify elasticity. Students should understand how various factors affect price elasticity of demand (e.g., number and closeness of substitutes, the degree of necessity, and portion of income spent on the good). It is also important for students to understand the effect a price change has on total revenue. The price elasticity of demand determines which has a greater influence on a seller's total revenue, a price change or the accompanying change to quantity demanded. Students should also understand how various factors affect price elasticity of supply (e.g., time, mobility of factors of production, and ability to store stock).

Finally, students should examine why governments impose price controls, such as price ceilings and price floors. Specifically, they should examine food price controls, rent controls, and minimum wage. They should also determine the impact and consequences of imposing a price ceiling and price floor. Students should take into consideration the winners and losers of imposing a price floor and/or a price ceiling.

Microeconomic Concepts

2.2	Remembering	Understanding	Applying	Analysing	Evaluating	Creating
Factual						
Conceptual	**2.3.1**	**2.3.2, 2.3.3, 2.3.5, 2.3.7, 2.3.8, 2.3.10, 2.3.11**		**2.3.6, 2.3.9, 2.3.12**		
Procedural			**2.3.4, 2.3.8, 2.3.11,**	**2.3.13**		
Metacognitive						

SCO 2.2 Theory of the Firm

Students will be expected to ...

analyse the relationship among production, costs, revenue, and profit.

Achievement Indicators

Students who have achieved this outcome should be able to

2.3.1 define production, costs, revenue, profit, and loss
2.3.2 explain economic costs, economic profit, and accounting profit
2.3.3 explain the difference between the short run and long run in the context of production
2.3.4 calculate total product, average product, and marginal product from a set of data
2.3.5 explain the law of diminishing returns
2.3.6 examine the relationship that exists among total product, average product, and marginal product
2.3.7 explain the difference between the short run and long run in the context of costs
2.3.8 calculate total fixed costs, total variable costs, total costs, average fixed costs, average variable costs, average total costs, and marginal costs from a set of data
2.3.9 examine the relationship among total costs, average costs, and marginal costs
2.3.10 explain the difference among increasing returns to scale, decreasing returns to scale, and constant returns to scale
2.3.11 calculate total revenue, average revenue, and marginal revenue from a set of data
2.3.12 examine the relationship that exists among total revenue, average revenue, and marginal revenue
2.3.13 analyse profit maximization and break-even point by interpreting graphs and calculating profit from a set of data

Elaboration

Within this outcome, students will develop a firm grasp of production, costs, revenue, and profits. Production is the process of converting resources or inputs into goods, services or outputs. Students should learn why a business tries to operate as efficiently as possible with the goal of making a given quantity of products at the lowest cost. Students should understand economic costs and economic profit. Economic costs are the opportunity costs of all resources employed by the firm, including explicit and implicit costs. Economic profit is the excess of a business's total revenue over its economic costs. Students should also understand the difference between accounting profit and economic profit.

Students should learn the difference between the short run and long run in the context of production. The short run is the period during which quantities of one or more inputs of a business cannot be changed. Inputs that cannot vary in the short run are fixed inputs and inputs that can vary are variable inputs. The long run is the period in which quantities of all resources used can be adjusted. Students should calculate total, average, and marginal product from a set of data. They should also understand the relationship that exists between each—this may be best accomplished by having students use and interpret graphs. The marginal product values reflect a law that applies to production in the short run—the law of diminishing marginal returns. At some point, as more units of a variable input are added to a fixed input, the marginal product will start to decrease. By using a graph, students can examine the rationale behind the shape of the total, average, and marginal product graphs. Students should be able to identify why the graphs initially rise and why they eventually fall.

In the short run, businesses have fixed and variable costs. Fixed costs relate to fixed inputs and therefore do not change when a business changes its quantity of output. Variable costs relate to variable inputs that change when a business adjusts the quantity produced. Total cost is the sum of the costs of all inputs. Students should calculate fixed costs, variable costs, total cost, and marginal cost. Marginal cost is the extra cost of producing an additional unit of output. By using a graph, students can examine the rationale behind the shape of each curve. For example, students should understand that the marginal cost curve will initially fall if the addition of new inputs produces a proportionally greater increase in output than in the existing labour. However, at some point, marginal product starts to decline. From this point, each new input contributes fewer extra units of output than previously was the case.

Students should explain the difference between increasing, decreasing, and constant returns to scale. Increasing returns to scale occur when a business expands all inputs for a certain product by a given percentage and the output rises by an even higher percentage. Constant returns to scale relates to a business that expands inputs by a given percentage and sees output rise by the same percentage. Finally, decreasing returns to scale occur when a business expands inputs to a product's production by a certain percentage and sees output rise by a smaller percentage.

Similar to production and costs, students will need to understand total revenue, average revenue, and marginal revenue. They should calculate each and be able to examine the relationship that exists between each. This is best done by examining graphs. Finally, students should examine profit. Profit is the difference between total costs and total revenues. By examining graphs, students can see that profit is maximized where the difference between total revenue and total cost is maximized. The break-even point occurs where average revenue is equal to average cost. This is also the point where marginal revenue equals marginal cost. Students should complete this outcome by calculating the profitability of a firm from a set of data.

2.3	Remembering	Understanding	Applying	Analysing	Evaluating	Creating
Factual						
Conceptual		**2.3.1 2.3.2 2.3.3 2.3.4**		**2.3.5**		
Procedural						
Metacognitive						

Microeconomic Concepts

SCO 2.3 Market Structures

Students will be expected to ...

analyse factors and interactions significant to market structures.

Achievement Indicators

Students who have achieved this outcome should be able to

2.3.1 explain monopoly, oligopoly, monopolistic competition, and pure competition

2.3.2 explain how the various types of market structures impact consumers

2.3.3 explain ways firms engage in price and non-price competition

2.3.4 describe laws and regulations adopted in Canada to promote competition, and protect businesses and consumers from illegal and unethical practices

2.3.5 analyse, using examples, the characteristics of a monopoly, oligopoly, monopolistic competition, and pure competition (e.g., number of businesses in the market; the barriers of entry; whether the products created are identical, very similar, or different; the level of competition; and the control over price and output)

Elaboration

Students will need to examine the different market structures: monopoly, oligopoly, monopolistic competition, and pure competition.

Perfect Competition (PC): Although perfect competition exists only in theory, it is used in economics as a key reference point to measure or compare with other market structures. PC has many buyers and sellers, a standard product, and low barriers to entry. Due to the nature of this market structure, no individual firm has any influence over the price of goods and services. Businesses that operate within a PC are price takers. This condition creates a very competitive environment in which price is determined by the market as a whole. Products in this market structure are considered homogeneous, meaning buyers will have no preference or loyalty to individual firms. There are no significant legal, technical, or financial obstacles to enter or leave industries operating in a PC. Due to the degree of competition, if a firm decides to increase its price, it would sell nothing since buyers have the ability to purchase from several competitors. A firm will only sell products at the established market equilibrium price; to sell below market equilibrium would impact revenue and profits. It is for this reason that an individual firm faces a perfectly elastic demand curve.

Monopolistic Competition (MC): Similar to PC, in an MC there are many buyers and sellers. The main difference between MC and PC is that firms compete by differentiating their products from their rivals. By persuading consumers that their product is different, firms operating in a MC are sometimes able to charge a different price than their competitors. In reality, these differences may be real or imagined. Advertising and promotion can sometimes create the belief that one product is better than the other when in fact there may very little difference. Therefore, within MC, firms have some price control, and are price makers to a limited extent. Effective product differentiation allows an MC firm to face highly elastic rather than perfectly elastic demand. The more effectively a firm differentiates its product, the more control that firm will have over price. A firm can raise its price without losing all of its sales if consumers are loyal and feel that the product is worth more than other less costly substitutes. Barriers to entry and exit for firms in this market are quite minimal.

Oligopoly: An oligopoly is a market structure that consists of a few large firms that dominate and control the majority of supply of industry output. Within this type of market structure, firms have considerable influence over price and output. Firms that operate in an oligopolistic industry are well aware of the actions and strategies used by their competitors. Pricing and promotional activities used by one firm will usually be quickly matched by others to avoid losing market share. Products within this type of market may be homogeneous or differentiated. Considering there are only a few large firms that dominate the industry there are significant barriers to entry and exit. For new firms, it can be very difficult to enter into oligopolistic industries. It typically requires a large initial capital investment and a certain level of economics of scale in order to be competitive with existing firms. Firms in an oligopoly are reluctant to engage in price wars. Prices in this market structure therefore tend to be quite stable. If a firm attempts to lower its prices, it will likely only have a short-term benefit since competitors will soon follow suit. This can put downward pressure on prices and lead to a reduction of revenue and profits. This concept is illustrated in a kinked demand curve. Firms in this market structure therefore tend to compete using non-price competition. Students should understand how various firms engage in price and non-price competition. Non-price competition (e.g., advertising, packaging, product development, and quality of service) is common in oligopolies in order to avoid a price war. Students can use game theory (the prisoner's dilemma) to illustrate strategic behaviour—behaviour that takes into account the expected behaviour of others and the recognition of mutual interdependence.

Monopoly: A monopoly is a market structure in which there is a single seller of a commodity that has no close substitutes. Considering the firm has no close substitutes, the monopolist is a price maker. There are extensive barriers to entry within a monopolistic market structure, which leaves the monopolist in a secure position. Lack of competition, in some areas, is considered more realistic. This is the case for many government services. Considering only one firm exists in a monopoly, its demand curve becomes the demand curve for the industry or market. The demand curve is down-sloping, which means the monopolist has tremendous influence over either price or quantity. If prices are raised in this market structure, demand will likely be inelastic, considering consumers have little choice in substitutes. This does not create a great environment for consumers; however, if prices become too high, a government can step in and intervene. Students should also understand laws and regulations adopted in Canada to promote competition, and protect businesses and consumers from illegal and unethical practices (e.g., collusion, tacit collusion, and predatory pricing).

2.4	Remembering	Understanding	Applying	Analysing	Evaluating	Creating
Factual						
Conceptual		**2.4.1 2.4.2**		**2.4.3 2.4.4**	**2.4.5 2.4.6**	
Procedural						
Metacognitive						

Microeconomic Concepts

SCO 2.4 Financial Planning

Students will be expected to ...

evaluate how saving, investing, and credit decisions impact financial planning.

