# Commerce Years 7-10: Option 7 – Towards independence

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## Option 7: Towards independence

Students investigate financial, consumer, legal and employment issues which may affect them in the future. They examine a range of strategies that young people may use in their move towards independence. Students learn about the role of community organisations and how they as individuals can contribute to society.

## Outcomes

A student:

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

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

Outcomes referred to in this document are from [Commerce Years 7-10 Syllabus](https://educationstandards.nsw.edu.au/wps/portal/nesa/k-10/learning-areas/hsie/commerce-7-10-2019) © NSW Education Standards Authority (NESA) for and on behalf of the Crown in right of the State of New South Wales, 2020

## Learning sequence 1– Moving from home

Students:

discuss considerations related to independent living, including:

* reasons a young person may have for leaving home and living independently
* key issues facing young people in their moves to independent living, for example access to a regular income
* applying for legal or medical identification, for example birth certificate, photo ID, Medicare card
* types of support provided by government, religious and community organisations
* continuing to live at home to save for future purchases, for example buying a property

### Independent living

* Conduct a brainstorm to identify the main reasons why a young person would leave home for the first time.
* Discuss strategies that may be used to address issues associated with leaving home, including:
  + the cost of financing the move and supporting yourself.
  + finding a safe place to live.
  + having all the paperwork required.
  + overcoming homesickness.
* Undertake research to complete the following table, (an example has already been completed for you):

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Document | Current location | Age requirement | Where can I get my own | Cost |
| ****Passport**** | **Don’t own one** | **16 to get by yourself** | **Apply online, interview at post office** | **16+ $298**  **Under 16 $150** |
| Photo ID |  |  |  |  |
| Drivers licence |  |  |  |  |
| Medicare card |  |  |  |  |
| Bank card |  |  |  |  |
| Birth certificate |  |  |  |  |

|  |  |  |
| --- | --- | --- |
| Organisation or agency | Classification (government, religious or community) | Service provided |
| Department of Families, Housing, Community Services and Indigenous Affairs |  |  |
| Salvation Army |  |  |
| Community housing |  |  |
| Youth refuge |  |  |
| Community services |  |  |
| St Vincent de Paul |  |  |
| Lifeline |  |  |
| Community centre |  |  |
| Centrelink |  |  |
| Anglicare |  |  |

* Research the requirements for [getting your own Medicare card](https://www.servicesaustralia.gov.au/individuals/services/medicare/medicare-card/getting-your-own-medicare-card-15-years-old). What are some of the requirements and how might this be difficult for a young person?
* A range of different support options are available to young people, research each organisation to complete the table:
* Read the ABC article about [Young people living at home longer](https://www.abc.net.au/life/young-people-living-at-home-longer-isnt-always-a-bad-thing/11279244). Identify the advantages and disadvantage of living at home.
* Using the information from the previous activities, create a 1 page guide to assist young people who are considering moving out of home. In the guide, include:
  + Risks and benefits
  + Issues to consider
  + Where to get support
  + Alternatives to moving out of home

## Learning sequence 2 – Arranging accommodation

Students:

evaluate a range of accommodation options and identify the process for arranging a lease, including:

* types of accommodation available and their suitability for particular situations and needs, for example budget constraints
* calculation of the affordability of accommodation
* accessing information available relating to arranging a lease, for example tenancy rights and responsibilities, financial advice, sharing accommodation

### Evaluating accommodation options

**Teachers note: Accommodation options in this section may refer to the type of property (house, duplex or flat), and to the occupancy style (sole resident, couple or multiple occupants).** It is important to note that the average age of young people moving out for the first time is increasing.

#### Types of accommodation

* Brainstorm accommodation options for young people moving out of home.
* Investigate the accommodation options and identify the accommodation option that best suits the following situations:
  + a student moving out to attend university
  + a young person leaving home at 25 after completing university and securing their first job
  + a young person moving in with their partner for the first time.
  + an unemployed young person leaving home due to problems with their family relationships.

#### Affordability

* Investigate the cost of living in the following accommodation options in a location of your choosing:
  + apartments or flats
  + units or townhouses
  + share accommodation
  + student accommodation
  + houses
* Identify other costs associated with each accommodation type. This may include bond payments, utility bills, internet or other costs.
* Rank each of the accommodation options above in order of affordability from least to most expensive. Write a PEEL paragraph explaining the advantages and disadvantages of the least expensive option.
* Share accommodation is a common option for young people moving out for the first time. Identify some of the questions you may need to ask when considering this option. Watch [meeting new flatmates](https://www.youtube.com/watch?v=e_V8h72EY60) (duration 2:50) to identify further points for consideration.

