

Mathematics Level 7

Chapter 2 — the business, work and finance line

This work is licensed under the Creative Commons Attribution-NonCommercial-NoDerivatives 4.0 International License. To view a copy of this license, visit <http://creativecommons.org/licenses/by-nc-nd/4.0/> or send a letter to Creative Commons, PO Box 1866, Mountain View, CA 94042, USA.

Attribution: Classbasics Pty Ltd, vwx.au

Curriculum codes refer to the *Victorian Curriculum F–10 Version 2.0*, published by the Victorian Curriculum and Assessment Authority (VCAA). Classbasics is not affiliated with the VCAA; the VCAA does not endorse this resource and makes no warranties regarding it.

Distribution note: this document may be distributed, and whole pages may be removed from it, provided only WHOLE pages are removed (never part of a page). This allows teachers to remove tests, exams and subtopics they do not want to issue.

Aboriginal and Torres Strait Islander content has been excluded as accuracy cannot be guaranteed, and it is better to be respectful than cover the entire curriculum inaccurately.

Significant effort has been made to ensure this content is legal. Please send any areas of concern to admin@vwx.au with appropriate document/legal references so errors can be verified and changes be made.

Contents

Section	Page
Staying ahead of rivals: entrepreneurship, marketing and public relations	2
Human resource management: how employers motivate staff and lift productivity	13
Unions and employer groups: what they do and why they matter	27
Risks and rewards of money choices: scams, investment and insurance	37
Superannuation: why it matters for you and for Australia	50

Staying ahead of rivals: entrepreneurship, marketing and public relations

Curriculum: Victorian Curriculum 2.0, Economics and Business, Levels 9 and 10 — Knowledge and Understanding, sub-strand *Business and entrepreneurship*. **Content description VC2HE10K05.** This section draws on elaborations .E01, .E02, .E03, .E04 and .E06. Elaboration .E05 is not covered in this book — see the note at the front of the book.

Every day you choose between businesses: one café over another, one brand of sneakers over a rival. Each of those businesses is trying to win you — and to keep winning you. This section is about **how they try to do that**, and how they keep doing it. The curriculum's word for the thing they are chasing is a **competitive advantage**.

Theory

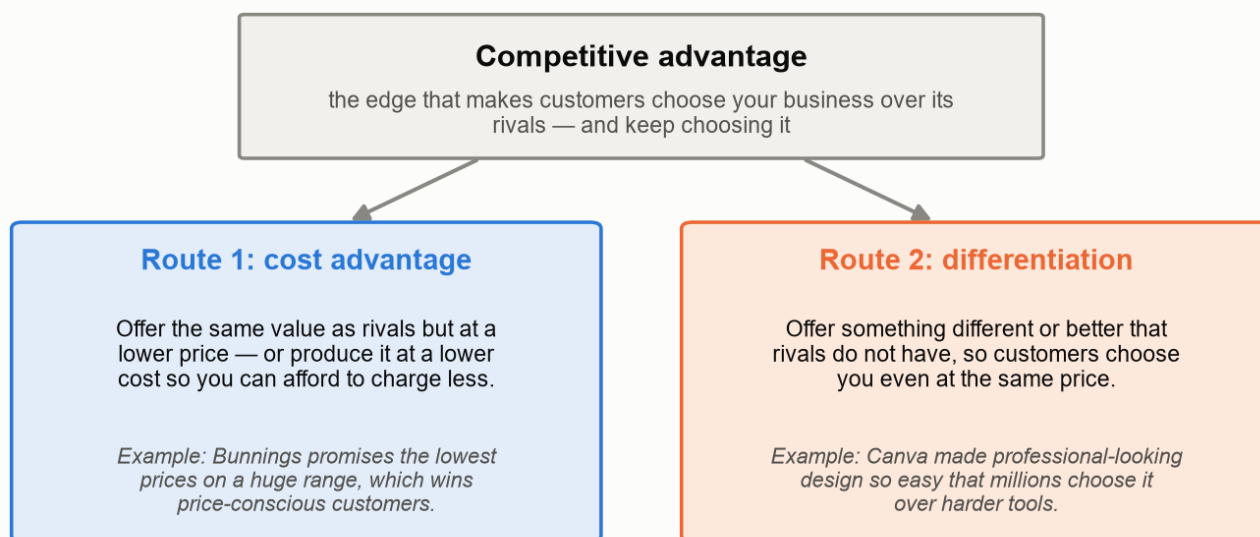
1. Why businesses compete: competitive advantage

Most markets have more than one seller, so businesses must give customers a reason to pick *them*. That reason is their **competitive advantage**.

Key term — competitive advantage. The Victorian Curriculum uses this term but does not define it. In this section it is used in the sense made famous by the economist **Michael Porter** (*Competitive Advantage*, 1985): **the edge that makes customers choose one business over its rivals — and keep choosing it**. Porter's account gives two main routes to that edge: offering the same value at a **lower price** (a *cost advantage*), or offering something **different or better** that customers will pay for (a *differentiation*). Other definitions exist; every task in this section can be answered with this one.

A competitive advantage only counts while rivals cannot copy it. The moment every rival matches it, it stops being an advantage — which is why the curriculum talks about **creating and maintaining** it.

Two main routes to a competitive advantage



A business usually picks one main route, then works hard to keep that edge — that is "maintaining" the advantage.

Model after Michael Porter, *Competitive Advantage* (1985).

A model showing the two main routes to a competitive advantage: a cost advantage (offering the same value at a lower price) and differentiation (offering something different or better), with an Australian example under each.

2. Entrepreneurship: acting on opportunity

Key terms — entrepreneur, entrepreneurship. An **entrepreneur** is a person who starts and runs a new business, taking the risk of losing their own money if it fails, in the hope of profit if it succeeds.

Entrepreneurship is the act of doing this.

Entrepreneurs create competitive advantage by spotting something customers want that nobody is supplying well, then acting on it. Two habits matter:

- **Responding to change.** When economic or market conditions change — a new habit, a new technology, a gap left by a rival — an entrepreneur treats the change as an opportunity.
- **Using technology to innovate.** *Innovation* means turning an idea into something people actually use. New technology (the internet, phones, cheap computing) is the raw material many entrepreneurs build on.

Case study — Canva. Melanie Perkins, Cliff Obrecht and Cameron Adams founded Canva in **Perth in 2013**. They spotted that design software was hard and expensive, and that the web and phones could make design available to anyone. By 2021 the business was valued at about **A\$40 billion**, and by 2025 it reported **260 million monthly users**. Canva's advantage is differentiation: it made professional-looking design easy when rivals' tools were hard.

Case study: an entrepreneur rides new technology

Canva — from a Perth start-up to a global business (2013-2025)

Founded in Perth by Melanie Perkins, Cliff Obrecht and Cameron Adams — an online tool so anyone can design.

2013

Valued at A\$40 billion as users around the world sign up.

2021

260 million monthly users; valued at US\$42 billion.

2025

2018

Valued at A\$1 billion.

2022

Over 75 million people use it each month.

Canva's founders spotted that new technology (the web and apps) could make design available to everyone — and grew with global demand.

Source: Wikipedia, "Canva" (retrieved 26 August 2026).

A timeline of Canva from its 2013 founding in Perth to 260 million monthly users and a US\$42 billion valuation in 2025, showing an entrepreneur growing with new technology and global demand.

3. Marketing and the 6 Ps

Key term — marketing. **Marketing** is everything a business does to find out what customers want and to persuade them to buy it: the product itself, the price, the advertising, and where and how it is sold.

The curriculum names **six** things a business can shape, the **6 Ps of marketing**. They are product, price, promotion, place, people, presentation. (Some other courses add more Ps; the Victorian Curriculum's list is these six.)

The 6 Ps of marketing

The six things a business can shape to win customers

Product

The good or service a business sells, and the features that make customers want it.

Price

How much customers pay, and how that compares with what rivals charge.

Promotion

How the business tells people about it: advertising, social media, special offers.

Place

Where and how customers can buy it: shops, online, delivery.

People

The staff who sell and serve, and the quality of service they give.

Presentation

How the product, shop and brand look and feel to customers.

Marketing's six Ps — product, price, promotion, place, people, presentation — each with a one-line explanation of what a business can shape.

A campaign that used the Ps — “Share a Coke”. The curriculum points to **Coca-Cola** as a marketing case study. Its “Share a Coke” campaign **first launched in Australia in 2011**, replacing the famous logo on bottles and cans with 250 popular Australian first names. Worked example 1 below applies the 6 Ps to it.

4. Who has the edge? Identifying competitive advantage

Look at any well-known business and ask: *why do customers choose it?* The answer is its competitive advantage, and it usually traces back to cost advantage, differentiation, or both.

What gives well-known businesses their edge?

Read each row and ask: cost advantage, differentiation, or both?

Business	What it sells	Its competitive advantage
Bunnings Warehouse (Australia)	Hardware and garden products	Everyday low prices plus a huge range and community trust (the sausage sizzle) — about 68% of Australia's DIY hardware market.
Canva (Australia)	Online design software	Made professional-looking design so easy that anyone can do it; now used worldwide in over 100 languages.
Atlassian (Australia)	Team software (Jira, Confluence)	Trusted collaboration tools that big and small teams around the world rely on every day.
Coca-Cola (global)	Soft drinks	One of the world's most recognised brands, kept fresh by campaigns like "Share a Coke".
Apple (global)	iPhone, computers, services	A global brand: designed in the US, sold worldwide, with products that work together and keep customers loyal.

Facts summarised from public reporting on each business (sources retrieved 26 August 2026).

A table of five well-known businesses — Bunnings, Canva, Atlassian, Coca-Cola and Apple — showing what each sells and the competitive advantage that gives it its edge.

Notice that an advantage can be **maintained** by reinforcing it: Bunnings keeps its cost advantage by constantly checking rivals' prices, and Canva keeps its differentiation by adding new tools so it stays the easy option.