Achievement Indicators

Students who have achieved this outcome should be able to

2.4.1 understand the principles of sound financial planning (e.g., the importance of saving and investing, accessing and managing credit, the impact of compound interest, diversifying investments, and the relationship between risk and return)

2.4.2 explain the role of debt and equity securities in the marketplace from an investor and a business point of view

2.4.3 distinguish between various credit products (e.g., credit cards, credit lines, overdraft, variable/fixed rate loans, and mortgages), investment products (e.g., guaranteed investment certificates, stocks, bonds, mutual funds), and investment accounts (e.g., registered retirement savings plans and tax-free savings accounts)

2.4.4 analyse how the stock market functions

2.4.5 evaluate information from the stock market

2.4.6 evaluate the appropriateness of different types of financial assets and credit products based on personal preferences, goals, and life stages

Elaboration

The main objective of this outcome is for students to learn about financial planning. One does not have to look too far to find an article related to the importance of saving and investing, or the serious financial difficulties that can be brought on by poor credit decisions. For many students, proper financial planning seems overwhelming considering all of the information, terminology, and myths. Teachers must work with students to make them aware of the principles involved in the financial planning process. For both investing and credit decisions, students must learn the key stages a person should go through in order to make an informed decision. Students should also be aware of the possible consequences of making uninformed or impulse decisions. In order to fully cover this outcome, it may be beneficial to have a guest speaker from a local financial institution visit the class.

It is important that high school students receive guidance around money. Most students enjoy spending money, but they need to be aware of the benefits related to saving and investing. Before you invest your money, you need to save. A saver limits spending and allows a surplus of funds to accumulate. An investor puts savings to work with the expectation of future return or benefit. Saving and investing can help students reach both their short-term and long-term goals. Students should become familiar with the types and features of different investments, such as guaranteed investment certificates, stocks, bonds, and mutual funds. Students should follow a variety of investment products over time to see how they can fluctuate; for example, students can consider the original principal invested, dividends, capital gains, interest, stock splits, and taxes.

It is important that students understand the benefits and limitations of both a registered retirement savings plan and a tax-free savings account. It is within these two accounts that many Canadians purchase investment products. A study into investments will lead students to a discussion about the role of financial securities, including shares (common and preferred) and bonds. These are two common external sources of financing used by businesses to raise funds and grow. A stock market project will help students understand the concept of securities and the terminology associated within the market. This project will also allow students to see the importance of diversification and the relationship between risk and return. These two topics are also greatly tied to what stage in life a person is going through. For example, it would not be wise to invest in a risky stock with the money you plan on using for a down payment on your home.

Financial planning also relates to credit. Students should discuss the use of credit in Canada, different credit products, credit reporting documents, and the terminology used with credit contracts (e.g., fixed/variable rate, principal, and amortization). The 5 Cs of credit should also be covered: character, co-signer/collateral, credit history, capacity, and capital. These 5 Cs are typically what credit granting institutions use to determine risk. Usually, a risky client will be refused credit or will be charged more interest to compensate for the high level of risk. As students mature, they will be exposed to a variety of credit products. They need to be well informed and develop an awareness of these products in order to avoid serious financial difficulties.

Unit 3: Macroeconomic Concepts

	Students will be expected to ...
SCO 3.1 Measuring Economic Activity	• analyse factors and concepts significant to economic indicators and economic fluctuations.
SCO 3.2 Money and Financial Institutions	• demonstrate an understanding of the historic and current roles of money and financial institutions in our society.
SCO 3.3 Monetary Policy	• analyse factors and concepts significant to monetary policy.
SCO 3.4 Fiscal Policy	• analyse factors and concepts significant to fiscal policy.

Unit 3 relates to macroeconomics. Macroeconomics combines the individual markets of a nation to determine its economic health. Unit 3 will introduce students to macroeconomic concepts such as gross domestic product, consumer price index, inflation, unemployment, and the various stages of the business cycle. These economic indicators are important for governments to make fiscal and monetary polices. These policy decisions impact government spending, taxes, and interest rates, and can impact all levels of government.

Unit 3

Knowledge Dimension	Cognitive Process: Remembering	Understanding	Applying	Analysing	Evaluating	Creating
Factual						
Conceptual		**3.2**		**3.3, 3.4**		
Procedural				**3.1**		
Metacognitive						

3.1	Remembering	Understanding	Applying	Analysing	Evaluating	Creating
Factual						
Conceptual		**3.1.2, 3.1.4 3.1.5, 3.1.6, 3.1.7**		**3.1.1, 3.1.9, 3.1.10, 3.1.11**		
Procedural			**3.1.8**	**3.1.3**		
Metacognitive						

Macroeconomic Concepts

SCO 3.1 Measuring Economic Activity

Students will be expected to ...

analyse factors and concepts significant to economic indicators and economic fluctuations.

Achievement Indicators

Students who have achieved this outcome should be able to

3.1.1 examine the circular flows of income and spending—incorporating households, businesses, financial markets, and government

3.1.2 explain the difference between GDP and GNP, real and nominal GDP, total and per capital GDP, and the income and expenditure approach when measuring GDP

3.1.3 examine GDP by calculating nominal GDP using the expenditure and income approach, and real GDP using the GDP deflator

3.1.4 explain the concept and phases of the business cycle

3.1.5 distinguish between the microeconomic concepts of demand and supply, and the macroeconomic concepts of aggregate demand and aggregate supply

3.1.6 explain inflation, deflation, hyperinflation, nominal income, real income, and the consumer price index (CPI)

3.1.7 explain labour force, participation rate, unemployment rate, full employment, and the natural unemployment rate

3.1.8 calculate the participation rate and the unemployment rate

3.1.9 distinguish among frictional, seasonal, structural, and cyclical unemployment, and provide examples of each

3.1.10 analyse the relationships that exist among economic indicators

3.1.11 examine the limitations of economic indicators

3.1.12 examine the possible consequences of economic growth, inflation, deflation, and unemployment

Elaboration

The main theme of this outcome relates to key economic indicators. These concepts are crucial when determining the economic stability of a nation. This outcome focuses on economic growth, inflation, and unemployment. Gross domestic product (GDP) is the most prominent measure of economic growth. GDP is the total dollar value of all final goods and services produced in Canada over a given period. Students must describe, using a diagram, the circular flow of income and expenditures among households, firms, financial markets, and government. Students must understand that while GDP focuses on incomes made in Canada, gross national product (GNP) focuses on the earnings of Canadians both within Canada and elsewhere. By tracking changes in GDP over time, students can determine if a nation's economy is expanding or contracting. They can also compare the GDP among different nations and discuss how GDP is used to gauge a standard of living. Per capita GDP is used to provide data to compare our standard of living. Students should become familiar with both the income and expenditure approach when measuring GDP. Students should understand the difference between real and nominal GDP. Real GDP does not take inflation into account, while nominal GDP does. Students must calculate nominal GDP using the expenditure and income approach and real GDP using the GDP deflator. When discussing GDP and economic growth, the business cycle should be explored. Students should be able to explain each phase of the business cycle.

Students should understand the difference between demand and supply at the microeconomic level and aggregate demand and aggregate supply at the macroeconomic level. Students should understand the factors that change aggregate demand (consumption, investment, government spending, and net exports) and aggregate supply (input prices and government policies). The short run equilibrium point is the intersection between aggregate demand and aggregate supply.

Inflation is the general increase in the prices of goods and services in an economy over time. One of the economic goals of government policy-makers is to try to minimize the county's inflation. Students should understand that as inflation rises, the purchasing power of a single dollar falls. Students should also understand deflation and hyperinflation. Students should know that inflation and deflation are typically measured by calculating a consumer price index (CPI), which measures price changes for a typical basket of consumer goods for the average household. Students should also understand nominal income and real income. Another goal of Canada is full employment. Students should understand that only a person who is able to, and is looking for work, but is not working is considered unemployed. Babies, students, retirees, and people who have given up looking for a job are not included as members of the labour force. Students should distinguish among the types of unemployment— structural, frictional, cyclical, and seasonal, and examples of each should be discussed. Students should be able to calculate the participation rate and the unemployment rate, and explain full employment and the natural unemployment rate.

Students should break down the economic indicators and apply the concepts at the individual, business, and government levels. Students must also understand how to interpret, compare, and analyse the relationships among economic indicators. For example, higher prices caused by inflation may cause real GDP to increase, when in reality the economy has not changed. Students should also explain the limitations of each economic indicator. As well, the consequences of economic growth, inflation, and unemployment should be examined. A decrease in GDP can impact living standards, unemployment, and the distribution of income. Although an increase in GDP is generally viewed as a positive change, it may account for environmental destruction or drive up inflation, potentially mitigating any gains. High inflation can lead to uncertainty within the economy, impact savings, and damage the competitiveness of exports. Deflation can lead to high levels of cyclical unemployment and bankruptcies. Finally, some of the consequences of unemployment include loss of GDP, loss of tax revenue, loss of income for individuals, increased crime rates, increased stress levels, family breakdown, and homelessness.

3.2	Remembering	Understanding	Applying	Analysing	Evaluating	Creating
Factual						
Conceptual		**3.2.1 3.2.2 3.2.3 3.2.4 3.2.5**				
Procedural						
Metacognitive						

Macroeconomic Concepts

SCO 3.2 Money and Financial Institutions

Students will be expected to ...

demonstrate an understanding of the historic and current roles of money and financial institutions in our society.

