 Core 1.1 Consumer choice

Please read this statement about the programs and their purpose.

The purpose of the project has been to take the programming focus off the restrictive, often slavish, following of every dot point in the old syllabuses to focus on the big picture learning and to incorporate the elements of the quality teaching document into student tasks to increase the significance of the learning for students.

The programs are not lesson plans and do not contain the excessive detail and overlays of some programs that have developed in the HSIE subjects. They have a simple format that provides a small number of large tasks to cover the ‘learn about’ and ‘learn to’ statements for each topic.

In using these programs students take more responsibility for their learning, work more in groups and have greater choice about what case studies and examples they engage. Teachers can act more as facilitators, but will still need to intervene in the learning to teach explicitly concepts, skills and terminology when students find difficulty within particular tasks. All the tasks can be used for assessment for or assessment of learning purposes. Teachers can use the tasks to provide feedback to students and assess the products and processes of the task for the purpose of recording data that will be used for school reporting purposes. When using the tasks in these ways for assessment, there is no need to create additional assessment tasks, and end of topic tests are not needed because teachers will have already the assessment information needed for school reporting.

Schools can add their own resources and vary the ICT suggestions, within the syllabus requirements, to match their school resources. While every attempt has been made to cover all the syllabus requirements, the units have not as yet been trialled in classrooms. Feedback is welcomed and adjustments will be made to improve the units in response to feedback.

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Core 1.1 – consumer choice

Focus

Students learn how to identify, research and evaluate options when making decisions related to solving those problems and issues that confront consumers.

Time – 20 hours

Outcomes

A student:

* 5.1 – applies consumer, financial, business, legal and employment concepts and terminology in a variety of contexts
* 5.2 – analyses the rights and responsibilities of individuals in a range of consumer, financial, business, legal and employment contexts
* 5.3 – examines the role of law in society
* 5.4 – analyses key factors affecting commercial and legal decisions
* 5.5 – evaluates options for solving commercial and legal problems and issues
* 5.6 – monitors and modifies the implementation of plans designed to solve commercial and legal problems and issues
* 5.7 – researches and assesses commercial and legal information using a variety of sources
* 5.8 – explains commercial and legal information using a variety of forms
* 5.9 – works independently and collaboratively to meet individual and collective goals within specified timelines.

Suggested ICT

* Word processing applications to prepare and present research information
* Excel spreadsheet to prepare budgets
* PowerPoint multimedia application to present information
* Graphics within PowerPoint to present information
* The internet to access information.

Resources

* [Moneysmart](http://www.moneysmart.gov.au/)
* [ACCC](http://www.accc.gov.au)
* [Fair Trading](http://www.fairtrading.nsw.gov.au)
* [Scamwatch](http://www.scamwatch.gov.au)

[Choice](http://www.choice.com.au)

| Students learn about | Students learn to |
| --- | --- |
| Consumer decisions* comparison shopping
	+ types of goods and services
	+ different brands and products
	+ choosing what to buy
* choosing where to buy
	+ range of locations and sources
	+ types of retail outlets
	+ internet purchasing and mail order
	+ locally, interstate, globally
* key factors affecting consumer decisions
	+ finance, price, marketing, age, gender, convenience, service

environmental considerations | * research consumer information from a variety of sources that may include the internet, advertising material, specialist magazines and comparison shopping surveys
* select and apply appropriate criteria to rank alternative purchasing options
* explain the factors influencing the decision to buy locally, regionally, interstate or globally, retail or wholesale or on the internet
* research and report on comparison shopping processes and decision using word processing applications
* explain the factors affecting consumer decisions

examine factors which contribute to changes in behaviour and practices by individuals and organisations |
| Commerce and choice* decisions affecting the quality of our lives

consumer, financial, business, employment, legal - environmental | * investigate the scope of commerce and choice
* identify and classify examples of different types of commercial and legal decisions that people make on a daily basis

recognise the consequences of commercial and legal decisions on the quality of our lives and the environment. |
| Consumer protection* legal rights and protective legislation for consumers
* organisations that provide assistance for consumers
	+ government departments and organisations - state and federal
	+ independent organisations
* the processes of consumer redress -remedies and their outcomes

