

Business & Economics

Term 1 2020



Learning Intentions

- I am learning to identify the purpose of business.
- I am learning to recognise the different ways that businesses choose to provide goods and services.

Success Criteria

- I can identify the concept of opportunity cost involves choices about the alternative use of resources and the need to consider trade-offs.
- I can identify effect that consumer and financial decisions can have on the individual, the broader community and the environment.
- I can identify the reasons businesses exist and the different ways they provide goods and services.

1 What is an 'opportunity cost'?

2 What is a 'trade-off'?

3 Fill in the missing words.

Whenever we make a _____ to do one thing, we also _____ not to do other things _____. The result of _____ doing those things is called the _____ cost.

Inference Question

4 Carrie has some money. There are several ways she could use the money, but she only has enough money for one. Here is a list of options for using the money.

- Spend the money on a new smart phone.
- Put the money in her bank account.
- Spend the money on a birthday present for her brother.
- Give the money to charity.
- Spend the money on a new pair of jeans.

- a Which option would you choose? _____
- b What was your second choice? (This is the **opportunity cost**).

- c Give reasons to explain your choice.

Research time!

5 Every community needs a water supply. Find out how your local community is supplied with water. Find out how a poor community in an African or Asian village is supplied with water. (Websites of organisations such as WaterAid, World Vision and The Water Project have information on the problem of water supply in these areas.) Compare your findings in the table below.

<i>My community</i>	<i>Community in another country</i>

1 What are three things that can be affected by our buying decisions?

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2 Fill in the missing words.

Whenever a family decides to _____ one thing, it might decide _____ to buy something else, or to _____ off another purchase until _____. This is the _____ cost.

3 What are 2 advantages and 2 disadvantages of buying goods online?

Advantages:

Disadvantages:

Inference Questions

4 Give one example of how a buying decision can affect the environment.

5 Why do you think prices at small local stores might be higher than at large supermarkets?

6 Explain in your own words how children might affect shopping decisions within a family.

Discussion

7 Do the items bought from a supermarket by my family have an impact on the type of products a business sells or produces?

Discuss with your classmates and report your findings below.

1 What is a business?

2 What is the difference between goods and services?

3 What are four costs of production?

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Inference Questions

4 Is the sugar factory in the picture an example of a primary, secondary or tertiary industry?

5 Shade the businesses that aim to make a **profit blue** and the ones that are likely to be **not-for-profit red**.

wildlife rescue

supermarket

doctors' surgery

petrol station

bushcare

hairdresser

bank

pet salon

6 Businesses keep track of their financial situation with a **profit and loss statement**. A profit is gained when the amount of money received for providing a good or service is more than the amount of money it cost to produce. What do you think a **loss** is?

7 Explain in your own words each of these types of industries. Give an example of each.

Primary industry _____

Example: _____

Secondary industry _____

Example: _____

Tertiary industry _____

Example: _____