Achievement Indicators

Students who have achieved this outcome should be able to

3.2.1 explain the history, nature, and functions of money

3.2.2 explain the forms of our money supply

3.2.3 explain the basic functions of the Canadian banking system and other financial institutions, such as insurance companies, credit unions, payday loan companies, and investment firms

3.2.4 explain the fractional reserve principle and the deposit multiplier

3.2.5 explain the importance of strong financial markets

Elaboration

The nature of money and its evolution are the focal points of this outcome. Students should learn how early systems of exchange, such as bartering, gave way to more efficient and convenient means of exchange as trade expanded and the roots of globalization were sown. Students are familiar with contemporary forms of money—cash, debit, and credit cards — but may not know about earlier forms of currency such as commodity money (e.g., cattle, wheat, tools, gold, silver, and copper). The shift to coinage in seventh century BC did not have far to go, since metals had already been introduced. A paper system was developed by the Chinese in seventh century CE, although it was used merely as a receipt for coinage until seventeenth century England, when paper was actually used as currency to purchase goods. From there, paper money progressed to legal tender. With time, the nature of money became more and more abstract; now, for example, we deal in electronic money. Students should learn about the three main functions of money—a medium of exchange, a measure of value, and a store of value—and they may speculate about future forms and functions of money. They should also learn about money supply, which is made up of currency and deposits: demand deposits, notice deposits, term deposits, and foreign currency deposits. Based on the functions of money and the types of money supply, money can be defined narrowly or broadly.

Most students will think about banks when they hear the term financial institution. Students should learn where and why banks came into being. They may explore some of the more general origins of banking, but the main focus will be on the composition of the Canadian banking system, namely charter banks. Students should learn that Canada operates on a branch banking system (different from the unit banking model in the United States) and that Canada's "Big Six" institutions control as much as 90% of the assets in the country. Banks provide a safe place to store and access money. In their basic form, banks use a portion of the money deposited to provide loans to others. Students should understand that traditionally, chartered banks, trust companies, insurance companies, and investment dealers formed four distinct pillars within the Canadian financial system. Financial deregulation has allowed each institution to perform a wider range of functions. Some discussion should be directed to each financial institution and the functions it performs.

By completion of this outcome, students should be able to explain the concepts and terminology related to the fractional reserve principle and the deposit multiplier. Students should also be made aware of the importance of having strong financial markets. Financial markets provide a forum where suppliers of funds (savers) and demanders of funds (users) can transact business. In exchange for using their funds, users provide a financial security to savers. For a typical chequing account, a modest level of interest is typically provided; however, bonds generally provide a higher level of interest. Most securities have a risk versus reward trade-off, and the type of security indicates the compensation the saver will receive. In Canada's economy, individuals, business organizations, and governments are part of financial markets. To have financial markets that function efficiently, participants must have trust in the system. In some non-democratic, non-capitalistic countries, there is no trust in the financial markets due to corruption and currency instability. These countries have difficulty growing and developing.

3.3	Remembering	Understanding	Applying	Analysing	Evaluating	Creating
Factual						
Conceptual		**3.3.1 3.3.2 3.3.5 3.3.6 3.3.7**		**3.3.3 3.3.4 3.3.8**		
Procedural						
Metacognitive						

Macroeconomic Concepts

SCO 3.3 Monetary Policy

Students will be expected to ...

analyse the factors and concepts significant to monetary policy.

Achievement Indicators

Students who have achieved this outcome should be able to

3.3.1 explain monetary policy

3.3.2 explain the roles of the Bank of Canada

3.3.3 distinguish between the Federal Government's use of expansionary monetary policy and contractionary monetary policy to promote price stability, full employment, and economic growth

3.3.4 examine the tools of monetary policy: bond sales/purchases and the overnight rate

3.3.5 describe how changes in interest rates impact individuals and businesses

3.3.6 explain how monetary policy can influence aggregate demand and aggregate supply

3.3.7 describe the strengths and weaknesses of monetary policy

3.3.8 analyse the implications and complexity of decisions regarding monetary policy

Elaboration

This outcome focuses on monetary policy. Monetary policy refers to making changes in a nation's money supply for the purpose of influencing the economy. The government's strategies regarding monetary policy have become more publicized and debated in recent years. The Bank of Canada, our central bank, is the main agent that affects such changes in the money supply. Students should understand the functions of the Bank of Canada: issuer of currency; banker of the government; manager of reserves of foreign currencies; auditor, inspector, and lender to commercial banks; and regulator of the money supply.

Students should understand the impact the Bank of Canada has on monetary policy. In an effort to influence monetary policy, the Bank of Canada tries to control inflation and attempts to curb downturns in the economy. To achieve these objectives, the Bank of Canada buys and sells government securities in the open market. In times when it is necessary to stimulate output and increase employment, the Bank of Canada can use expansionary monetary policy and buy securities. The demand for securities will cause bond prices to rise and interest rates to fall. Bond prices and interest rates have an inverse relationship. Lower interest rates encourage more borrowing and spending amongst individuals and businesses. In times when the Bank of Canada believes the economy is growing too rapidly, it can use contractionary monetary policy to deter inflation. In this case, the bank will sell securities at prices that guarantee someone will buy them. The influx of securities causes bond prices to fall and interest rates to rise.

Another tool used to influence monetary policy is the overnight rate. The overnight rate is the official rate of the Bank of Canada and the rate it charges on loans to commercial banks. This rate stays in effect until it is changed by the Bank of Canada and generally influences all other interest rates (e.g., prime rate and mortgage rates). To the average consumer interested in purchasing a new house or car, the interest rate is one of the most important of all economic statistics. It has the power to shape the future for most of us, whether we are interest earners or interest payers. To a business planning a new capital investment, a change in interest rates will often tip the decision of whether or not to go ahead. As mentioned above, a drop in the overnight rate signals expansionary policy, which means credit is more freely available and cheaper. Contractionary policy, which means less money in the economy, is reflected in a higher bank rate. Students should know the benefits and drawbacks of monetary policy and ultimately be able to examine how well Canada's monetary policies are achieving economic stability. A link should be made between expansionary monetary policy and contractionary monetary policy and its impact on aggregate demand and aggregate supply.

The economic health of an economy depends on the money supply growing but not too quickly or slowly. Students must learn that there are implications for an economy that has too much money and/or too little money. If the Bank of Canada increases the money supply too much, it would result in inflation. If the Bank of Canada does not increase money supply enough, it would result in a recession or low economic growth. When making decisions around monetary policy, the Bank of Canada tries to make the right choices appropriate for the economy. The wrong decision can have significant implications.

3.4	Remembering	**Understanding**	Applying	**Analysing**	Evaluating	Creating
Factual						
Conceptual		**3.4.1 3.4.2 3.4.3 3.4.4 3.4.6**		**3.4.5 3.4.7**		
Procedural						
Metacognitive						

Macroeconomic Concepts

SCO 3.4 Fiscal Policy

Students will be expected to ...

analyse the factors and concepts significant to fiscal policy.

Achievement Indicators

Students who have achieved this outcome should be able to

3.4.1 explain fiscal policy

3.4.2 explain the difference among a budget deficit, a budget surplus, a balanced budget, and the national (government) debt

3.4.3 describe specific taxes paid by different stakeholders (e.g., income tax, sales tax, property tax, corporate tax, capital gains tax) and classify them by type (e.g., progressive, regressive, and proportional; direct and indirect)

3.4.4 describe the major revenue and expenditure categories of each level of government in Canada

3.4.5 distinguish between the Federal Government's use of expansionary fiscal policy and contractionary fiscal policy to promote price stability, full employment, and economic growth

3.4.6 explain how fiscal policy can influence aggregate demand and aggregate supply

3.4.7 analyse the implications and complexity of government budgetary decisions (e.g., priorities, cuts, opportunity cost, impact on government debt, impact on individuals and businesses)

Elaboration

In this outcome, students should learn about fiscal policy. Fiscal policy relates to the government's approach toward its own spending and taxation. In Canada, the government's fiscal policy is revealed when the Minister of Finance "brings down" the budget in Parliament each spring. The annual budget provides estimates on government revenues and expenditures. Students should understand the difference between budget deficits/surpluses and the government's debt. If a government spends more money than it collects through taxes, it will lead to a budget deficit. If net tax revenue is in excess of government spending, then it will lead to a budget surplus. It is very rare that a government produces a balanced budget. Students should understand that the national debt is the summation of all of the flows of deficits and surpluses.

Although fiscal policy relates to the nation's economy, students should also explore taxes and spending at the provincial and municipal levels. By the completion of this unit, students should understand the major source of revenue for each level of government is the collection of taxes (direct and indirect). Other sources of revenue include the sale of goods and services, and the sale of government-owned enterprises. Municipal, provincial, and federal governments are responsible for different services. These services typically require a large expenditure of funds. The Federal Government is responsible for issues that affect the whole country, such as international relations, immigration, criminal law, national defence, and foreign policy. The provincial government is responsible for issues that affect the province as a whole, such as education, health care, agriculture, and highways. The municipal government receives its power from the provincial government. The city, town, or municipal council decides on by laws that deal with issues concerning the community, such as public parks, libraries, social services, local police and fire services, garbage removal, recycling, and public transportation.

Governments usually take measures to stabilize the economy, both during inflationary upswings and downturns. A stabilization policy attempts to lessen the effects of the business cycle. Considering that a government's annual budget indicates the government's plans regarding taxes and spending, it becomes a tool for stabilization policy. Students should be able to relate their prior knowledge of GDP to see how fiscal policy can change GDP. To improve GDP, the government can implement an expansionary fiscal policy that involves increasing government purchases, decreasing taxes, or both. A reduction in taxes encourages most consumers to purchase more because government is taking a smaller portion of their income. When consumers spend more, producers increase their output, and GDP increases. Additional government spending also increases GDP. During a period of heavy inflation, government policy-makers concentrate on limiting output and spending. This contractionary fiscal policy involves decreasing government spending, increasing taxes, or both. A link should be made between expansionary fiscal policy and contractionary fiscal policy and its impact on aggregate demand and aggregate supply.

Students must examine the challenge governments face when determining where to allocate funds within the budget. Students should think about the factors that need to be considered when governments determine priority areas and areas that will be cut or reduced. They should consider the opportunity cost of a government budgetary decision as well as the impact of government debt on individuals and businesses.

Unit 4: Global Economic Concepts

	Students will be expected to ...
SCO 4.1 Canada and the Global Economy	• evaluate factors and concepts significant to trade.

Unit 4 builds upon the macroeconomic concepts introduced in the previous unit. The growth and development of vast globalized firms demonstrate how the world is changing and becoming more interconnected. Technology is playing a substantial role in bringing people and nations closer than they have ever been. As national economies become more connected, it becomes more important for students to learn concepts and information surrounding trade. In this unit, students will learn about factors that are significant to trade. Students should learn why trade takes place and the various reasons for and against international trade.