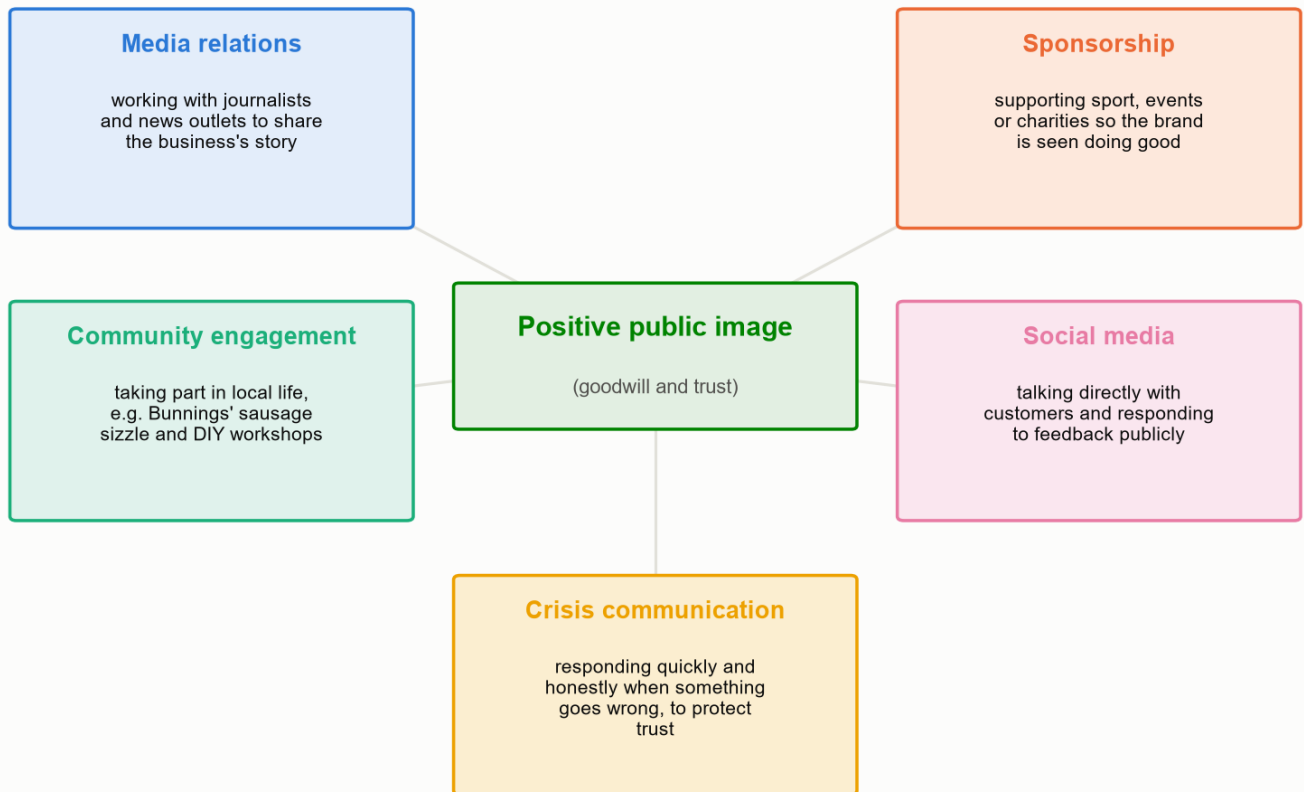
5. Public relations: building a positive public image

Key term — public relations. Public relations (PR) is the way a business builds and looks after its reputation — what people say and think about it. Unlike advertising, which buys space, PR is *earned* through what a business does and how it behaves.

A business with a good name sells more, and finds it easier to hire staff and win partners — so a positive public image is itself a source of competitive advantage. Common PR strategies include talking with the media, sponsoring sport and charities, taking part in community life, engaging on social media, and communicating quickly and honestly when something goes wrong.

Public relations: building a positive public image

Unlike advertising, PR is about reputation - what people say and think about a business



A diagram of five public relations strategies — media relations, sponsorship, community engagement, social media and crisis communication — all pointing to a positive public image.

Case study — Bunnings in the community. Bunnings' weekend sausage sizzles and DIY workshops are community engagement: they are not advertisements, yet they make the brand feel friendly and local, which is part of why it has been one of Australia's most trusted brands. That goodwill supports its competitive advantage.

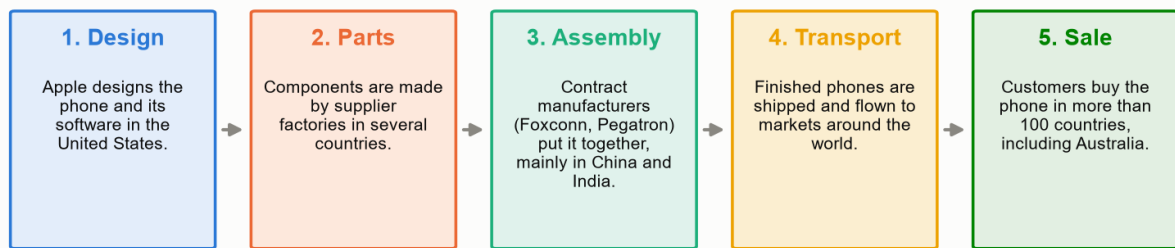
6. Globalisation and international supply chains

Key terms — globalisation, multinational corporation, supply chain. **Globalisation** is the growing connection between countries' economies: more trade, and more money, people and ideas moving across borders. A **multinational (transnational) corporation** is a business that operates in more than one country. A **supply chain** is the whole chain of steps — making parts, assembling, transporting, selling — that gets a product to a customer; an **international supply chain** spreads those steps across different countries.

Globalisation lets a multinational put each stage of its supply chain where it is done best or cheapest.

One product, many countries: an international supply chain

Example: how an iPhone reaches a customer (each stage happens in a different country)



Globalisation makes this possible: because trade and transport are easier and cheaper, a multinational can put each stage where it is done best or cheapest.

Source: Wikipedia, "iPhone" (retrieved 26 August 2026).

A flow diagram of an international supply chain using the iPhone as an example: designed in the United States, parts made in several countries, assembled mainly in China and India, transported worldwide, and sold in more than 100 countries.

Weighing it up — advantages and disadvantages. This is genuinely debated, and both sides have strong points.

Advantages of international supply chains

- Lower costs, because each stage happens where it is cheapest
- Access to skills and parts not available in one country
- Bigger, cheaper choice for customers
- Spreads a business's risk across several countries

Disadvantages of international supply chains

- Jobs can move offshore, hurting workers at home
- Long chains are fragile — a delay in one country stops factories in other countries
- Harder to check wages, safety and environmental standards in far-away factories
- Transport adds pollution and carbon emissions

A fair answer explains **both** columns, not just the one you agree with.

Worked examples

Example 1 — scaffolded (marketing, .E01)

Apply the 6 Ps to Coca-Cola's "Share a Coke" campaign (Australia, 2011).

The P	How “Share a Coke” used it
Product	The classic Coke drink — but the pack became personal, with a person’s name on it.
Price	Sold at the usual Coke price; the personal touch meant no discount was needed.
Promotion	TV, outdoor and social-media ads invited people to find their name and share a Coke with a friend.
Place	Available everywhere Coke is sold — supermarkets, service stations, cafés and vending machines.
People	It got people talking: customers hunted for their own names and bought bottles for friends.
Presentation	The logo was swapped for 250 popular first names — the pack itself was the advertisement.

Result: in Australia the campaign lifted sales to young adults by about **7%** and grew Coke’s share of the soft-drink market by about **4%**. The idea was later copied in dozens of other countries. (*Source: The Coca-Cola Company; Wikipedia, “Share a Coke”, retrieved 26 August 2026.*)

Worked example: the 6 Ps in one real campaign

Coca-Cola “Share a Coke” — first launched in Australia in 2011

The P	How “Share a Coke” used it
Product	The classic Coke drink — but the pack became personal, with a person's name on it.
Price	Sold at the usual Coke price. The personal touch meant no discount was needed.
Promotion	TV, outdoor and social-media ads invited people to find their name and share a Coke with a friend.
Place	Available everywhere Coke is sold — supermarkets, service stations, cafés and vending machines.
People	It got people talking: customers hunted for their own names and bought bottles for friends.
Presentation	The famous logo was swapped for 250 popular Australian first names — the pack itself was the ad.
Result in Australia (2011): sales to young adults rose about 7% and Coke's share of the soft-drink market grew about 4%.	

Source: The Coca-Cola Company; Wikipedia, “Share a Coke” (retrieved 26 August 2026).

A worked-example table applying the six Ps of marketing to the Share a Coke campaign, with the 2011 Australian result noted.

Example 2 — scaffolded (competitive advantage, .E02)

Identify the competitive advantage of **Bunnings Warehouse** and say which route it is.

Step	Reasoning
1. What does it sell?	Hardware and garden products.

Step	Reasoning
2. Why do customers choose it?	Low everyday prices, a huge range, and a friendly, trusted feel.
3. Which route is that?	Mainly a cost advantage (lowest prices), supported by differentiation (range and community trust, e.g. the sausage sizzle).
4. Is it maintained?	Yes — it holds about 68% of Australia’s DIY hardware market and is owned by Wesfarmers, which keeps investing in it.

Conclusion: Bunnings’ competitive advantage is *mostly cost, reinforced by differentiation*, and it is maintained, not accidental. (Source: Wikipedia, “Bunnings”, retrieved 26 August 2026.)

Practice questions

Scaffolded

Q1. In your own words, define *competitive advantage*. (Use the idea of “the reason customers choose you”.)