#### Arranging a lease

* Watch [Starting or ending a lease](https://youtu.be/IJCRr6OYm4U) (duration 1:09). Identify the key steps to take to begin and end a lease.
* Fair trading provide a range of resources to assist with lease agreements. Examine the [standard tenancy agreement](https://www.fairtrading.nsw.gov.au/help-centre/forms#Residentialtenancyforms) template. Identify 10 key responsibilities of both the landlord and the tenant

## Learning sequence 3 – Managing finances

Students:

explain the responsible management of finances when living independently, including: (ACHEK018)

* major costs involved in independent living, for example establishment costs, ongoing costs
* strategies to minimise financial problems, for example budgeting, saving, monitoring spending, superannuation
* construction of a household budget that includes income and borrowing, fixed and variable expenses, and saving
* tax obligations, for example applying for a tax file number, completing a tax return
* insurance options available, including household and personal insurance

### Responsible management of finances

**Teacher note:** Paper copies of forms may need to be printed before class in the case of connection problems. Microsoft Excel may be used in place of online budgeting or superannuation planning tools.

#### Major costs

* Identify major costs involved in independent living and attribute amounts to those costs. Calculate the totals of those costs.
* Distinguish between establishment costs and ongoing costs.
* Calculate the totals for a range of establishment costs and ongoing costs. Decide which types of cost will have the greatest effect on an individual living independently.
* Brainstorm a range of financial risks or problems individuals may face. For example, insufficient money to pay bills as they fall due or insufficient money to buy groceries.

#### Strategies to minimise financial problems

* Brainstorm a range of strategies individuals could use to overcome their financial problems.
* Visit [Australian Securities & Investments Commission’s Money Smart](https://www.moneysmart.gov.au/) website and access the “Financial Counselling” page. Explain what financial counsellors do and where to find one.
* Visit [Australian Securities & Investments Commission’s Money Smart](https://www.moneysmart.gov.au/) and access the “Superannuation Calculator” Use profiles for hypothetical individuals to calculate the amount of superannuation each profile will have at retirement.
* Distinguish between fixed and variable expenses and savings for example groceries, electricity, rent or mortgage payments, fuel or transport costs and internet.

#### Household budgets

* Visit [Australian Taxation Office](https://www.ato.gov.au/Individuals/Tax-file-number/Apply-for-a-TFN/) and use the ‘Budget Planner’ tool to create a budget for a hypothetical profile of an individual and a family. Alter the budget amounts for each profile and comment on the effect of a sudden or unexpected increase or decrease in expenses. Consider income from salary or wages, bonuses or commissions and Government benefits, consider expenses from mortgages and utilities, food and groceries, transport and entertainment.
* Relate the effects of not following the budget to the overall wellbeing of the individual and family profiles. Explain the advantages of following a budget.

#### Tax obligations

* Provide reasons why it is important for people to pay tax. Create a [branching scenario](https://app.education.nsw.gov.au/digital-learning-selector/LearningActivity/Browser?cache_id=b36e7) to make the effects of paying tax and the effects of not paying tax evident.
* Make the relationship evident between the resources and services provided by different levels of Government through the tax obtained from taxpayers. Use [mini whiteboards](https://app.education.nsw.gov.au/digital-learning-selector/LearningActivity/Browser?cache_id=b36e7) to identify which level of Government, local, state or federal provide certain resources and services used by the community. Consider resources and services such as: roads, parks, schools, hospitals and defence.
* Visit [Australian Taxation Office](https://www.ato.gov.au/Individuals/Tax-file-number/Apply-for-a-TFN/) and use the [“Do I need to lodge a tax return? Tool"](https://www.ato.gov.au/Calculators-and-tools/Host/?anchor=DINTL&anchor=DINTL/questions#DINTL/questions) to identify if you need to lodge a tax return. Hypothetical profiles of individuals may be used. For example: a full year Australian resident over the age of 18 who had a taxable income of more than $18,200 in the year 2018-19 OR a full year resident under the age of 18 who didn’t have any tax withheld and made no tax instalment payments in the year 2018-19.
* Visit [Australian Taxation Office](https://www.ato.gov.au/Individuals/Tax-file-number/Apply-for-a-TFN/) website and download the paper Tax Return and recognise the information required to complete the form including address, payment summary, private health insurance details.
* Visit [Australian Taxation Office](https://www.ato.gov.au/Individuals/Tax-file-number/Apply-for-a-TFN/) website to apply for a tax file number.

#### Insurance options

* Visit [Australian Securities & Investments Commission’s Money Smart](https://www.moneysmart.gov.au/) website and access the insurance page to define “home insurance” and to develop a criterion for determining how much insurance you need.
* Visit [Australian Securities & Investments Commission’s Money Smart](https://www.moneysmart.gov.au/) website and access the insurance page to identify other types of personal insurance you might need. For example, health, life and funeral insurance. Justify the value of having these types of personal insurance by developing a [Plus Minus Interesting (PMI)](https://app.education.nsw.gov.au/digital-learning-selector/LearningActivity/Browser?cache_id=b36e7) Chart.