Unit 4

Knowledge Dimension	Remembering	Understanding	Applying	Analysing	Evaluating	Creating
	Cognitive Process					
Factual						
Conceptual					**4.1**	
Procedural						
Metacognitive						

4.1	Remembering	Understanding	Applying	Analysing	Evaluating	Creating
Factual						
Conceptual		**4.1.1 4.1.2 4.1.3 4.1.4 4.1.5 4.1.7**		**4.1.6**	**4.1.8**	
Procedural						
Metacognitive						

Global Economic Concepts

SCO 4.1 Canada and the Global Economy

Students will be expected to ...

evaluate factors and concepts significant to foreign trade.

Achievement Indicators

Students who have achieved this outcome should be able to

4.1.1 explain key terms related to foreign trade (e.g., globalization, protectionism, free trade, exchange rate, absolute advantage, comparative advantage, exchange rates, and specialization)

4.1.2 explain why trade takes place between nations

4.1.3 describe the nature of Canada's foreign trade

4.1.4 explain international trade agreements, trading blocs, and current and emerging trading patterns

4.1.5 explain how globalization is changing the economic landscape locally, nationally, and internationally

4.1.6 examine the theories of absolute and comparative advantage

4.1.7 explain the types of trade protection (e.g., tariffs, quotas, regulations, and subsidies)

4.1.8 argue for or against trade protection or free trade

Elaboration

Advancements in technology have made the world a global marketplace. Markets are no longer confined to their national borders, and in order to stay competitive, businesses must buy resources and sell products internationally. Students should understand that trade between countries is on the rise, and nations are becoming more interdependent. Foreign trade allows individual countries to concentrate on what they do best. This leads to lower prices and greater choices for consumers, the ability of producers to benefit from economies of scale, the ability to acquire needed resources, a more efficient allocation of resources, increased competition, and a source of foreign exchange.

Students should consider the various trade relationships Canada has built and established with other countries (e.g., the North American Free Trade Agreement). Here, students should learn Canada's major trading partners and the products that Canada trades. Based on their knowledge of GDP, students should be able to speak about Canada's balance of trade. A balance of trade provides information on the value of goods and services exported minus the value imported. To understand current trends as well as historical trade relationships, students can access and use trade data. This provides the basis for students to forecast future trends in trade. Students should also understand the major international organizations that are responsible for regulating trade and encouraging fair practices (e.g., the World Trade Organization). Students should also learn about various trading blocs, including the European Union, and the agreements they have formed.

An important gain from international trade comes from specialization. Various factors—such as climate, technology, human resources, and natural resources—impact what a country specializes in. Absolute and comparative advantages are two factors students should understand. Students should know why countries focus on areas in which they are more efficient, as in the case of absolute advantage. They should also know the benefit enjoyed for supplying products with a lower opportunity cost compared with other countries. Students should review various examples that illustrate the absolute and/or comparative advantage in producing a product. Students should calculate the opportunity cost from a set of data in order to identify comparative advantage. Students should understand that most trade occurs due to a comparative advantage in the production of a particular good or service.

Students should understand the various types of trade protection (e.g., tariffs, quotas, regulations, subsidies). By the end of this outcome, students should examine the arguments in favour of free trade (e.g., lower prices and greater choices for consumers, the ability of producers to benefit from economies of scale, the ability to acquire needed resources, a more efficient allocation of resources, increased competition, a source of foreign exchange). They should also examine the arguments in favour of trade protection (e.g., the protection of domestic jobs, national security, cultural sovereignty, protection of infant industries, and maintaining environmental and safety standards). They should then examine the arguments against free trade (see the arguments in favour of trade protection) and the arguments against trade protection (e.g., a misallocation of resources, the danger of retaliation or "trade wars," increased costs of production because of lack of production, higher prices for consumers, and a less efficient and less responsive economy). Students should clearly understand the winners and losers of free trade and trade protection. Finally, students should debate either for or against free trade or trade protection. Students should discuss the real-world relevance of these concepts and use evidence based arguments.

Unit 5: Student Inquiry on Economic Issues

	Students will be expected to ...
SCO 5.1 Independent or Collaborative Inquiry	• produce a project on an area of interest in economics by following the inquiry process.

Unit 5 allows students to focus on developing and applying the processes of economic inquiry. This process is integrated within the course to enable students to study economics through varied approaches and to explore their own areas of interest. **Students should begin this process at the beginning of the semester to receive the guidance and support necessary to move through the inquiry process.** Topics can come from a variety of sources, including discussions related to the textbook, current events, or suggested topics provided within this curriculum guide. Many of these topics should arise throughout the course; however, this unit allows for more in-depth study. This examination of a particular topic should take the form of independent or collaborative study to reinforce students' understanding of the concepts taught throughout the course and to provide students with an opportunity to demonstrate their ability to apply these concepts to practical *real-world* situations. This independent study could take various forms, such as a research paper, oral presentation, video presentation, group project, or a situational re-enactment. Despite the form the independent study may take, it is important that students follow the inquiry method.

Unit 5

Knowledge Dimension	Cognitive Process: Remembering	Understanding	Applying	Analysing	Evaluating	Creating
Factual						
Conceptual						
Procedural						**5.1**
Metacognitive						

5.1	Remembering	Understanding	Applying	Analysing	Evaluating	Creating
Factual	Driven by the Inquiry Process					
Conceptual						
Procedural						
Metacognitive						

Student Inquiry on Economic Issues

SCO 5.1 Independent or Collaborative Inquiry

Students will be expected to ...

produce a project on an area of interest in economics by following the inquiry process.

Achievement Indicators

Students who have achieved this outcome should be able to

5.1.1 formulate insightful and effective questions to guide inquiry into economic problems or issues

5.1.2 locate, critically select, and accurately reference appropriate sources to support inquiry

5.1.3 access ideas from oral, written, visual, and statistical sources to identify arguments and evidence

5.1.4 uncover, interpret, and build supporting evidence for their own interpretations

5.1.5 assess options and formulate reasoned opinions based on relevance, importance, and adequacy of supports

5.1.6 present ideas to others by considering purpose, audience, communication forms, and styles

5.1.7 act co-operatively with others to promote mutual interests, self-assessment, and reflection on learning

Elaboration

In order for students of ECO621A to become fully engaged in the inquiry process, they will need to draw upon their prior knowledge, conduct preliminary research to help them define the direction of their inquiry, and ask many questions. Classroom discussions about specific economic issues may help them to decide where their inquiry will lead them. Current events portrayed in the media may be catalysts for student inquiry, as may information from other sources. A research plan will ensure that students know what is expected of them and will provide a means of keeping track of progress throughout the inquiry unit. At the beginning of the semester, teachers should introduce the inquiry process and provide each student with the *Student Guide to the Inquiry Process*. This guide provides mini-lessons for each stage of the inquiry process and guided practice that models the expectation for students.

APPENDICES

Overview of Appendix

This appendix was designed to support the instruction and formative assessment of the Introductory Economics ECO621A curriculum. The secondary business curriculum specialist at the Department of Education, Early Learning and Culture will continue to work with teachers and ensure this document reflects current best practices.

The learning experiences and formative assessment tools in this document are provided as samples that relate to each of the specific curriculum outcomes (SCOs). Teachers can tailor these documents to suit the specific learning experiences they design.

Learning experiences and formative assessment exercises should always align with SCOs.

Unit 1: Introduction to Economics

SCO 1.1: analyse the fundamental concepts and purpose of economics

SCO 1.2: analyse the roots and characteristics of various economic systems

Title	Explanation
ECONO: Find Someone Who ...	This is a diagnostic assessment used to gauge students' readiness to acquire the knowledge and skills in ECO621A. This worksheet was adapted from one created by Karen Sheppard from the University of Toronto.
Economics in the News	This two-page document can serve as a template for students to complete when reading about current events. By writing and thinking about their current event, students will better understand the news story and be in a better position to share the story with the class. These worksheets were adapted from a Newfoundland curriculum document.
Forms of Business Enterprise	This worksheet can be used as an organizer to help students to distinguish among various forms of business enterprises.
A Morning with Mr. Peabody	This exercise provides students with a realistic story that relates to scarce resources, choices, and opportunity cost. This worksheet was adapted from one created by Karen Sheppard from the University of Toronto.
Choice/Limited Resources/ Opportunity Cost	Students can extend their understanding of the fundamental economic principles by completing this worksheet. This activity pushes students to personally reflect on their choices, limited resources, and the opportunity cost of their decisions.
Production Possibility Curve	This is a graphing exercise that asks students to create a production possibility curve. Students are asked to analyse the curve and various scenarios that will help them interpret the curve.
Introduction to Economics—Matching	This exercise provides students with popular terminology used in economics. Students must match the vocabulary terms with the best definition.
Economic Goals	Students are asked to match various economic goals to the proper explanation. Students are then asked to think about these economic goals at a deeper level.
Economics and Careers	Students can use this worksheet to examine various careers that have a focus on economic skills and knowledge. Students can access career information by looking on the Government of Canada Job Bank website and clicking on Explore Careers.
Economic Systems	This worksheet can be used as an organizer to help students distinguish among the various economic systems.
Market Economy vs. Command Economy	This two page simulation pushes students to think deeply about the implications of a market economy and a command economy.
Canada's Economic System	Students will take on the role of a member of a diplomatic mission that will be traveling to a newly formed country. The country is considering adopting a mixed market economy similar to Canada's, so students need to provide information on Canada's economic system.
Country Profile	Students can examine the economic system of a country of their choice. The analysis should reflect the criteria listed in the instructions.