Q2. Match each P to its meaning by writing the letter next to the number: 1 Product, 2 Price, 3 Promotion, 4 Place, 5 People, 6 Presentation. Meanings: (a) the staff and the service they give; (b) how the brand and shop look and feel; (c) the good or service itself; (d) the advertising and offers; (e) how much customers pay; (f) where and how it is sold.

Q3. From the table of well-known businesses, state the competitive advantage of (a) Canva and (b) Bunnings, and label each as *cost advantage* or *differentiation*.

Q4. Name **two** PR strategies from the diagram and, for each, say in one sentence how it builds a positive public image.

Q5. From the supply-chain diagram, list the five stages of the iPhone’s international supply chain in order.

Q6. For each, write *cost* or *differentiation*: (a) a café is the only one in town with a playground; (b) a petrol station is always 5c a litre cheaper than its rivals; (c) a school bag brand offers a lifetime repair guarantee.

Unscaffolded

Q7. Choose a business you know well (a shop, app or brand). Explain its competitive advantage using the words *cost advantage* and/or *differentiation*, and say one thing it does to **maintain** that advantage.

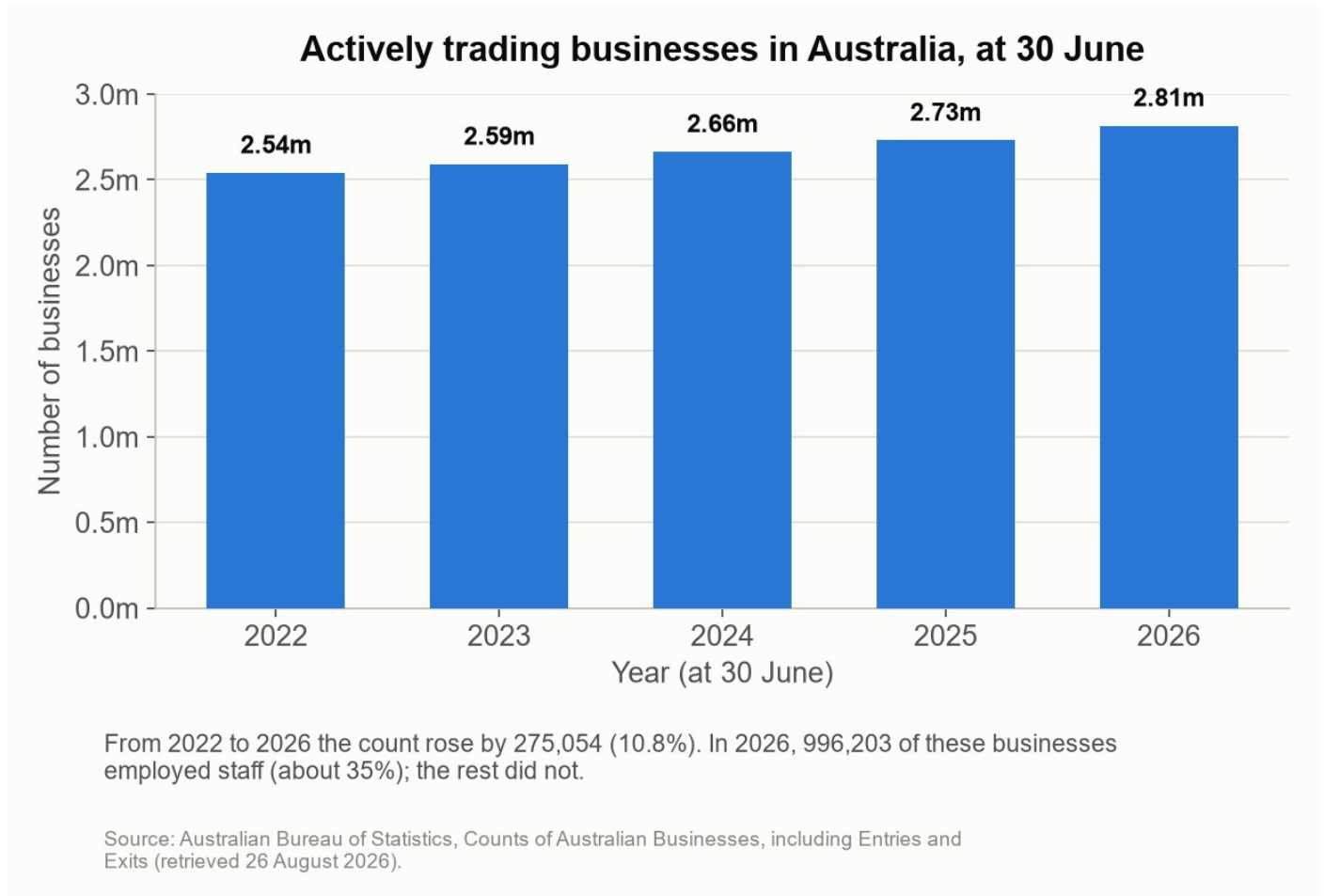
Q8. Using the Canva case study, explain how the founders (i) responded to changing conditions and (ii) used technology to innovate.

Q9. A new local bakery wants a positive public image on a small budget. Recommend **two** PR strategies and justify each in one or two sentences.

Q10. “International supply chains are good for businesses and customers.” Evaluate this claim, giving at least two advantages and two disadvantages, and reach a reasoned conclusion.

Data inquiry — how many businesses are there? (.E06, numeracy)

The graph below uses real data from the **Australian Bureau of Statistics** on actively trading businesses.



A bar chart of actively trading Australian businesses at 30 June each year from 2022 (2.54 million) to 2026 (2.81 million), noting that about 35% employed staff in 2026.

1. How many actively trading businesses were there at 30 June 2026?
2. Use the graph to estimate how many more businesses there were in 2026 than in 2022.
3. In 2026, about 35% of businesses employed staff. About what percentage did **not** employ staff? What do we usually call a business with no employees?
4. What does the steady rise from 2022 to 2026 suggest about people's willingness to start businesses in Australia?
5. Connect to this section: most of these businesses are small. Using the terms *entrepreneur* and *competitive advantage*, explain in two or three sentences why a small new business needs a clear advantage to survive against bigger rivals.

Answers

Q1. the edge (lower prices, or something different/better) that makes customers choose one business over its rivals, and keep choosing it. **Q2.** 1-c, 2-e, 3-d, 4-f, 5-a, 6-b. **Q3.** (a) differentiation; (b) mainly cost advantage, with some differentiation. **Q4.** any two of sponsorship, community engagement, social media, media relations, crisis communication, each with a fitting “how it builds a good name” line. **Q5.** design → parts → assembly → transport → sale. **Q6.** (a) differentiation; (b) cost; (c) differentiation. **Q7.–Q10.** answers vary — see the fully-worked solutions for what a good answer includes. **Data inquiry.** 1. 2,814,778. 2. 275,054 (about 275,000). 3. about 65%; a non-employed business (a sole trader or one-person business). 4. people keep starting and keeping businesses — entrepreneurship is active. 5. answers vary — see the fully-worked solutions.

Fully-worked solutions

Q1. Step 1: an advantage is the reason customers choose you. Step 2: it must be over *rivals* (if every café did it, it would not be an advantage). Step 3: it must last. So: a competitive advantage is the edge — lower prices (cost advantage) or something different/better (differentiation) — that makes customers choose one business over its rivals and keep choosing it.

Q2. Read each meaning and find its P. “The good or service itself” = Product (1-c). “How much customers pay” = Price (2-e). “The advertising and offers” = Promotion (3-d). “Where and how it is sold” = Place (4-f). “The staff and the service they give” = People (5-a). “How the brand and shop look and feel” = Presentation (6-b). So 1-c, 2-e, 3-d, 4-f, 5-a, 6-b.

Q3. (a) Canva made design so easy that anyone can do it — that is *not* about being cheaper, it is about being different and better, so it is **differentiation**. (b) Bunnings’ everyday low prices are a **cost advantage**; its huge range and community trust (the sausage sizzle) add **differentiation**, so: mainly cost, with some differentiation.

Q4. Two strategies, each with a “how” line. *Sponsorship*: paying for a local sports team’s gear or an event puts the brand in a good light, because people see it doing good. *Community engagement*: taking part in local life — like Bunnings’ sausage sizzle and DIY workshops — makes the business feel friendly and local, so people trust it.

Q5. Read the diagram left to right: 1. **Design** (United States) → 2. **Parts** (supplier factories in several countries) → 3. **Assembly** (contract manufacturers, mainly China and India) → 4. **Transport** (shipped and flown worldwide) → 5. **Sale** (more than 100 countries, including Australia).

Q6. (a) The playground makes the café *different*, not cheaper → differentiation. (b) 5c a litre cheaper is about price → cost advantage. (c) A lifetime repair guarantee is something extra that rivals do not offer → differentiation.

Q7. A good answer names a business, then uses the two routes. *Example*: a local pizza shop is the only shop that delivers up the hill — that is **differentiation**; it maintains it by adding online ordering so customers find it even easier to buy. Any business is fine, as long as the advantage is named as cost and/or differentiation and one maintaining action is given.

Q8. (i) *Responding to change*: design software was hard and expensive, and people wanted an easier way — the founders treated that gap in the market as an opportunity. (ii) *Using technology to innovate*: they built an online tool on the web and apps so anyone could design, and the business grew as users around the world signed up — innovation driven by technology.

Q9. Two strategies that cost little, each justified. *Social media*: friendly posts and quick replies build a following for almost no money, and customers see the bakery as open and caring. *Community engagement*: donating day-old bread to a charity or sponsoring the school fete earns goodwill — people think well of the bakery without it buying ads.

Q10. Advantages: each stage happens where it is cheapest, so **lower costs**; access to **skills and parts** one country lacks; **bigger, cheaper choice** for customers. Disadvantages: **jobs can move offshore**; long chains are **fragile** (a delay in one country stops factories in other countries); wages, safety and environmental **standards are harder to check**; transport adds **pollution**. Conclusion (example): customers and businesses gain on price and choice, but the risks are real — so the claim is not all true, and a fair judgement weighs both sides.