## Learning sequence 4 – Major purchases

Students:

* identify the major items to be purchased for independent living
* investigate the options available for the purchase of major items, including:
  + new, second-hand, joint ownership
  + consumer protection available for selected items, whether bought new, second-hand, from a business or privately, within Australia or overseas, independently or in joint ownership
* evaluate alternatives to the purchase of major items, for example relating to the sharing economy

### Items for independent living

**Teacher note**: Discuss with students what they believe independence looks like and establish a definition before commencing the learning activities.

* Identify the major items to be purchased for independent living
* Create a collage of household items essential for independent living from coloured advertising brochures or draw the items. Stick the collage onto butcher’s paper or A3 sized paper and display the collages to compare the items. Examples of major items may include washing machine, refrigerator, mattress, towels and cleaning products.

### Options when purchasing major items

**Teacher note**: Students should investigate a rage of alternatives when purchasing large items including: rental, deferred payment and second-hand purchases.

#### Types of ownership

* Select three major items and draw conclusions about the most suitable options for purchasing those items, for example washing machine, refrigerator and mattress. Inquire into the cost of these items and availability of places to buy these items as new, second-hand or through joint ownership.
* Identify the advantages and disadvantages of each purchase option from the inquiries.
* Recommend the most suitable options for the purchase of each of the selected major items and present the conclusions to the class. Conduct a class vote on the most valuable recommendation based on accuracy of information and knowledge of purchasing options.

#### Consumer protections

* Inquire into the sources of protection consumers have when making purchases.
* Read examples of warranties for consumer products the class has purchased or used previously and discuss personal experiences had by class members in relation to using warranties as a form of protection.
* Visit [NSW Fair Trading](https://www.fairtrading.nsw.gov.au/) website and view the “Warranties” page. Use the “Extended Warranty Checklist” to write a script for a hypothetical consumer and shop owner using a consumer product. For example, purchasing an extended warranty for a washing machine or refrigerator. Students can present their script to the class.

### Alternative to purchasing

* Define the “sharing economy”.
* Visit [Australian Competition and Consumer Commission](https://www.accc.gov.au/) website and view the [Sharing Economy](https://www.accc.gov.au/consumers/online-shopping/sharing-economy) information Recognise advantages and disadvantages of purchasing items through the sharing economy.
* List major consumer items that may be suitable to be purchased through alternative options.
* Identify and make a judgement of alternative purchase options and determine which option is most suitable for independent living.

## Learning sequence 5: Community involvement

Students:

* outline opportunities to become active and effective participants in the community, including:
  + young people enrolling to vote, being informed and voting responsibly (ACHCK062)
  + the benefits of community involvement (ACHCK079)
* investigate the purpose and contribution of **one** community organisation in which young people may become involved, including: (ACHCK079)
  + the goals and strategies of an organisation, for example a union, charity, association or club
  + the organisation’s effectiveness in achieving objectives
  + actions individuals can take to assist the organisation to achieve its goals
  + proposing actions to improve the effectiveness of the organisation

### Community participation

**Teachers note:** The concept of community may differ amongst students. Brainstorm the features of a community before beginning the learning activities.

#### Enrolling to vote

* Visit [Australian Electoral Commission](https://www.aec.gov.au/) website and check the eligibility requirements for people to enrol to vote.
* Download the enrolment form and discuss the information required to complete an eligible application.
* Use [Practice Voting](https://www.aec.gov.au/Voting/How_to_vote/practice/) page on the Australian Electoral Commission website to practice completing a ballot paper accurately. Ballot papers are different in the House of Representatives, Senate and a Referendum.

#### Community involvement

* Identify ways that young people may be involved in community organisations. What are the features of organisations that promote teenage involvement?
* Using the [Raising Children](https://raisingchildren.net.au/pre-teens/entertainment-technology/free-time-activities/community-activity) website, identify some of the benefits of community involvement for young people.

### Community organisations

**Teachers note:** The investigation of a community organisation may be undertaken as an assessment task.

* **Brainstorm a range of organisations in the local community which aim to involve or support young people.**
* **In pairs, select one organisation of interest and construct a digital presentation which includes the following:**
  + **identify the organisation and its history**
  + the goals and strategies of the organisation
  + the organisation’s effectiveness in achieving objectives and how this is measured
  + how individuals may contribute to assisting the organisation to achieve its goals
  + propose actions that may improve the effectiveness of the organisation.