E	C	O	N	O
… knows the difference between a need and a want *1st Name:* _____ *last:* _____	… has shopped at a department store in the last week *1st Name:* _____ *last:* _____	… has invested in the stock market *1st Name:* _____ *last:* _____	… filed an income tax return & received a refund *1st Name:* _____ *last:* _____	… can state one recent consumer trend *1st Name:* _____ *last:* _____
… can name the current federal finance minister *1st Name:* _____ *last:* _____	… can name a franchise *1st Name:* _____ *last:* _____	… thinks they would be a successful business person *1st Name:* _____ *last:* _____	… knows the decade of the Great Depression *1st Name:* _____ *last:* _____	… can name a Canadian business newspaper *1st Name:* _____ *last:* _____
… can name 2 properties on the game Monopoly *1st Name:* _____ *last:* _____	… can name one function of the Bank of Canada *1st Name:* _____ *last:* _____	***Economics*** **FIND SOMEONE WHO …** 	… owns, or knows someone who owns, a Canada Savings Bond *1st Name:* _____ *last:* _____	… can ID one non-profit organization *1st Name:* _____ *last:* _____
… can list three natural resources *1st Name:* _____ *last:* _____	… has seen a movie with an economic theme *1st Name:* _____ *last:* _____	… knows an entrepreneur *1st Name:* _____ *last:* _____	… knows what TSE stands for *1st Name:* _____ *last:* _____	… will buy lunch or dinner today *1st Name:* _____ *last:* _____
… knows Canada's biggest trading partner *1st Name:* _____ *last:* _____	… can name a product whose price fluctuates *1st Name:* _____ *last:* _____	… owns an asset valued over $500 *1st Name:* _____ *last:* _____	… can state what GDP stands for *1st Name:* _____ *last:* _____	… keeps a personal budget *1st Name:* _____ *last:* _____

Economics in the News
(1/2)

Title/Headline:

Source:

Date:

This article is about ...

The main point of this article is ...

Provide information on _____ of the following:
What caused the events, situation, or outcome in this article ...

The article connects to another item in the news, topic we have discussed in the course, or situation I am familiar with ...

Economics in the News
(2/2)

After reading the article, I thought about ...

The lessons that can be learned from this article are ...

What impact is this person, business, decision or situation having on the greater community?

This article is important because ...

Instructions – Distinguish among structure, governance, raising funds, ease of dissolution/continuity, expenses, decision-making, liability, and profits of each form of business enterprise. Provide examples of each.

Forms of Business Enterprise
Sole Proprietorship
Partnership
Corporation
Co-operative
Public Entity

A Morning with Mr. Peabody

Carefully read this story and then answer the accompanying questions.

Mr. Peabody woke up late for work. He only had 25 minutes before he had to leave his house. He did not have time to shower and eat breakfast, so he just jumped in the shower, got dressed, and ran out the door. Mr. Peabody made it to work on time, but he was very hungry. He reached into his wallet and found he only had $5.00. As he was walking to the vending machine, he ran into Kathy, a co-worker. She was collecting donations to raise money for cancer research, and Mr. Peabody had promised to make a donation. This was the final day she was collecting, so Mr. Peabody gave away his last $5.00. Mr. Peabody then went back to his computer. He began to work, and all of a sudden his computer screen froze. This usually happens about once a week. Mr. Peabody does not understand computers very well, so he phoned computer services to help him with the problem. He could probably figure out the issue, but he thought it was easier to just ask for help. At lunch, Mr. Peabody borrowed a few dollars from a friend, and they went to a local restaurant. Mr. Peabody could not decide if he wanted the hamburger or the chicken fingers. He picked the burger and sat down to enjoy his lunch.

Record your answers to the questions in the table below.

a) Identify the scarce resources in the story.

b) Given the scarce resources, what choices did Mr. Peabody make?

c) What was the opportunity cost of each choice?

Scarce Resource	**Choice Made**	**Opportunity Cost**
1. Time	Chose to have a shower.	Lost the opportunity to eat breakfast.
2.		
3.		
4.		

Choice/Limited Resources/Opportunity Cost

It is Saturday night, and you have a large assignment due on Monday morning for your economics course. You blocked off a few hours tonight because you are busy all day tomorrow. The assignment will require several hours of work, but you think you can finish it tonight if you work hard. Just as you are sitting down to begin, the phone rings. Your best friend is pleading with you to go to a party. You stop to consider your choices.

What decision-making process do you follow to make a choice?

Discuss some of the similarities and differences related to how you came to your decision and how other students in the class came to theirs.

What are the limited resources involved?

What is the opportunity cost?

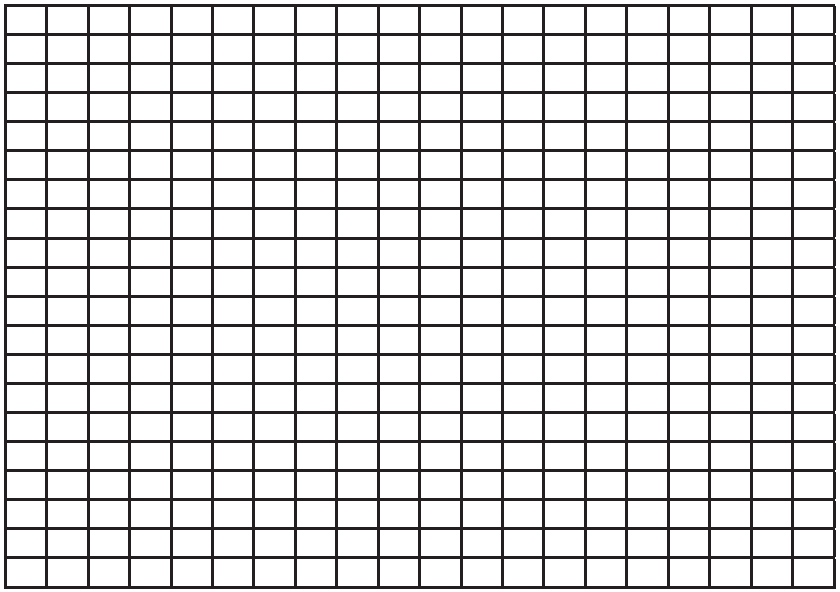
Consider the marginal benefit and marginal cost of your decision. Was the marginal benefit greater than the marginal cost?

If so, explain how.

Production Possibilities Schedule

1. Graph a production possibilities curve with the following data. Place widgets on the vertical axis and gadgets on the horizontal axis.

Production Scenario	Widgets	Gadgets
A	50	0
B	45	2
C	35	4
D	20	6
E	0	8



2. What is the opportunity cost of gadgets in terms of widgets when the economy moves from point A to B? Compare that to other scenarios. Why does the opportunity cost continue to grow?

3. Can the economy produce 35 widgets and 2 gadgets? Plot this point on your graph. Are resources being used effectively at this point?

4. Can the economy produce 20 widgets and 8 gadgets? Why or why not? Plot this point on your graph.

Introduction to Economics
Matching

Match with the <u>best</u> answer **/10**

1. _____	Economics	A.	There is a limited amount of resources that can be used to produce a limited amount of goods and services to meet unlimited human wants.
2. _____	Opportunity Cost	B.	The study of economic facts and why the economy operates as it does.
3. _____	Scarcity	C.	The study of how the economy ought to operate. Here, opinion and value judgments are common.
4. _____	Microeconomics	D.	Means “large economics” and takes a wide-ranging view of the economy by studying the behaviour of economic sectors.
5. _____	Macroeconomics	E.	The study of human activity involved in using scarce resources to satisfy wants.
6. _____	Positive Economics	F.	The benefit lost by doing one thing rather than another.
7. _____	Normative Economics	G.	Physiological, personal, or socio-economic requirements necessary for you to function and live.
8. _____	Wants	H.	Means “small economics” and focuses on the behaviour of individual participants in various markets, namely people and businesses.
9. _____	Resources	I.	These are used to produce goods and services and include labour, natural resources, and capital goods.
10. _____	Needs	J.	Goods and services that are not necessary but that we desire or wish for.

Economic Goals

1. _____	Income Equity	A.	Government policy-makers try to minimize the country's rate of inflation, which is a rise in the general level of prices.
2. _____	Price Stability	B.	Economic activity must be carried out so that the quality of our physical environment can be sustained without significant harm.
3. _____	Full Employment	C.	This goal is achieved when a country's total output is distributed fairly. When defining this goal, it can become very controversial.
4. _____	Viable Balance of Payments	D.	This goal helps to raise the average standard of living for citizens. It is depicted by an outward shift in the production possibilities curve.
5. _____	Economic Growth	E.	This goal relates to the need for an economy to generate the highest benefit from its scarce resources.
6. _____	Economic Efficiency	F.	It is important for a county's imports and exports to roughly balance one another.
7. _____	Environmental Sustainability	G.	The government tries to minimize involuntary unemployment in the labour force.

8. Review the above economic goals. Are these goals comprehensive, or can you think of some additional goals that should be added? How can these goals be both complementary and conflicting?

Economics and Careers

Examine various careers with a focus on economic skills and knowledge. When you find a career, provide the name of the occupation on the left and information about the job on the right.

	Job Duties: Job Opportunities: Other:	Job Skills/Education: Wages/Employment Potential:
	Job Duties: Job Opportunities: Other:	Job Skills/Education: Wages/Employment Potential:
	Job Duties: Job Opportunities: Other:	Job Skills/Education: Wages/Employment Potential:
	Job Duties: Job Opportunities: Other:	Job Skills/Education: Wages/Employment Potential:

Economic Systems				
	Key Features	**Strengths/Advantages**	**Challenges/Disadvantages**	**Examples**
Traditional				
Command				
Market				
Mixed				

Market Economy vs. Command Economy

(1/2)

You are involved in a simulation that involves two communities: Community A and Community B. Both communities have the same population, resources, standard of living, and technology. A board of directors composed of several high-profile members of Community A controls the development and allocation of goods and services. In Community B, market forces define the mix of products and services that are developed and provided to the population. Identify areas that should be regulated by the board of directors and indicate how these same concerns would evolve in a market-driven setting. Comment on the development of each community in regards to taxes, employment, educational institutions, construction, medical services, law enforcement, and the overall impact on the economy.

Community A	Community B
Areas that should be regulated by the board:	How will these same concerns be met in a market-driving setting?
Taxes:	Taxes:
Employment:	Employment:

Market Economy vs. Command Economy
(2/2)

Education:	Education:
Construction:	Construction:
Medical Services:	Medical Services:
Law Enforcement:	Law Enforcement:
Overall Impact to the Society:	Overall Impact to the Society:

Canada's Economic System

You are a member of a diplomatic mission that will be travelling to a newly formed country. The country is considering adopting a mixed market economy similar to Canada's, and they want you to present an overview of Canada's economic system. You will need to clearly communicate how Canada answers the three economic questions and explain Canada's economic goals. You will also need to provide a list of goods and services produced by government and private business and be able to discuss the pros and cons of government involvement versus private production.