Data inquiry. 1. Read the 2026 bar: **2,814,778** (about 2.81 million). 2. $2,814,778 - 2,539,724 = 275,054$, so about 275,000 more. 3. $100\% - 35\% = \text{about } 65\%$; a business with no employees is a **non-employing** business (often a sole trader or one-person business). 4. A steady rise from 2022 to 2026 suggests people keep starting and keeping businesses — entrepreneurship in Australia is active. 5. A small new business is run by an **entrepreneur**; bigger rivals already have name-recognition and lower costs, so the new business needs a clear **competitive advantage** — a lower price or something different — to win customers and survive.

Key terms

Term	Meaning (as used in this section)
Competitive advantage	The edge that makes customers choose a business over rivals (Porter, 1985): cost advantage or differentiation.
Cost advantage	Offering the same value at a lower price or cost.
Differentiation	Offering something different or better that customers will pay for.
Entrepreneur / entrepreneurship	A person who starts a business taking financial risk; the act of doing so.
Marketing	Everything done to learn what customers want and persuade them to buy; shaped by the 6 Ps.
The 6 Ps	Product, price, promotion, place, people, presentation.
Public relations (PR)	Building and protecting a business's reputation and relationship with the public.
Globalisation	The growing connection between countries' economies through trade and movement of money, people and ideas.
Multinational (transnational) corporation	A business operating in more than one country.
Supply chain (international)	The chain of steps getting a product to a customer; international = steps in different countries.

Human resource management: how employers motivate staff and lift productivity

Curriculum — VC2HE10K06.

- VC2HE10K06.E01
- VC2HE10K06.E02
- VC2HE10K06.E03

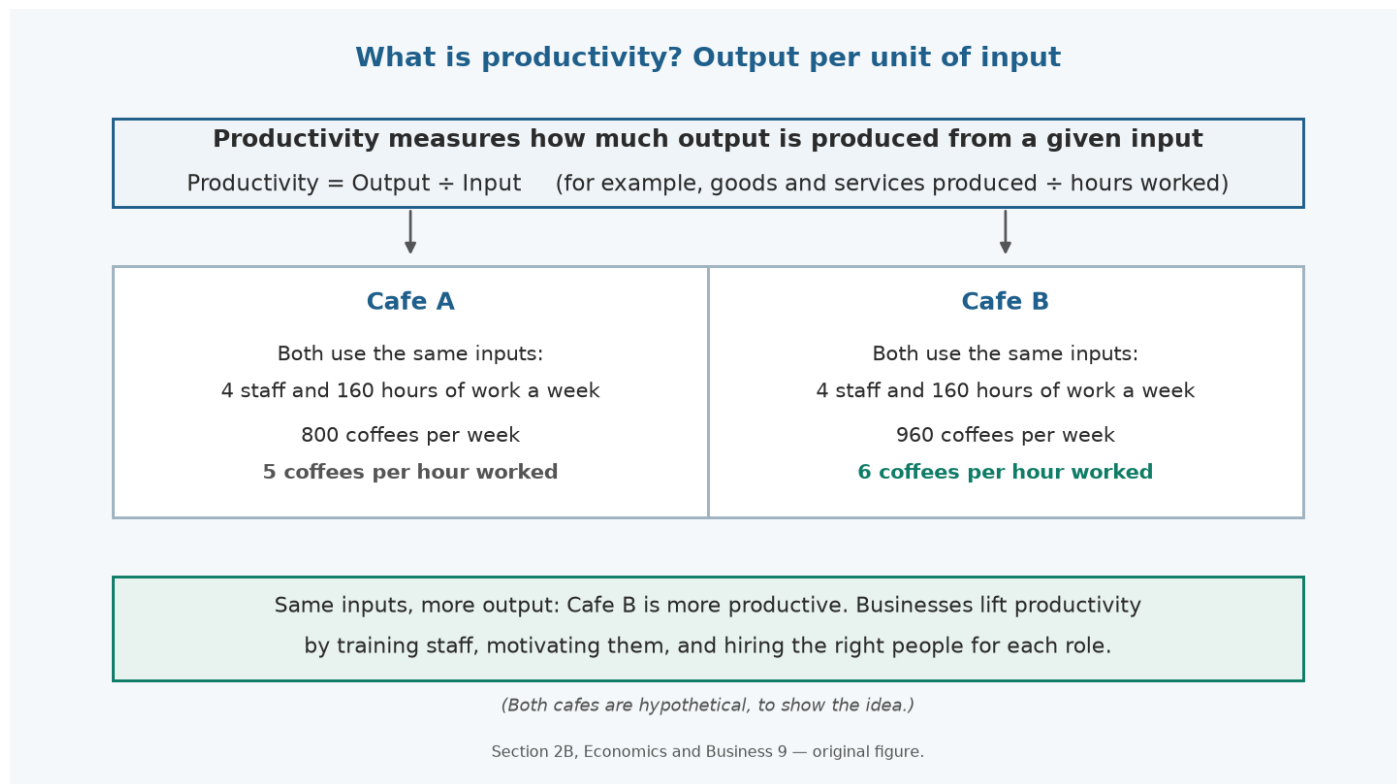
Words you will meet (defined where they first appear): *productivity* — how much output is made from each unit of input, such as each hour worked; *human resource management (HRM)* — how a business looks after its people: planning staff needs, hiring, training, motivating and keeping them; *recruitment* — the process of finding people to fill a job; *selection* — choosing the best person from the applicants; *induction* — settling a new employee into the role; *award* — a legal document that sets the minimum pay and conditions for an industry or job; *National Minimum Wage* — the lowest hourly rate any adult employee can be paid; *superannuation* — money the employer pays on top of wages into a retirement fund; *penalty rates* — extra pay for working weekends, nights or special days; *seasonally adjusted* — numbers the ABS has smoothed so regular seasonal swings (like Christmas trade) do not hide the real trend; *resume* — a one- or two-page document that sells your skills and experience to an employer; *referee* — an adult who can tell an employer about you.

Theory

Part 1 — Productivity: output per unit of input

A business uses inputs — workers, hours, machines, materials — to produce outputs: goods and services.

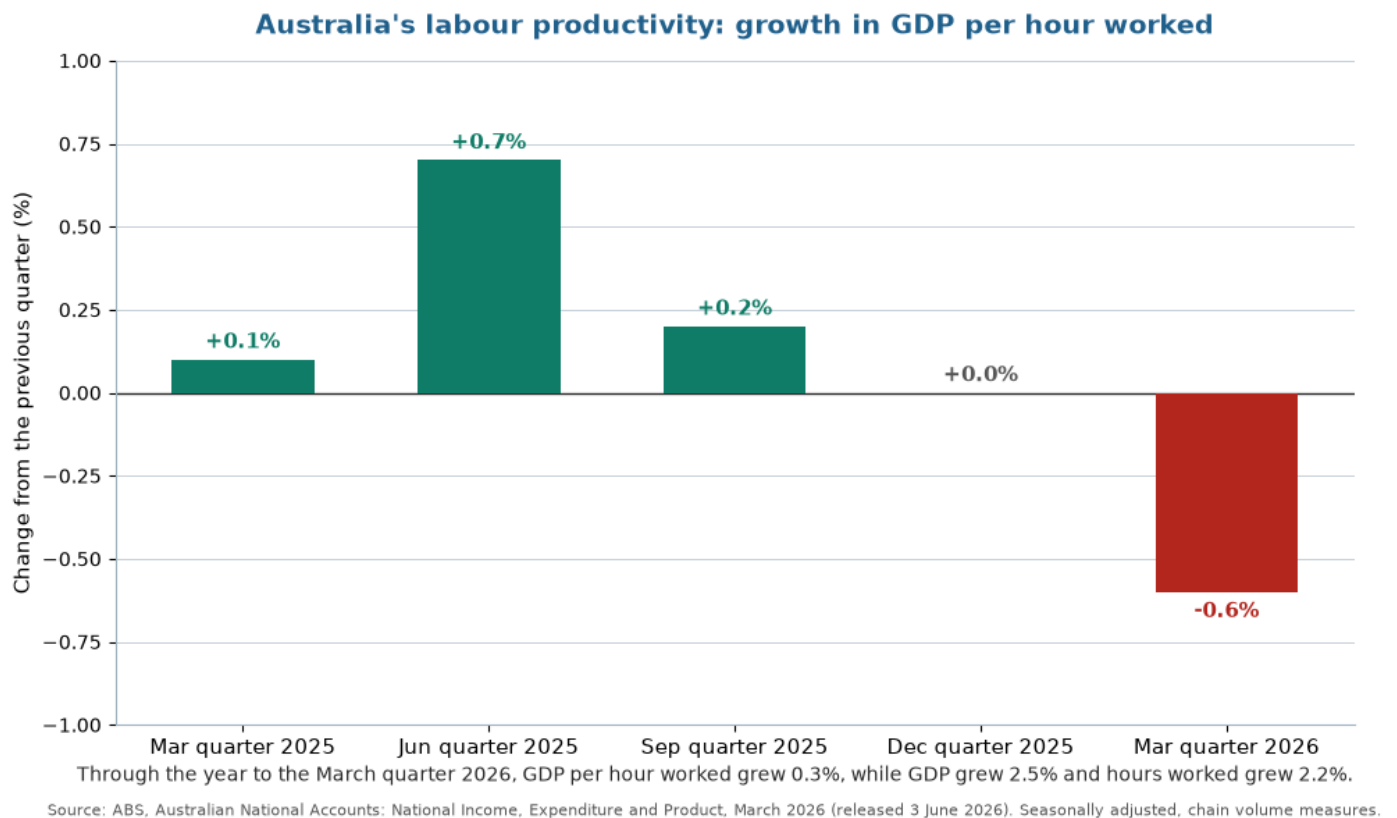
Productivity measures how much output is produced from a given input. If two cafés use the same inputs and one serves more coffees, that café is more productive.



