



External Assessment Report 2012

Subject(s)	Economics
Level(s)	Higher

The statistics used in this report are pre-appeal.

This report provides information on the performance of candidates which it is hoped will be useful to teachers/lecturers in their preparation of candidates for future examinations. It is intended to be constructive and informative and to promote better understanding. It would be helpful to read this report in conjunction with the published question papers and marking instructions for the Examination.

Comments on candidate performance

General comments

Candidates from many centres were thoroughly prepared for this examination and performed to high standard. The paper gave candidates ample scope to demonstrate their knowledge and understanding across the syllabus. As a result, achievement has improved, particularly at the higher grades.

Areas in which candidates performed well

Section A

Item A

Question (c): most candidates were able to show the shift in both the demand and supply curve required.

Question (g): most candidates were able to suggest cost-cutting measures and gained high marks on this question.

Item B

Question (g) (i) and (ii) were both well done by most candidates.

Section B

Essay 2 (a) was generally well done. Most candidates could accurately define the term recession and describe the consequences for individuals, firms and the government. Part (b) elicited some strong responses with the best candidates explaining quantitative easing as well a decrease in interest rates.

Essay 6 parts (a) (b) and (c) were generally well done by candidates who chose this question. Many candidates demonstrated excellent understanding of Market Failure and the characteristics of Market Failure.

Areas which candidates found demanding

Section A

Item A

Question (a) (i) and (ii): some candidates did not define the terms 'as used in the passage'.

Question (e): many candidates struggled to describe the PES.

Item B

Question (b) was poorly done, even though the term 'flexible working practices' was explained in the passage.

Section B

Essay 1

Part (a): some candidates wrote about the basic economic problem without focusing on the issue of choices, which was most relevant to the question.

Part (b): whilst many candidates could draw production possibility curves accurately, some candidates were unable to use them to explain productive efficiency and opportunity cost.

Part (c): some candidates wrote about the multiplier in descriptive terms only.

Essay 3

Part (a): some candidates were unable to accurately draw and label a cost curve diagram.

Part (b): some candidates named types of internal and external economies of scale with no explanation which gained few marks.

Essay 5

Part (a) - Many candidates struggled to accurately describe the theories of absolute and comparative advantage. Many numerical examples were inaccurate.

Advice to centres for preparation of future candidates

Candidates should be discouraged from using bullet points in the examination unless they are fully developed. A bulleted list on its own will attract few marks at Higher level. Candidates must develop their points using elaboration or examples to fully explain the points they are making.

Questions that have a high number of marks allocated require more detailed responses. Candidates should practise extended response questions. Some candidates misinterpreted questions and therefore lost marks. This might have been avoided with more careful reading.

Statistical information: update on Courses

Number of resulted entries in 2011	576
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Number of resulted entries in 2012	586
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Statistical information: Performance of candidates

Distribution of Course awards including grade boundaries

Distribution of Course awards	%	Cum. %	Number of candidates	Lowest mark
Maximum Mark 100				
A	46.6%	46.6%	273	70
B	24.9%	71.5%	146	59
C	14.2%	85.7%	83	48
D	6.7%	92.3%	39	42
No award	7.7%	100.0%	45	-

General commentary on grade boundaries

- ◆ While SQA aims to set examinations and create marking instructions which will allow a competent candidate to score a minimum of 50% of the available marks (the notional C boundary) and a well prepared, very competent candidate to score at least 70% of the available marks (the notional A boundary), it is very challenging to get the standard on target every year, in every subject at every level.
- ◆ Each year SQA therefore holds a grade boundary meeting for each subject at each level where it brings together all the information available (statistical and judgemental). The Principal Assessor and SQA Qualifications Manager meet with the relevant SQA Business Manager and Statistician to discuss the evidence and make decisions. The meetings are chaired by members of the management team at SQA.
- ◆ The grade boundaries can be adjusted downwards if there is evidence that the exam is more challenging than usual, allowing the pass rate to be unaffected by this circumstance.
- ◆ The grade boundaries can be adjusted upwards if there is evidence that the exam is less challenging than usual, allowing the pass rate to be unaffected by this circumstance.
- ◆ Where standards are comparable to previous years, similar grade boundaries are maintained.
- ◆ An exam paper at a particular level in a subject in one year tends to have a marginally different set of grade boundaries from exam papers in that subject at that level in other years. This is because the particular questions, and the mix of questions, are different. This is also the case for exams set in centres. If SQA has already altered a boundary in a particular year in, say, Higher Chemistry this does not mean that centres should necessarily alter boundaries in their prelim exam in Higher Chemistry. The two are not that closely related as they do not contain identical questions.
- ◆ SQA's main aim is to be fair to candidates across all subjects and all levels and maintain comparable standards across the years, even as arrangements evolve and change.