Canada's answer to the three economic questions:

Canada's economic goals:

Goods and services produced by government and by industry:

Pros and cons of government involvement versus private production:

Country Profile

Examine the economic system of a country of your choice. In your analysis, be sure to research and discuss information based on criteria including freedom, human rights, political events, efficiency, growth, equity, and employment. It may also help to examine issues surrounding over-harvesting of resources, labour shortages/surpluses, emerging technologies, climate change, health issues, poverty, and war. The analysis can be done on current information or based on the past economic system of a country.

Country:

Essential Information:

Information on the Economic System:

Unit 2: Microeconomic Concepts

SCO 2.1 analyse factors and interactions significant to demand and supply

SCO 2.2 analyse the relationship among production, costs, revenue, and profit

SCO 2.3 analyse the factors and characteristics significant to market structures

SCO 2.4 evaluate how saving, investing, and credit decisions impact financial planning

Title	Explanation
Demand and Supply	This exercise allows students to analyse the impact of various circumstances on demand and supply. Students will need to explain the impact each circumstance has on demand and supply and visually represent the changes by graphing.
Market Structures	This worksheet can be used as an organizer to help students to distinguish among various market structures.
Understanding Credit Products	Students can use this worksheet to identify general information, advantages, and disadvantages of a variety of credit products.
Evaluating Credit Decisions	This is a three-page exercise that puts students in the role of a lending officer at a car dealership. Students will need to think about what questions should be used to gather information and how to interpret the information to make the best decision.
Financial Planning with Mr. Harrison	Students are asked to interpret Mr. Harrison's financial situation and make recommendations based on the limited information they have.
Saving and Investing	This is a matching exercise in which students must match terminology related to saving and investing with the appropriate definition.
Formulas	Common formulas necessary for Unit 2.

Demand and Supply

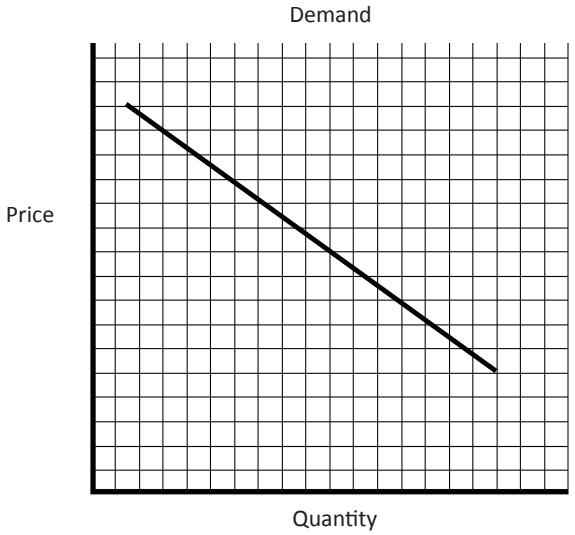
Your boss, a billionaire tycoon, is considering taking over the largest milk supplier in North America. Before he makes his decision, he has asked you to analyse how the following circumstances will impact the demand for milk, given a downward-sloping demand curve:

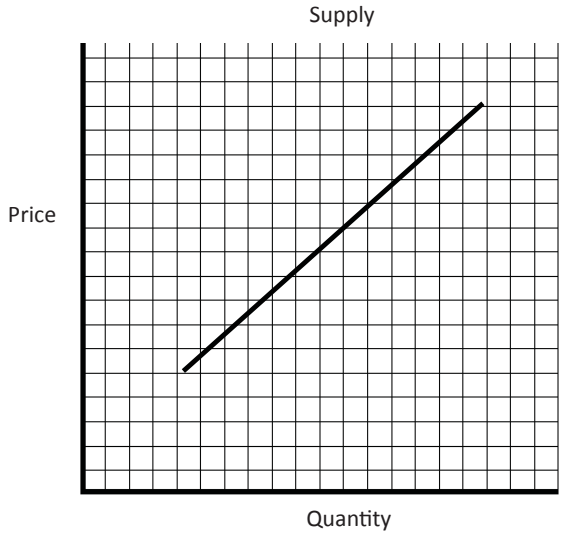
A. Milk is proven to have harmful health consequences.
B. A milk alternative, such as soy milk or almond milk, has been discovered to be much healthier than cow's milk.
C. Milk has been proven to lower cholesterol.
D. The price of milk goes up.
E. The price of orange juice goes up dramatically.
F. Income is forecasted to increase by 5%.

He has also asked you to analyse how the following circumstances will impact the supply for milk, given an upward-sloping supply curve:

A. Europe's largest milk producer has decided to enter the North American market.
B. A rare bacterium contaminates millions of litres of milk in the production process.
C. Scientists develop a new technology that allows dairy farmers to milk cows twice as fast.
D. The price of milk goes up.

You will need to graph the various possibilities to illustrate how the changes in demand and supply, and in the quantity demanded and supplied, will take place. You will also need to back up your answers with explanations.





Sort the related criteria under the appropriate market structure	**Perfect Competition**	**Monopolistic Competition**	**Oligopoly**	**Monopoly**
Number of Firms in the Market: • One • A large number • Unlimited • Few, often between 2-12 controlling the majority of the industry				
Barriers to Entry: • None or very little • Very high • High • Low				
Product Differentiation: • A single product that is similar throughout the market • Products vary • Products are similar but not exactly the same • Usually just one product				
Competition/Price: • None/Price maker • Unlimited competition/ Price taker • Several competitors/ Some ability to control their own prices • Competition is fierce/All firms are aware of one another's prices				

Understanding Credit Products

Debt Product	General Information	Advantages	Disadvantages
Credit Cards			
Credit Lines			
Overdraft			
Fixed Rate Loan			
Variable Rate Loan			
Mortgage		Discuss Advantages and Disadvantages of Renting vs. Buying:	

Evaluating Credit Decisions
(1/3)

You work for the finance department of a car dealership. A client who has spoken to the sales staff on several occasions has finally decided to purchase a new car. The sales department has referred the client to you to see if she can qualify for dealer financing. What questions would you need to ask this client before making a decision?

The 5Cs of Credit	**Possible Questions** *Remember, you will likely be asked similar questions when you apply for your first loan.*
Character • Work history, lifestyle, etc	
Capacity • The Total Debt Service Ratio (TDSR) • TDSR = Monthly Obligations /Monthly Gross Pay This should not exceed 0.4 or 40%. A TDSR of .38 means for every dollar earned 38 cents goes to pay monthly obligations. TDSR only includes rent, loans, and heat when calculating monthly obligations. • Requires confirmation/Can you meet the repayment schedule? Co-signer?	
Collateral • Provides incentive to pay the loan and partial recovery if loan goes into default	
Capital • Net Worth (Assets – Liabilities)	
Credit Report • Have they used credit before? How have they managed their credit? Does the information on the credit report match what they've given you?	

Evaluating Credit Decisions
(2/3)

The 5Cs of Credit	Information Gathered
Character • Work history, lifestyle, etc.	• Character: new client, substitute teaching for 1 year, single income household, 2 dependents
Capacity • The Total Debt Service Ratio (TDSR) • TDSR = Monthly Obligations /Monthly Gross Pay This should not exceed 0.4 or 40%. A TDSR of .38 means for every dollar earned 38 cents goes to pay monthly obligations. TDSR only includes rent, loans, and heat when calculating monthly obligations. • Requires confirmation/Can you meet the repayment schedule? Co-signer?	• Capacity: TDSR is 38.9% (includes new car payments, client has $250 in the bank)
Collateral • Provides incentive to pay the loan and partial recovery if loan goes into default	• Collateral: She is willing to sign an agreement in which loan default results in the car dealership repossessing the vehicle.
Capital • Net Worth (Assets – Liabilities)	• Net worth: ($17,000)
Credit Report • Have they used credit before? How have they managed their credit? Does the information on the credit report match what they've given you?	• Credit Report: Shows a few late payments 2 years ago. Shows no collections. Shows the following: • Visa: Balance: $5,250 Limit: $5,000 • Student Loan: $12,000

Evaluating Credit Decisions
(3/3)

Would you grant this client a $20,000 loan? Why or why not? Back up your decision using the 5Cs of credit.

What suggestions would you give this client to improve her credit situation?

If you decided to deny the loan, what would the client need to do before you would accept the loan application? Can you think of other arrangements that may be more favourable than purchasing a new car?

Financial Planning with Mr. Harrison

Mr. Harrison, a friend of the family, desperately needs your help. He heard that you were learning about financial planning, and he wants you to provide him with some advice regarding his current situation. Based on the information listed below, what recommendations would you have for Mr. Harrison? He wants some detailed suggestions and advice regarding his credit situation and how to improve his savings. Mr. Harrison has a medium tolerance when it comes to investment risk.

Basic Information	Financial Information		
Age	44	**Liabilities**:	
Marital Status	Single	Mortgage (6%)	$112,000 ($700/month)
Dependents	None	Credit Card (19%)	$12,000 ($15,000 limit)
Job	Electrician	Credit Line (8%)	$2,000 ($20,000 limit)
Salary	$50,000		
		Assets:	
		House	$200,000
		Car	$11,000
		Savings	$350
Revolving credit products require that interest is paid each month; however, some portion toward principal is typically expected as well.			

Savings and Investing

Match with the best answer. **/15**

1. _____	Why save?	A.	Only by doing this can you reach your financial goals.
2. _____	Compounding	B.	The borrower promises to repay the principal with interest at some specified time.
3. _____	Why invest?	C.	The world's most watched index.
4. _____	The ways to invest	D.	The overall behaviour of the market can be learned by watching the performance of this.
5. _____	Debt Securities	E.	Putting your money in different types of investments to spread out the risk.
6. _____	Stock Exchange	F.	The price of an equity asset that fluctuates due to irrational factors.
7. _____	Stock Exchange Index	G.	To accumulate emergency funds, satisfy liquidity needs, and meet your short and long-term goals.
8. _____	Dividend	H.	Each investor acquires units in a portfolio with a variety of different securities.
9. _____	Diversification	I.	An organized marketplace for buying and selling shares to investors.
10. _____	Market Risk	J.	When an investor sells their stocks for a higher price than they originally paid.
11. _____	Dow Jones Industrial Average	K.	A debt security with longer-term maturities in which you are loaning money for a specified term for an expected return.
12. _____	Money Market Securities	L.	Interest is added to principal. Interest is reinvested to earn more interest.
13. _____	Capital Gains	M.	Short-term loans (treasury bills).
14. _____	Bonds	N.	The income from a stock. This income is not promised or paid automatically.
15. _____	Mutual Funds	O.	Debt (by lending money) and equity (by acquiring ownership) securities.