Two boxes comparing Cafe A and Cafe B, both using 4 staff and 160 hours a week; Cafe A makes 800 coffees, 5 per hour worked, and Cafe B makes 960 coffees, 6 per hour worked, showing that the same inputs can give more output

Figure 1 — Productivity is output divided by input. Cafe B gets more from the same hours, so it is more productive. (Both cafés are hypothetical.)

Higher productivity matters because it is the main way a business can grow without simply buying more of everything. A more productive business can pay fair wages, keep prices in reach for customers, and stay **competitive** — able to win customers against rival businesses. It matters for the whole country too: when Australian workers produce more per hour, incomes and living standards can rise without prices rising as fast.



Bar chart of Australia's labour productivity, growth in GDP per hour worked, by quarter from March 2025 to March 2026: plus 0.1, plus 0.7, plus 0.2, 0.0 and minus 0.6 per cent, with a note that through the year GDP per hour worked grew 0.3 per cent while GDP grew 2.5 per cent and hours worked grew 2.2 per cent

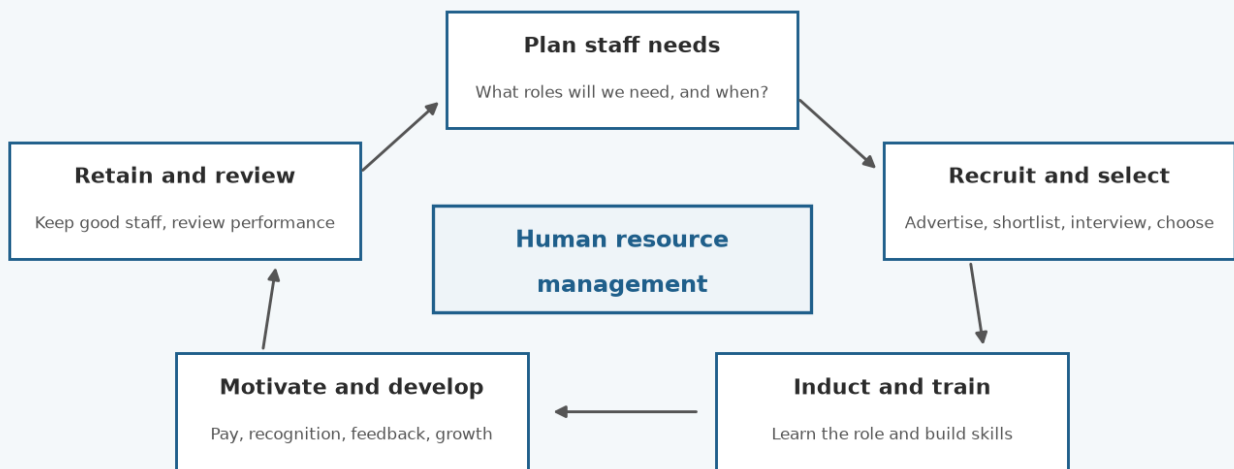
Figure 2 — Australia's labour productivity, quarter by quarter. GDP (Gross Domestic Product) is the total value of goods and services produced; GDP per hour worked is the national version of the café idea. Source: ABS, Australian National Accounts: National Income, Expenditure and Product, March 2026 (released 3 June 2026), seasonally adjusted. Retrieved 26 August 2026.

Figure 2 shows the real national picture. In the March quarter 2026, GDP per hour worked fell 0.6% on the previous quarter, yet over the full year to the March quarter 2026 it grew 0.3%. Notice the split: output (GDP) grew 2.5% over the year, but hours worked grew 2.2%. Most of the year's growth came from **more hours**, not from **more output per hour**. That is why economists and businesses watch productivity closely — you cannot keep adding hours forever, but you can always get better at using them.

Part 2 — What human resource management is

Human resource management (HRM) is everything a business does to manage its people well. People are the one input every business must treat as more than a cost: staff who are trained, motivated and well matched to their roles produce more of value in each hour they work.

The human resource management cycle



Every stage affects productivity: poor planning, hiring or training wastes time and money, while good management helps employees do more of value in each hour they work.

Section 2B, Economics and Business 9 — original figure.

Cycle diagram with five boxes around a centre label: plan staff needs, recruit and select, induct and train, motivate and develop, retain and review, arrows joining them in a loop around the words human resource management

Figure 3 — The human resource management cycle. Each stage feeds the next, and every stage affects productivity.

The cycle never really ends. A business that recruits well but never trains will still waste time; a business that trains but pays low wages will watch its best people leave. That is why HRM is treated as a cycle, not a checklist.

Part 3 — Strategies that improve productivity through HRM

The curriculum names three families of strategies: **workforce training**, then **motivation strategies**, then **recruitment strategies**.

Three families of HRM strategies that lift productivity

Strategy family	What the employer does	How it can lift productivity
Workforce training	On-the-job coaching, courses, apprenticeships and traineeships, and structured induction programs	Skilled staff make fewer mistakes, work faster and need less supervision
Motivation strategies	Pay and bonuses, recognition, feedback, flexible working arrangements and chances to progress	Motivated staff put more effort and care into each hour they work and stay longer with the employer
Recruitment strategies	Clear job descriptions, advertising where the right applicants look, careful interviewing and selection	The right person in each role is productive sooner and fits the team better

These three families are the curriculum's own examples for this section. Most employers use all three together.

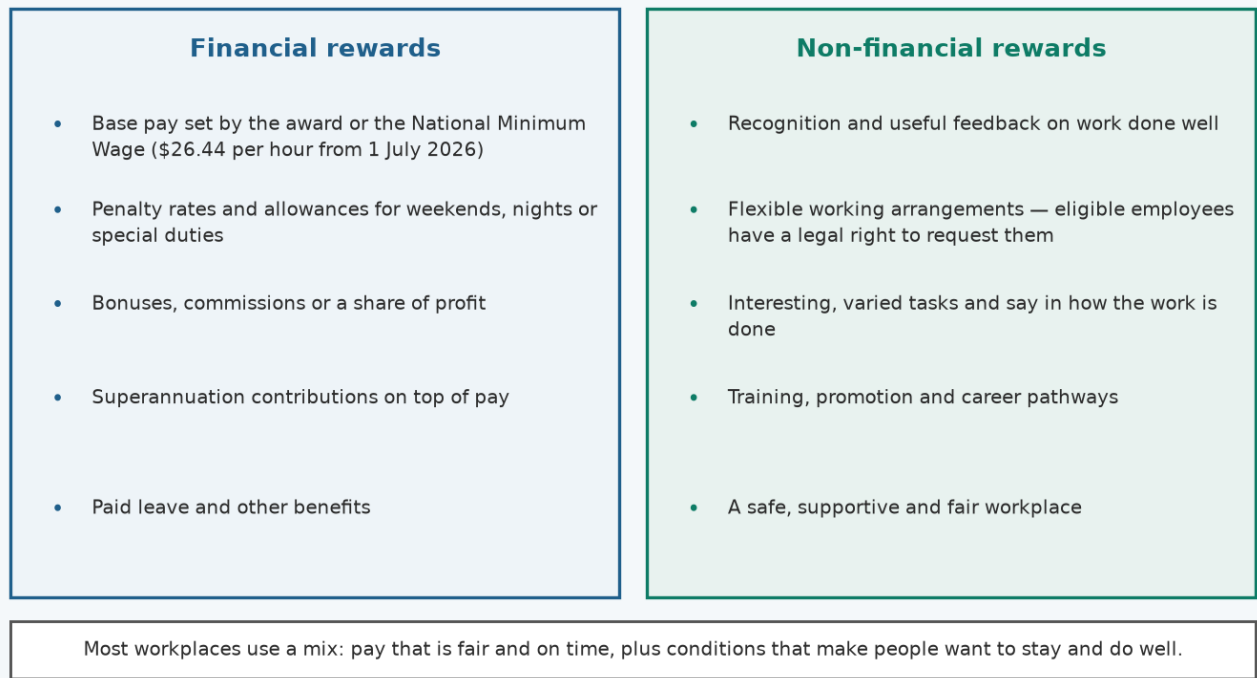
Table with three rows — workforce training, motivation strategies, recruitment strategies — for each, what the employer does and how it can lift productivity

Figure 4 — The three families of HRM strategies, with the way each one lifts productivity.

Workforce training builds skill. A trained café worker wastes fewer beans, a trained store worker stacks shelves faster, and both need less checking. Training includes induction programs for starters, coaching on the job, courses, and structured programs such as apprenticeships, where a worker learns a trade while earning.

Motivation strategies lift effort and care. Motivation is the reason a person works hard even when no one is watching. Rewards come in two broad kinds: financial (money and things worth money) and non-financial (everything else that makes work worth doing well).