The need for consumer protection - scams and rip-offs | * use the internet to research scams and rip off
* examine the processes involved in achieving redress
* identify the methods used in scams and rip-offs and analyse the ethics involved
* investigate consumer laws and appropriate processes for consumer protection

work collaboratively to gather, interpret and present information on the protection provided by consumer protection agencies and independent bodies |
| Payment choices* Methods of payment

cash, credit, cheque, direct debit, lay-by, electronic funds transfer, book up | * identify the criteria that should be considered when determining methods of payment for different suppliers
* research the criteria to determine the most appropriate methods of payment in a range of contexts
* identify the advantages and disadvantages of book up
* identify the features of a simple contract using at least one legal case study
* changes over time and the impact of technology
* identify how technology has impacted on the payment processes of business and consumers
* propose options that could be taken to improve financial services available to Aboriginal and Torres Strait Islander peoples and remote communities

develop and use spreadsheets and databases to maintain effective records and monitor monthly transactions including running totals of cash, direct debit and credit purchases |

Teaching and learning activities

Assessment – the activities require students to demonstrate their learning and are all assessment for learning activities. Some activities might be selected and included in a school assessment schedule for assessment of learning.

Consumer decisions

Task 1 – comparison shopping

Teacher note

This activity can involve an excursion or students can gather the prices from a homework visit to some shops or from newspaper and letterbox advertising.

* Form groups of 4-5 to gather information on the type and price of a selection of goods or services.
	+ with the other groups negotiate one of the following categories of goods and service so that at least one group is covering each category.
	+ supermarket groceries
	+ electrical and white goods
	+ services for example optometrists, dry cleaning, banks, hairdressers, insurance
	+ clothing.
* For each category, each group is to list 10 items by type and size (For example, 2 litre ice cream) and to record for three to five examples the brand, price and shop.
* For each type of items in the category, circle which of the surveyed brands would be purchased and write sentences explaining the reasons for each decision.
* Research how prices for the chosen products vary from store to store.
* Discuss when one should shop around to choose either the cheapest price or the brand of your choice.How important is convenience when making purchase decisions?
* Write a paragraph about what the strongest influences are on purchasing decisions. Were the reasons similar or different to other students?

Task 2 – buying a television

Yesterday when you arrived home from school you were greeted with sad news, the television was broken and could not be repaired. The family discussed some options for a new television; a plasma screen, a rear projection model, a large 80cm model, a flat tube 68 cm model or a replacement for the broken one a 51cm model.

Everyone was keen for a bigger and better model and even volunteered some of their savings to help. Because you are studying Commerce, you have been given the task of evaluating the options to find out the benefits and get the best prices. Your parents are not sure that they have enough money for some of the most desired options but liked the advertising that they did not have to pay for 18 months.

Your task is to:

* research the options and their prices from advertising, the Internet and local shops
* list the selling points for each option
* record three purchase alternatives for each option with the name of the company and the price
* for the plasma and rear projection models record the details of one finance package that is offered by a least one company.
* confer with another student about which option you are going to recommend to your family and why you have chosen it.
* write a paragraph on what you think the decision will be by your family and why they will make that decision.

Consumer and choice

Task 3 – the price is right?

Look on the [Choice website](http://www.choice.com.au) and conduct a search on "consumerism". Read and use the information in the articles to write a one-page article for your school newspaper on the topic "There's more to buying than just price."

In your article refer to:

* Financial decisions and quality of life
* Legal implications and illegal activities
* Ethical considerations
* Environmental impacts

Task 4 – the too good to be true plasma television

When a family friend heard about the family television, he was very helpful and gave your father the number of a man who sells plasma television from home at prices way below shop prices. He said that because he does not advertise and imports directly he can give special deals.

While you were researching the new television in Task 2, your father telephoned this man and arranged for 106cm plasma television to be delivered for just $2000. When your father was showing it to a neighbour who works in the NSW police, the neighbour noticed some numbers etched into the side and later determined that it had been stolen.