Important Formulas Unit 2	
Price Elasticy of Demand $(e_d) = \left(\frac{\Delta Q_d}{\text{average } Q_d}\right) / \left(\frac{\Delta \text{price}}{\text{average price}}\right)$	Total Costs (TC) = Fixed Cost (FC) + Variable Cost (VC)
Price Elasticy of Supply $(e_s) = \left(\frac{\Delta Q_s}{\text{average } Q_s}\right) / \left(\frac{\Delta \text{price}}{\text{average price}}\right)$	Economic Costs = Explicit Costs + Implicit Costs
Average Product $= \frac{\text{Total Product } (q)}{\text{Number of Workers } (L)}$	Economic Profit = Total Revenue – Economic Costs
Marginal Product $= \frac{\text{Change in Total Product } (\Delta q)}{\text{Change in Number of Workers } (\Delta L)}$	Total Revenue $(TR) = \text{Price} \times Q_d$
Marginal Cost $(MC) = \frac{\Delta TC}{\Delta q}$	Average Revenue $(AR) = \frac{TR}{q}$
Average Fixed Cost $(AFC) = \frac{FC}{q}$	Marginal Revenue $(MR) = \frac{\Delta TR}{\Delta q}$
Average Variable Cost $(AVC) = \frac{VC}{q}$	Profit Maximization Rule: $\{MR = MC\}$
Average Cost $(AC) = AFC + AVC$	

Unit 3: Macroeconomic Concepts

3.1 analyse factors and concepts significant to economic indicators and economic fluctuations

3.2 demonstrate an understanding of the historic and current roles of money and financial institutions in our society

3.3 analyse factors and concepts significant to monetary policy

3.4 analyse factors and concepts significant to fiscal policy

Title	Explanation
Gross Domestic Product	This worksheet will help students understand the concepts associated with GDP and how to calculate GDP.
Phases of the Business Cycle	Students can complete a matching exercise by examining a graph of the business cycle.
Unemployment	This worksheet can be used as an organizer to help students to distinguish among various forms of unemployment.
Inflation	This worksheet will help students understand the concepts associated with inflation.
Banking and Financial Markets	In this simulation, students will need to answer a variety of questions related to Canada's banking system and financial markets.
Monetary Policy	Students will learn about the fundamental concepts of monetary policy by completing this work-sheet.
Expansionary/Contractionary Monetary Policy	Students will assume the role of members of the Bank of Canada. They will be tasked with controlling the nation's money supply to achieve full employment and stable prices in the economy. They will need to analyse several situations based on a variety of criteria.
Fiscal Policy	Students will learn about the fundamental concepts of fiscal policy by completing this worksheet.
Expansionary/Contractionary Fiscal Policy	This worksheet presents students with a variety of scenarios. Students will need to decide whether each scenario relates to government expansionary or contractionary fiscal policy.
Government Taxes and Services	Students will need to use this graphic organizer to place both government taxes and government services under their proper headings. Students must then label each tax as progressive, regressive, or proportional; and direct or indirect.
Formulas	Common formulas necessary for Unit 3.

Gross Domestic Product

1. Explain the difference between the following:

   a. GDP and GNP

   b. Real and Nominal GDP

   c. Total GDP and Per Capita GDP

   d. The Income and Expenditure Approach when calculating GDP

2. You are an economist asked to calculate your nation's GDP. Calculate nominal GDP for Year 1 and Year 2 using the expenditure equation: GDP = C + I + G + (X - M). How much did nominal GDP increase from Year 1 to Year 2?

Year 1 Nominal GDP ($ billion)	
Personal Consumption	100
Gross Investment	425
Government Purchases	400
Net Exports	-25
GDP	

Year 2 Nominal GDP ($ billion)	
Personal Consumption	105
Gross Investment	427
Government Purchases	425
Net Exports	-12
GDP	

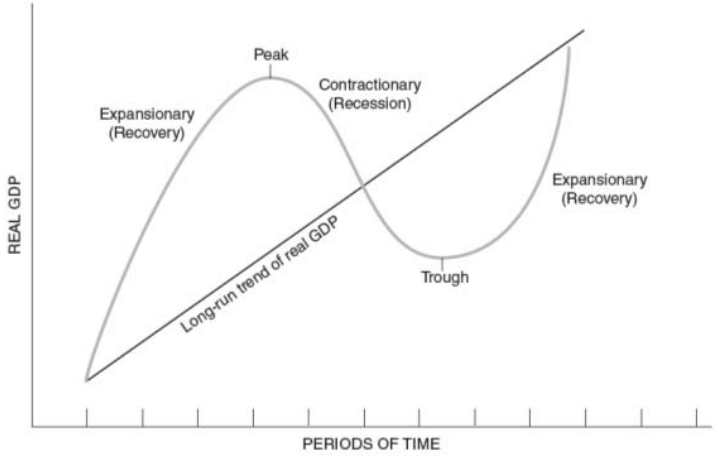
3. Now calculate Year 1 and Year 2 real GDP using a GDP deflator of 102.372 for year 1 and 103.561 for Year 2.

4. How much was nominal GDP overstated in Year 1 and in Year 2?

5. Why is it important to adjust nominal GDP to real GDP to account for inflation?

6. What are the limitations to GDP? What other factors should be considered when determining a country's standard of living?

Phases of the Business Cycle



Place the best term in the proper sentence. Use the image above to support your answers.			
contraction	recession	depression	inflation
peak	business cycle	expansion	decreased unemployment
unemployment	deflation	trough	budgets

1. A sustained rise in the real output of an economy is known as an _____.
2. A sustained fall in the real output of an economy is known as a _____.
3. These rises and falls in real output constitute a pattern known as the _____.
4. The point in the business cycle in which real output is at its highest is known as its _____.
5. A _____ occurs if the reduction in real output is particularly long and harsh, as happened during the early 1930s.
6. A decline in real output that lasts for six months or more is known as a _____.
7. _____: the point in the business cycle at which real output is at its lowest
8. _____ and _____ are some potential effects of a contraction in the economy.
9. _____ and _____ are some potential effects of a period of economic expansion.

Unemployment

Types of Unemployment	Description	Historical or Current Example from the Canadian Economy	Possible Course of Action to Ease Unemployment
Structural Unemployment			
Frictional Unemployment			
Cyclical Unemployment			
Seasonal Unemployment			

State the specific type of unemployment for the following scenarios.

Frictional	Seasonal	Structural	Cyclical
Sarah quits her job to move to Alberta for work.			
Businesses lay off workers because their production has declined.			
Cavendish workers being laid off because of the end of the summer season.			
A plant with 2,000 workers has 500 of them replaced by robots.			
An employee at Burger King quits his job and goes back to school full-time.			
Due to a downturn in the economy, fewer people are buying new cars, thus causing workers in car manufacturers to be laid off.			

Inflation

1. Explain the following terms:

   Inflation

   Deflation

   Hyperinflation

   Nominal income

   Real income

   Consumer price index (CPI)

2. Analyse the possible consequences of inflation and deflation:

3. Label the following scenarios as an inflationary expectation or a deflationary expectation.

   a. High oil prices have led to significant employment opportunities in Alberta and Saskatchewan. Incomes have also risen dramatically.
   b. A recession has hit the country, creating unemployment and negatively impacting the stock market.
   c. The Bank of Canada lowers the interest rate to 1% and decides to infuse money into the economy by buying bonds.
   d. The housing market has been in decline. The prices of homes continue to fall. Potential buyers wait for the market to bottom out before considering purchasing their houses well as furniture and other related products.

Banking and Financial Markets

A panel from several developed countries from around the world has sent representatives to discuss and debate best banking practices. You and your team will be representing Canada and the Canadian banking system. You have been asked to focus on the following areas:

Provide an overview of your country's financial system. Include the forms of your money supply and the basic functions of the Canadian banking system.

Discuss your country's banking system (include the fractional reserve principle and the deposit multiplier).

Explain the strengths of your financial markets.

Monetary Policy

1. Explain monetary policy.

2. Explain the roles of the Bank of Canada.

   a. Issue of currency:

   b. Acts as the government's bank

   c. Manages reserves of foreign currencies:

   d. Acts as auditor, inspector, and lender to commercial banks:

   e. Regulates money supply:

3. Explain the difference between expansionary and contractionary monetary policy to promote price stability, full employment, and economic growth.

4. Describe how changes in interest rates impact individuals and businesses.

Expansionary/Contractionary Monetary Policy

Your group will assume the role of members of the Bank of Canada. You are tasked with controlling the nation's money supply to achieve full employment and stable prices in the economy. Given the following situations, identify and list the most likely problems. Consider spending, employment, and average prices under the different scenarios. What monetary policy actions do you propose with each situation? How do you expect your actions will solve the problems?

The national economy is sluggish as a result of tight (contractionary) monetary policies over the past two years. What do you do?

The economy is growing rapidly. Many economists believe there will be shortages of skilled labour and key industrical inputs, such as steel and electric power. What do you do?

The economy is experiencing 12% inflation over the next few years. What do you do?

Fiscal Policy

1. Explain fiscal policy.

2. Explain the differences between the following terms:

   a. Budget deficit

   b. Budget surplus

   c. Balanced budget

   d. National (government) debt

3. Distinguish between the government's use of expansionary fiscal policy and contractionary fiscal policy to promote price stability, full employment, and economic growth.

4. Considering the following scenario, examine the implications and complexity of government budgetary decisions. The country has record levels of national debt and has promised to balance the budget. The country's unemployment rate is at an all-time high. Most available jobs involve low skilled labour. This has led to higher levels of poverty and only modest growth. Businesses and low/middle income families have been struggling since tax hikes were implemented two years ago.