Motivating employees: money and more than money



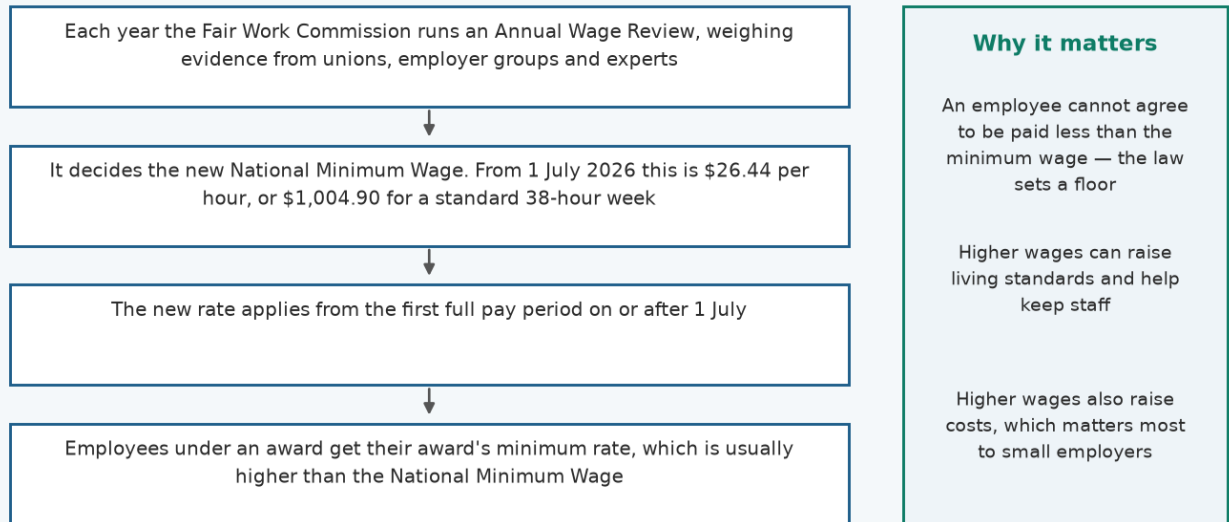
Section 2B, Economics and Business 9 — original figure.

Two panels: financial rewards (base pay set by the award or the National Minimum Wage, \$26.44 per hour from 1 July 2026; penalty rates and allowances; bonuses, commissions or a share of profit; superannuation; paid leave) and non-financial rewards (recognition and feedback; flexible working arrangements; interesting varied tasks and say in how work is done; training, promotion and career pathways; a safe supportive fair workplace)

Figure 5 — Financial and non-financial ways employers motivate staff. Most workplaces mix both.

Pay is the base of motivation, and in Australia pay has a legal floor. The **National Minimum Wage** is the lowest hourly rate an adult employee can be paid. From 1 July 2026 it is **\$26.44 per hour**, or **\$1,004.90 for a standard 38-hour week**, set by the Fair Work Commission's Annual Wage Review and checked by the Fair Work Ombudsman. Most employees are covered by an **award**, which usually sets a higher minimum for their industry, plus **penalty rates** for weekends and nights, **superannuation** on top, and paid leave.

How the minimum wage is set in Australia



Source: Fair Work Ombudsman, Minimum wages (retrieved 26 August 2026).

Flow of four steps: the Fair Work Commission runs an Annual Wage Review each year; it decides the new National Minimum Wage, \$26.44 per hour or \$1,004.90 for a 38-hour week from 1 July 2026; the new rate applies from the first full pay period on or after 1 July; award-covered employees get their award's minimum rate, usually higher. Side panel: an employee cannot agree to less than the minimum wage; higher wages can raise living standards and help keep staff; higher wages also raise costs, which matters most to small employers

Figure 6 — How the minimum wage is set in Australia. Source: Fair Work Ombudsman, Minimum wages. Retrieved 26 August 2026.

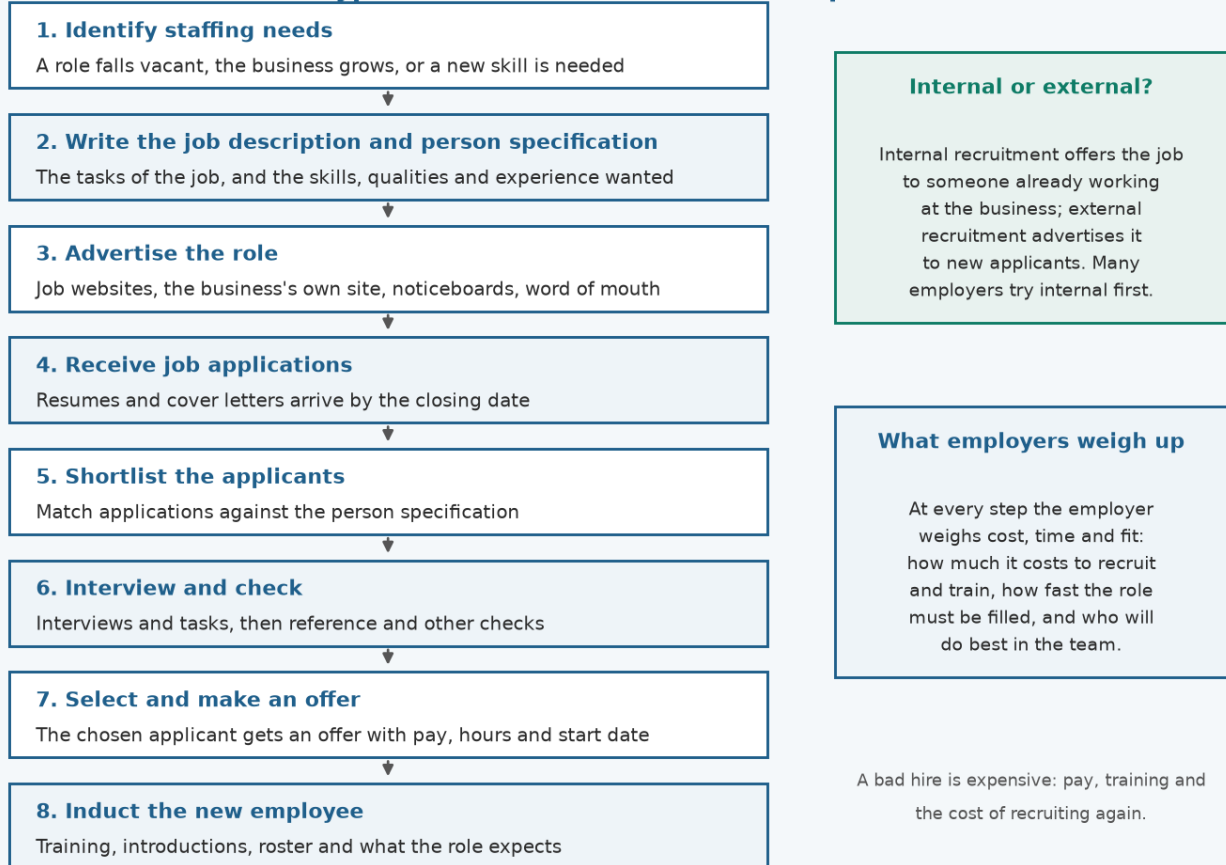
A contested question — is raising the minimum wage good? This is a genuinely **contested** policy question: reasonable people weigh the same facts and disagree, so mark the reasoning, not just the conclusion. **One side**, argued by unions such as the Australian Council of Trade Unions, says a higher floor lifts living standards for the lowest-paid, keeps families out of poverty, puts money into local shops, and helps employers keep staff. **The other side**, argued by employer groups such as the Australian Chamber of Commerce and Industry and small business associations, says higher wage floors raise costs that small employers cannot absorb, and can lead to fewer hours or fewer jobs, especially for young and less-experienced workers. The Fair Work Commission must weigh both sides every year, and economists disagree about how large each effect is. Both positions are about the same goal — work that pays enough, and enough work to go around.

Recruitment strategies put the right person in each role. A good match is productive sooner, fits the team, and stays longer. Recruitment is where the next part of this section goes deeper.

Part 4 — Recruitment and selection: the flow chart

Recruitment is the whole process of filling a job; **selection** is the choosing step inside it. A typical employer, from a corner café to a big supermarket chain, moves through the same eight steps.

A typical recruitment and selection process



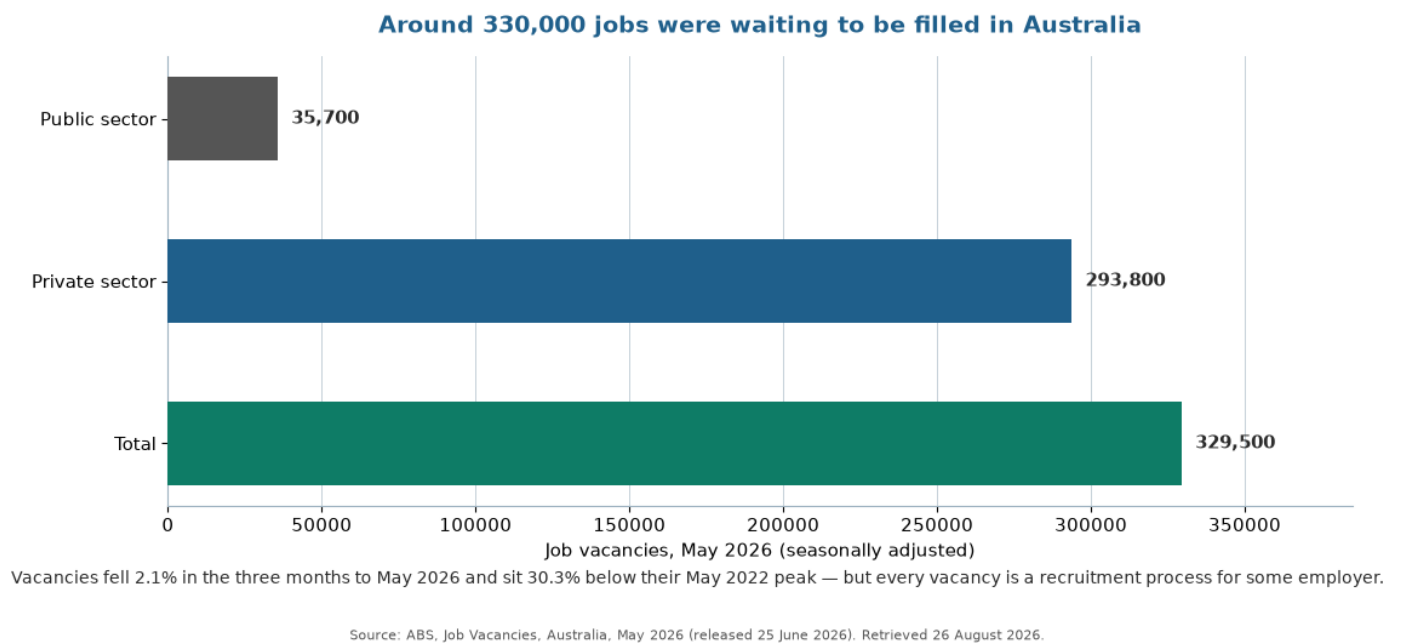
Section 2B, Economics and Business 9 — original figure.