While your father has helped the police with the name and telephone number of the man who sold it to him, the television has been reclaimed by the original owner and your father has lost his $2,000 and there are still discussions with the police about receiving stolen goods.

A friend has emailed you to get the number of the man so that he can buy a cheap TV. Compose an email to warn him about this matter and in your email outline some of the things he could do not make sure the television is owned by the seller.

Consumer protection

Task 5 – oh no! It doesn't work

After the incident with the plasma TV, the family has had to settle for cheap 51cm television for just $245. On the second day, it fails to turn on.

Look at the [ACCC Website](http://www.accc.gov.au) and refer to the section on returning goods and warranties. Provide some written advice (about one page) that you can email to your father about his rights and the obligations and rights of the seller and where he can get further advice.

Task 6 – recognising scams

Working in pairs, use the [ACCC Website](http://www.accc.gov.au) and refer to the section on scams and select two scams.

Scam suggestions:

* bait advertising
* door-to-door
* sales scams
* employment opportunities
* false sales
* pyramid schemes
* internet offers
* introduction agencies
* Itinerant hucksters
* overseas scams
* shopping by mail
* unsolicited goods.
1. Explain how each scam works
2. Provide any examples or stories of how people have been fooled
3. Explain the consumer's rights regarding this scam and any relevant legal aspects
4. Provide information on the agencies and bodies that can give you assistance if you are caught in a scam
5. Comment on the ethical issues involved in your examples of scams.

Payment choices

Task 7 – examples of payments

You have recently started your first part-time casual job at a local store. It is good to have some money and to be able to save in your bank account. Now that you intend to buy some of the things you have not been able to afford, the different ways that payments can be made requires further investigation.

1. Use textbooks, library resources, bank information and the Internet to complete a table listing the advantages and disadvantages of paying:
	* cash
	* credit card
	* cheque
	* direct debit
	* lay-by
	* store card
	* electronic funds transfer
2. For each of the following purchases, identify the possible payment methods and select and explain the one you would prefer to use:
	* a pair of jeans
	* food and drinks for a party
	* a trail bike
	* a microwave for your mum for Christmas
	* overseas travel insurance
	* your share of the rent.

What criteria (principles) are you using to make these decisions?

1. With all these purchases there has been a contract. What are the basic elements of a contract?
2. In about a page, explain and give examples of how technology has affected the way payments are made. Include a comment on how technology might help people in remote communities’ access financial services.

Task 8 – using spreadsheets

Teacher note – you will need to teach students about spreadsheets, preferably electronic spreadsheets, for them to be able to complete this aspect of the syllabus. The following exercise is based on that explicit teaching having been undertaken.

You and your friend open up a home business cleaning computer viruses from the computers of friends and relatives with a joint bank account allowing receipt of credit card payments. During the month of July, the following monies were received.

Construct a spreadsheet to record each amount of money for each type of payment, including who made the payment and any details of the method of payment.

4 July – Robert Thom paid cash $25

6 July – Li Tam paid by direct deposit into the bank account $40

6 July – Susan Fazzio paid cash $15

11 July – Cheque 124342 Commonwealth Bank received from L Watkins for $30

17 July – Credit Card 1900 4545 6532 7653, 8/05 charge Peter Roberts $35

23 July – Cash from Lilly Edberg $25

26 July – Direct debit from Paul Chan $20

28 July – Cheque 564873 HSBC received from Leonie Wilson $35

30 July – Credit Card 5300 4534 8765 7890, 8/04 charge Zoe Kim $30

You and your friend each withdrew $50 as wages on 27 July

1. Construct a spreadsheet to record each type of payment, including the names of payees and details of the method of payment. Use the spreadsheet to record:
	* The total payments to your account during the month of July
	* The total payments for credit cards, direct debits, cash and cheque
	* The balance of the account at the end of the month.

Task 9 – reflection

During this unit you have learned about a range of consumer issues including making wise purchasing decisions, scams and how to avoid them and financial transactions.

What were the important things which you learned about during this unit which you did not know when you started?

What would you like to investigate further to help you continue to be a wise consumer?