Expansionary/Contractionary Fiscal Policy

Determine whether each of the following scenarios relates to government following expansionary or contractionary fiscal policy. Explain the reasons for your choice.

Scenario	Expansionary/Contractionary	Rationale
The government cuts business and personal income taxes, and increases its own spending.		
The government increases personal income tax and corporate tax. Government spending stays the same.		
Government spending goes up while taxes remain the same.		
The government reduces the wages of its employees, while raising taxes for consumers and business. Other government spending remains the same.		

Government Taxes and Services

Below is a list of government taxes and government services. Place both the taxes and the services under their proper heading. There may be some overlap depending on the context. Label each tax as progressive, regressive, or proportional; and direct or indirect.

Government Tax: Income Tax Tobacco Tax	 Gasoline and Fuel Tax Corporate Tax	 Property Tax Harmonized Sales Tax
Federal Taxes	**Provincial Taxes**	**Municipal Taxes**
Government Services: National Defense Fire Services RCMP Roads and Highways Canada Pension Plan Snow Removal	 Old Age Security Garbage and Recycling Social Assistance Water and Sewers Immigration Fire and Ambulance	 Hospitals Airports Family Law Libraries Education Crown Corporations (CBC, Canada Post)
Federal Services	**Provincial Services**	**Municipal Services**

Important Formulas ***Unit 3***
$\text{GDP} = C + G + I + (X - M)$
$\text{Per Capita GDP} = \frac{\text{GDP}}{\text{Population}}$
$\text{Real GDP Growth Rate} = \frac{\text{GDP Year 2} - \text{GDP Year 1}}{\text{GDP Year 1}} \times 100\%$
$\text{Real GDP} = \frac{\text{Nominal GDP}}{\text{GDP Deflator (in hundredths)}}$
$\text{CPI} = \frac{\text{Year 2 Basket Cost} - \text{Base Year Basket Cost}}{\text{Base Year Basket Cost}} \times 100\%$
$\text{Real Income} = \frac{\text{Nominal Income}}{\text{CPI (in hundredths)}}$
$\text{Participation Rate} = \frac{\text{Labour Force}}{\text{Labour Force Population}} \times 100\%$
$\text{Unemployment Rate} = \frac{\text{Number Unemployed}}{\text{Labour Force}} \times 100\%$
Real Interest Rate = Nominal Interest Rate – Inflation Rate

Unit 4: Global Economic Concepts

4.1 evaluate the factors and concepts significant to foreign trade

Title	Explanation
Global Economic Concepts	Students will need to match the terminology related to global economic concepts to the proper definition.
Global Economics Sentence Competition	Students will be presented with a number of sentences. Each sentence will have two options related to key words. Students need to choose the proper word.
Comparative and Absolute Advantage	This worksheet allows students to answer questions related to opportunity cost, comparative advantage, and absolute advantage. Using the output method, students will work through this worksheet using only two countries and two products.
Free Trade vs. Trade Protection Simulation	Given the information from the scenario, students must take on the role of their stakeholder and come up with arguments for or against free trade/trade protection.

Global Economic Concepts

Match with the <u>best</u> answer. **/15**

1. _____	absolute advantage	A.	The trend of growing foreign trade and investment and the spread of international businesses and markets.
2. _____	comparative advantage	B.	Another type of trade barrier is a(n) _____ , or a limit on the amount of a particular good that may be legally imported.
3. _____	protectionism	C.	Government intervention policies that protect domestic markets from international competition.
4. _____	import quota	D.	A group of European countries that have agreed to co-operate on matters of economics and policy.
5. _____	subsidy	E.	A country has a(n) _____ in the production of a good if, given an equal quality of resources, they can produce more of the good than other countries.
6. _____	current account	F.	A(n) _____ records the value of all goods and services exported from a country minus the value of all goods and services imported from outside the country.
7. _____	capital account	G.	It is a forum for governments to negotiate trade agreements. It is a place for governments to settle trade disputes. It operates a system of trade rules. Essentially, it is a place where member governments try to sort out the trade problems they face with each other.
8. _____	tariff	H.	The trade partner with the lowest opportunity cost for a given product has the _____.
9. _____	balance of trade	I.	A(n) _____ can prohibit the exchange of any single good, or it can completely prohibit trade with a whole country.
10. _____	globalization	J.	A pact among Canada, the United States, and Mexico to form a free trade area.
11. _____	World Trade Organization	K.	The summary of all international transactions associated with current economic activity in Canada and involving Canadian dollars.
12. _____	European Union	L.	It can be flexible or fixed, but generally it measures the price of one nation's currency in terms of another nation's currency.
13. _____	embargo	M.	With a(n) _____ , the government makes payments to a local supplier to reduce the production costs of the supplier. Lowered production costs should equate to lower prices, thereby making the local supplier more competitive.
14. _____	exchange rate	N.	A tax on imported goods.
15. _____	NAFTA	O.	The summary of international transfers of intangible assets and savings involving Canadian dollars.

Global Economics Sentence Completion

Circle the word or phrase that best completes each statement below.

1. Country X has stated that only 1,000 barrels of orange juice can be imported from Country Z this year. Country X is restricting international trade with a(n) (EMBARGO, QUOTA).

2. A trade (SURPLUS, DEFICIT) occurs when imports exceed exports.

3. Tariffs are imposed on (IMPORTS, EXPORTS). When tariffs are imposed on goods, the result is that consumers are (MORE, LESS) likely to buy the domestic substitute.

4. When exports exceed imports, the balance of trade is (FAVOURABLE, UNFAVOURABLE).

5. If Country W states that no trade whatsoever shall be conducted with Country X, Country W is imposing an (EMBARGO, IMPORT QUOTA).

6. The law of comparative advantage states that output is (MAXIMIZED, MINIMIZED) when producers specialize in what they can make at a (LOWER, HIGHER) opportunity cost than can other producers.

7. The case can be made for (PROTECTIONISM, FREE TRADE) in order to preserve jobs, protect infant industries, and correct a trade imbalance.

8. (ADMINISTRATIVE BARRIERS, SUBSIDIES) are payments by a government to (DOMESTIC, FOREIGN) exporters so that they can reduce the prices they charge in foreign markets.

Comparative and Absolute Advantage

Output per hour		
	U.S.	**Japan**
Cars	12	10
Computers	4	6
	1 car = 1/3 computer	1 car = 3/5 computer
	1 computer = 3 cars	1 computer = 5/3

1. What is the U.S.'s opportunity cost of making cars?

2. What is Japan's opportunity cost of making cars?

3. What is the U.S.'s opportunity cost of making computers?

4. What is Japan's opportunity cost of making computers?

5. Which country has an absolute advantage in producing cars?

6. Which country has an absolute advantage in producing computers?

7. Who has the comparative advantage in cars?

8. Who has the comparative advantage in computers?

9. Which country should produce which good and why? Base your answers only on the information above and on comparative advantage considerations.

Free Trade vs. Trade Protection Simulation

The Government of Canada is considering forming a trade agreement with Country X. The government is interested in creating this relationship because Country X has an absolute advantage in the production of both fish and potatoes. The country can produce one pound of high-grade potatoes for a much lower cost compared to Canada. Also, several years ago, Country X invested millions of dollars into fishing farms, and now has an abundance of fish in the wild and commercially in tanks. Canada has an absolute advantage in the manufacturing and production of automobiles, a product Country X does not produce and greatly requires. It is important to understand the benefits and drawbacks of a trade agreement for each of the following stakeholders. You will assume the role of one of the stakeholders in a simulated activity. Each stakeholder will need time to create arguments that reflect his/her viewpoint. Compromises and conciliatory positions will usually have to be found.

Stakeholders:

Ontario Automotive Worker	Average Canadian Consumer	P.E.I. Potato Farmer
Newfoundland Fisherman	Canadian Consumers' Association	Government Representative

Which stakeholder are you? _____

Make a list of your arguments either supporting or opposing this agreement. You will essentially be arguing for or against trade protection or free trade. Some stakeholders may want to remain neutral and should therefore create arguments for both sides. Be sure to provide evidence that supports your arguments.

Unit 5: Student Inquiry on Economic Issues

SCO 5.1	Independent or Collaborative Inquiry	• produce a project on an area of interest in economics by following the inquiry process

Title	Explanation
Student Inquiry Suggested Topics	This is a list of broad categories of topics to assist students with an idea for their inquiry project.

Student Inquiry - Suggested Topics

PEI Economy

- factors that have influenced economic development of PEI
- economic impact of the major industries of PEI
- role of government in the development of the economy of PEI
- potential areas of future economic development
- relationship of PEI to the Canadian economy and global economy
- the advantages and disadvantages of developing a specific resource of PEI

Labour Unions and the Labour Market

- history of the trade union movement globally and within Canada
- structure and organization of labour unions globally and in Canada
- strikes by workers in Canada
- the implications of escalating salaries and salary caps for professional sports
- the effectiveness of minimum wage laws
- the importance of career education in relation to the changing dynamics of the labour market
- the implication of post-secondary education (e.g., how to finance, cost versus benefit)

Poverty and Regional Disparities

- basic causes of poverty and programs designed to eliminate it
- causes and solutions of regional disparity and unequal distribution of income
- the concept of the poverty line and the characteristics of the groups of stakeholders that fall below it
- the changes in average real income, its composition, and its distribution in the Canadian economy over the last decade
- comparison of the economic well-being of Canadian stakeholders versus people from another country

Growth, Sustainability and Trade

- costs and benefits of economic development
- the role of individuals, businesses, and government with respect to sustainability
- the impact of technology in shaping the global marketplace
- evaluation of economic progress in a developing country
- the barriers and restrictions on domestic and international trade

Other Topics

- the economic rights guaranteed to Canadian citizens by law
- the effectiveness of a specific example of direct government intervention in a market
- potential issues related to government expenditures and taxation
- how events in other parts of the world affect Canada's economy and the well-being of different groups of Canadian stakeholders
- exploration of the major ideas and theories of prominent economists (e.g., Adam Smith, David Ricardo, Thomas Malthus, Karl Marx, John Maynard Keynes) in the context of the economic issues and challenges of their times