Vertical flow chart of eight steps: 1 identify staffing needs; 2 write the job description and person specification; 3 advertise the role; 4 receive job applications; 5 shortlist the applicants; 6 interview and check; 7 select and make an offer; 8 induct the new employee. Side boxes explain internal versus external recruitment and the trade-off of cost, time and fit

Figure 7 — A typical recruitment and selection process. Step 1 asks “do we even need a new person, and what must they do?”; step 8 makes the hire stick.

Two choices run through the whole flow. **Internal recruitment** offers the job to someone already working at the business; **external recruitment** advertises to new applicants. Internal is often cheaper and faster, and rewards good staff; external brings in new skills. And at every step the employer weighs **cost, time and fit**: advertising and interviewing cost money, an empty role costs sales every day it stays empty, and a bad hire costs pay, training and doing it all again.

Recruitment is harder when jobs are hard to fill — and in 2026 that has been a real story for Australian employers.



Horizontal bar chart of job vacancies in Australia, May 2026: public sector 35,700; private sector 293,800; total 329,500, with a note that vacancies fell 2.1 per cent in the three months to May 2026 and sit 30.3 per cent below their May 2022 peak

Figure 8 — Job vacancies, Australia, May 2026. Even after a large fall from the 2022 peak, around 330,000 jobs were waiting for a worker. Source: ABS, Job Vacancies, Australia, May 2026 (released 25 June 2026), seasonally adjusted. Retrieved 26 August 2026.

When there are many vacancies, employers cannot be lazy recruiters: a slow process or an unclear advertisement loses good applicants to a faster rival. That is why the steps in Figure 7 — clear job descriptions, advertising in the right places, quick and fair selection — are productivity strategies in their own right.

Part 5 — Your turn on the other side: the digital resume

Students sit on the other side of the recruitment flow at steps 4 and 5: your application is what the employer receives and shortlists. A **resume** is a marketing document: one or two pages that sell your effort, skills and reliability. “Digital” simply means it is made and sent as a file — typed, saved as a PDF, and emailed or uploaded with a short cover letter.

PRIYA SHARMA

Model resume for a first part-time job — Priya is a fictional student

0400 000 000 | priya.sharma@email.example | Melbourne, Victoria

Short profile

Year 9 student looking for weekend work in retail. Reliable, friendly and punctual, with experience volunteering and working in a team.

Education

Year 9, Example College, Melbourne — 2024 to current

Strong results in Mathematics and English; member of the student council

Experience

- Volunteer, school fete stall — 2025: handled cash and served customers
- Babysitter for neighbours — 2024 to current: agreed times, responsible care

Skills

- Customer service and teamwork (sport and volunteering)
- Cash handling and basic money maths
- Confident with computers, spreadsheets and the internet

Availability

Saturday and Sunday all day; weekday evenings after 5 pm

Referees

Mr J. Nguyen, Year Coordinator, Example College — available on request

Section 2B, Economics and Business 9 — original model text.

A model one-page resume for a fictional Year 9 student, Priya Sharma, with sections: short profile, education, experience, skills, availability and referees

Figure 9 — A model digital resume for a first part-time job. Priya is a fictional student, but every section is one a real Year 9 student could write. Notice what she sells: reliability, teamwork, cash handling and clear availability — not paid job titles she does not have yet.

First jobs rarely need paid experience. Volunteering, chores for neighbours, babysitting, sport and school roles are all evidence of the qualities employers shortlist for: showing up on time, working in a team, handling money, speaking politely with people you have just met.

Building your digital resume: include, then check

What to include	Before you press send
✓ Contact details: name, phone, email, suburb ✓ Short profile: two or three lines on who you are and what you want ✓ Education: school, year level, subjects and results you are proud of ✓ Experience: paid work, chores for neighbours, volunteering, sport ✓ Skills: teamwork, money handling, computers, languages ✓ Availability: the days and times you can work ✓ Referees: two adults who can speak about you (ask them first)	✓ Spelling and grammar checked — then checked again ✓ Tailored to the job: the skills they want are easy to see ✓ Everything is true — employers check references ✓ Clear layout: one or two pages, headings in the same style ✓ Saved as a PDF and named clearly, like Priya_Sharma_resume.pdf ✓ Sent with a short, polite cover letter or email

A resume is a marketing document: it sells your effort and reliability in one page.

Section 2B, Economics and Business 9 — original figure.

Two checklists side by side. Include: contact details, short profile, education, experience, skills, availability, referees. Before you press send: spelling and grammar checked twice; tailored to the job; everything true; clear one- or two-page layout; saved as a clearly named PDF; sent with a short polite cover letter or email

Figure 10 — What to include in a resume, and what to check before sending it.

The last box of Figure 10 matters most: **tailor** the resume to the job. If the advertisement asks for weekend availability and cash handling, make sure those two things are easy to see. The employer in Figure 7 is matching applications against a list of wanted skills — a tailored resume does half of their work for them, and that is exactly how it wins a place on the shortlist.

Worked examples

Worked example 1 — Where did Australia's growth come from? (ABS, year to March quarter 2026)

Economists split growth in output into growth in hours and growth in output per hour. Use the ABS numbers from Figure 2 for the year to the March quarter 2026.

Working	Comment
GDP grew 2.5% over the year to the March quarter 2026.	Output: the total value of goods and services produced rose 2.5%.
Hours worked grew 2.2% over the same year.	Input: Australians worked 2.2% more hours.
GDP per hour worked grew 0.3% over the same year.	Productivity: each hour produced a little more than before.
Check: $2.2\% + 0.3\% = 2.5\%$.	Growth in hours plus growth in productivity (roughly) adds up to growth in output.
Conclusion: nearly all of the year's growth came from more hours, and only a small share from more output per hour.	A year like this says: we worked longer, not much smarter. Living standards rise fastest when the productivity part is bigger.

Source: ABS, Australian National Accounts: National Income, Expenditure and Product, March 2026 (released 3 June 2026). Retrieved 26 August 2026.

Worked example 2 — The wage floor in a real hire (FWO rates from 1 July 2026)

Riverbend Café is a hypothetical Melbourne café hiring its first weekend café worker, an adult permanent part-time employee. The owner wants to pay the legal minimum and no more, and to work out what the job costs per hour.

Working	Comment
National Minimum Wage from 1 July 2026: \$26.44 per hour.	Set by the Fair Work Commission's Annual Wage Review; the Fair Work Ombudsman publishes and polices it.
Weekly pay for a 38-hour week: \$1,004.90.	Check: $\$1,004.90 \div 38 = \$26.44$ (rounded). The two published numbers agree.
The new worker works 15 hours a week: $15 \times \$26.44 = \$396.60$.	Part-time hours at the minimum hourly rate.
On top: superannuation (12% of pay since 1 July 2025): $15 \times (\$26.44 \times 0.12) \approx \$47.59$ a week.	The real cost of an hour of work is more than the wage — one reason employers think hard before adding hours, and one reason they want each hour to be productive.
The owner also writes the job description, advertises, interviews and inducts (steps 1–8 of Figure 7).	Recruitment is a cost too — and a motivation strategy: a clear role and a proper induction help the new employee produce well from week one.

Source: Fair Work Ombudsman, Minimum wages and National Minimum Wage rates from 1 July 2026. Retrieved 26 August 2026. Riverbend Café is a hypothetical business used to show the idea; the rates are real.

Practice questions

Scaffolded

Q1 (2 marks). a) Write the productivity idea as a word equation. b) In one sentence, say what it means for Cafe B in Figure 1 to be “more productive” than Cafe A.

Q2 (3 marks). A hypothetical bakery uses 200 hours of work a week and bakes 1,400 loaves. a) Calculate its productivity in loaves per hour. b) After training, the same 200 hours produce 1,600 loaves. Calculate the new productivity. c) Did the training raise productivity? Use your two numbers to justify your answer.

Q3 (3 marks). Name the three families of HRM strategies from Figure 4 and give one example of each.

Q4 (3 marks). Sort these six rewards into financial and non-financial: a bonus for a busy month; a “team member of the month” announcement; penalty rates for Sunday work; a say in how the roster is set; superannuation; a clear path to a supervisor role.

Q5 (3 marks). The eight steps of Figure 7 are listed out of order below. Rewrite them in the correct order: interview and check; identify staffing needs; induct the new employee; advertise the role; select and make an offer; write the job description and person specification; receive job applications; shortlist the applicants.

Q6 (3 marks). a) Name four sections of Priya's resume (Figure 9). b) Priya applies for a Saturday retail job. Name one thing her resume already shows that the employer will look for, and one thing she should make easy to see.

Unscaffolded

Q7 (3 marks). Explain how workforce training can improve a business's productivity. Use one real or hypothetical example in your answer.

Q8 (4 marks). a) Name the body that sets the National Minimum Wage and say how often it reviews it. b) Give the strongest argument you can for raising the minimum wage, and the strongest argument against it. Name who makes each argument.

Q9 (3 marks). Figure 8 shows 329,500 job vacancies in May 2026, down 30.3% from the May 2022 peak but still large. Explain what a high number of vacancies means for how carefully an employer must run the steps in Figure 7.

Q10 (4 marks). A business wants to lift productivity but cannot afford higher pay this year. Suggest two non-financial motivation strategies and explain how each could lift output per hour.

Data-based inquiry — Source A

Source A — selected key figures from the ABS National Accounts, March quarter 2026

Measure	Mar qtr 25	Jun qtr 25	Sep qtr 25	Dec qtr 25	Mar qtr 26	To Mar qtr 26
GDP (chain volume measure)	0.3	1.0	0.4	0.9	0.3	2.5
GDP per hour worked	0.1	0.7	0.2	0.0	-0.6	0.3
Hours worked	0.1	0.3	0.2	0.9	0.9	2.2

Percentage change from the previous period, seasonally adjusted. The March-quarter column is the change to the March quarter 2026.

Reproduced from: ABS, Australian National Accounts: National Income, Expenditure and Product, March 2026, Key figures table (released 3 June 2026). Retrieved 26 August 2026.

Table reproducing selected ABS National Accounts key figures: GDP, GDP per hour worked and hours worked, percentage changes for each quarter from March 2025 to March 2026 and for the year to the March quarter 2026

Source A — selected key figures from the ABS National Accounts, March quarter 2026. Source: ABS, Australian National Accounts: National Income, Expenditure and Product, March 2026 (released 3 June 2026). Retrieved 26 August 2026.

a (1 mark). State the growth in GDP and the growth in hours worked for the year to the March quarter 2026.

b (2 marks). State the change in GDP per hour worked for the March quarter 2026, and explain in one sentence what that number says about that quarter.

c (2 marks). Show that the three “year to Mar qtr 26” figures roughly fit the idea: growth in output $\approx$ growth in hours + growth in output per hour.

d (3 marks). In the March quarter 2026, hours worked rose 0.9% while GDP per hour worked fell 0.6%. Judgement question: is a quarter like that good news, bad news, or mixed news for Australian living standards? Give reasons for your answer, and name one HRM strategy from this section that could help turn the productivity number positive.

Answers

A1. a) Productivity = Output $\div$ Input. b) With the same 4 staff and 160 hours, Cafe B serves 960 coffees to Cafe A's 800 — more output from the same input, 6 coffees per hour against 5.

A2. a) $1,400 \div 200 = 7$ loaves per hour. b) $1,600 \div 200 = 8$ loaves per hour. c) Yes: $8 > 7$, so the same hours now give more output — that is a rise in productivity.

A3. Workforce training (e.g. induction programs, apprenticeships, coaching); motivation strategies (e.g. pay and bonuses, recognition, flexible working); recruitment strategies (e.g. clear job descriptions, advertising in the right places, careful interviewing).

A4. Financial: bonus; penalty rates; superannuation. Non-financial: team member of the month; a say in the roster; a path to a supervisor role.

A5. In order: identify staffing needs; write the job description and person specification; advertise the role; receive job applications; shortlist the applicants; interview and check; select and make an offer; induct the new employee.

A6. a) Any four of: short profile, education, experience, skills, availability, referees. b) Already shows: e.g. weekend availability or cash handling. Should make easy to see: the match to retail — customer service and Saturday/Sunday availability near the top.

A7. Any clear chain: training $\rightarrow$ more skill $\rightarrow$ fewer mistakes / faster work / less supervision $\rightarrow$ more output per hour. Example: a trained checkout operator scans faster and fixes fewer pricing errors, so more customers are served per hour.

A8. a) The Fair Work Commission, through its Annual Wage Review (each year, taking effect from the first full pay period on or after 1 July). b) For (unions, e.g. the ACTU): lifts living standards for the lowest paid and helps keep staff. Against (employer groups, e.g. the Australian Chamber of Commerce and Industry and small business associations): raises costs that can mean fewer hours or jobs, hardest on small employers.

A9. With many vacancies, applicants have choices: slow or unclear employers lose good applicants to faster rivals, roles stay empty and sales are lost, and a rushed hire risks the cost of a bad hire — so employers need clear descriptions, well-chosen advertising and quick, fair selection.

A10. Any two with a reason, e.g. recognition and feedback (staff see what good work looks like and repeat it); flexible working arrangements (staff fit work around study and sport, arrive fresher and stay longer); interesting tasks and say in how work is done (staff care more about the result); training and promotion pathways (effort leads somewhere).

A-a. GDP +2.5%; hours worked +2.2%.

A-b. -0.6%. On average, each hour worked produced less than in the December quarter 2025 — productivity went backwards that quarter.

A-c. $2.2 + 0.3 = 2.5$, matching the GDP figure: over the year, growth in hours plus growth in output per hour (roughly) equals growth in output.

A-d. Mixed. Good: more hours means more work and pay for workers, and output still grew. Bad: output per hour fell, and living standards grow fastest when productivity grows. Any named strategy with a sensible link, e.g. workforce training so the extra hours are used more skilfully, or better recruitment so new starters are productive sooner.

Full solutions

S1. a) Productivity = Output $\div$ Input. (1) b) Both cafés use 4 staff and 160 hours; Cafe A serves $800 \div 160 = 5$ coffees per hour and Cafe B serves $960 \div 160 = 6$. Same input, more output per hour — that is what “more productive” means. (1)

S2. a) $1,400 \div 200 = 7$ loaves per hour. (1) b) $1,600 \div 200 = 8$ loaves per hour. (1) c) Yes. The input (200 hours) did not change while the output rose, so output per hour rose from 7 to 8 — a productivity rise of 1 loaf per hour, about 14%. (1)

S3. One mark per family with a matching example: workforce training — induction, coaching, courses, apprenticeships; motivation strategies — pay and bonuses, recognition, feedback, flexible working, promotion chances; recruitment strategies — clear job descriptions and person specifications, advertising where the right applicants look, careful interviewing and selection. (3)

S4. Financial rewards are money or worth money: the bonus, Sunday penalty rates, superannuation. Non-financial: public recognition, a say in the roster, a promotion pathway. One mark for a fully correct split with one example explained, e.g. superannuation is financial because it is money paid into a fund on top of wages. (3)

S5. Correct order: 1 identify staffing needs → 2 write the job description and person specification → 3 advertise the role → 4 receive job applications → 5 shortlist the applicants → 6 interview and check → 7 select and make an offer → 8 induct the new employee. Award one mark for the correct first four, one for the correct last four, one for a fully correct sequence. (3)

S6. a) Any four of: short profile; education; experience; skills; availability; referees. (2) b) Shows already: Saturday and Sunday availability, cash handling, teamwork. Should make easy to see: put the retail match first — customer-facing experience (the fete stall) and weekend availability at the top, because the employer will shortlist against exactly those. (1)

S7. Model answer: training raises the skill in each hour. At a hypothetical bakery, training staff to use the new oven cuts burnt batches from 1 in 10 to 1 in 50, so the same hours produce more sellable loaves and less waste; staff also need less supervision, freeing the head baker to bake. Real-world version: apprenticeships in a trade produce workers who make fewer costly errors. Any clear skill → fewer mistakes / faster work / less waste → more output per hour chain earns full marks. (3)

S8. a) The Fair Work Commission sets it in the Annual Wage Review, every year; new rates apply from the first full pay period on or after 1 July (from 1 July 2026: \$26.44 an hour, \$1,004.90 a week). (2) b) For — unions such as the ACTU: a higher floor lifts living standards, reduces poverty and helps employers retain staff. Against — employer groups such as the Australian Chamber of Commerce and Industry and small business associations: wage costs rise fastest for small employers with thin margins, risking fewer hours or fewer jobs for young and new workers. One mark per fully argued side; a weak “it is too expensive” without the who and the why scores half. (2)

S9. A high vacancy count means demand for workers is strong, so applicants can choose between employers. A slow process loses good applicants to faster rivals (step 3–6 delays), an unclear advertisement (step 2) attracts the wrong applicants, and pressure to fill roles quickly raises the risk of a bad hire — pay, training and recruiting again. So careful, quick recruitment protects productivity: fewer empty roles, fewer mistakes, less re-hiring. Accept any three of: lose applicants to rivals; empty roles cost sales; bad-hire costs; need clear ads and fast, fair steps. (3)

S10. One mark per strategy, one per explanation. Example pair: (1) recognition and useful feedback — staff who hear what good looks like repeat it, and effort rises without a pay rise; (2) flexible working arrangements — staff who can fit work around study and sport arrive ready to work and stay longer, cutting the cost and disruption of turnover. Alternatives: interesting, varied tasks and a say in how work is done; training and clear promotion pathways. Explanations must connect the strategy to more output per hour, not just “staff are happier”. (4)

S-a. GDP +2.5%; hours worked +2.2% (year to the March quarter 2026). (1)

S-b. -0.6%. It says that in the March quarter 2026 the average hour of work produced less output than in the previous quarter — national productivity fell that quarter. (2)

S-c. Hours +2.2% plus GDP per hour +0.3% gives 2.5%, which equals the GDP growth of 2.5%. So the year’s growth decomposes into more hours plus a little more output per hour. (2)

S-d. Mixed news, reasoned. Good side: hours +0.9% means more people working and earning, and total output still rose. Bad side: output per hour fell 0.6%, and sustained rises in living standards depend on productivity growth, not ever-longer hours. Strategy link, e.g. workforce training (extra hours used more skilfully) or sharper recruitment and induction (new starters productive sooner) or motivation strategies such as feedback (more care and effort per hour). One mark for the judgement, one for each reasoned side, one for a strategy linked to output per hour. (3)

Unions and employer groups: what they do and why they matter

Curriculum link — VC2HE10K07.

- E01
- E02
- E03

Theory

The two sides of the workplace. Every workplace has two sides. Employees sell their labour and want fair pay, safe conditions and a say in how work is organised. Employers (business owners and managers) pay for that labour and want the business to run well and stay profitable. One worker on their own has little power to change pay or conditions, and one small business on its own has little voice in the rules either. So each side forms groups: workers join **trade unions**, and businesses join **employer groups**. (The Victorian Curriculum 2.0 uses both terms but does not define them. As the terms are used in Australian workplace law: a *trade union* is an organisation of workers, run by its members, that represents and pushes for the pay and conditions of those members; an *employer group* is an organisation of businesses that advises its members and speaks for them about wages, rules and policy.)

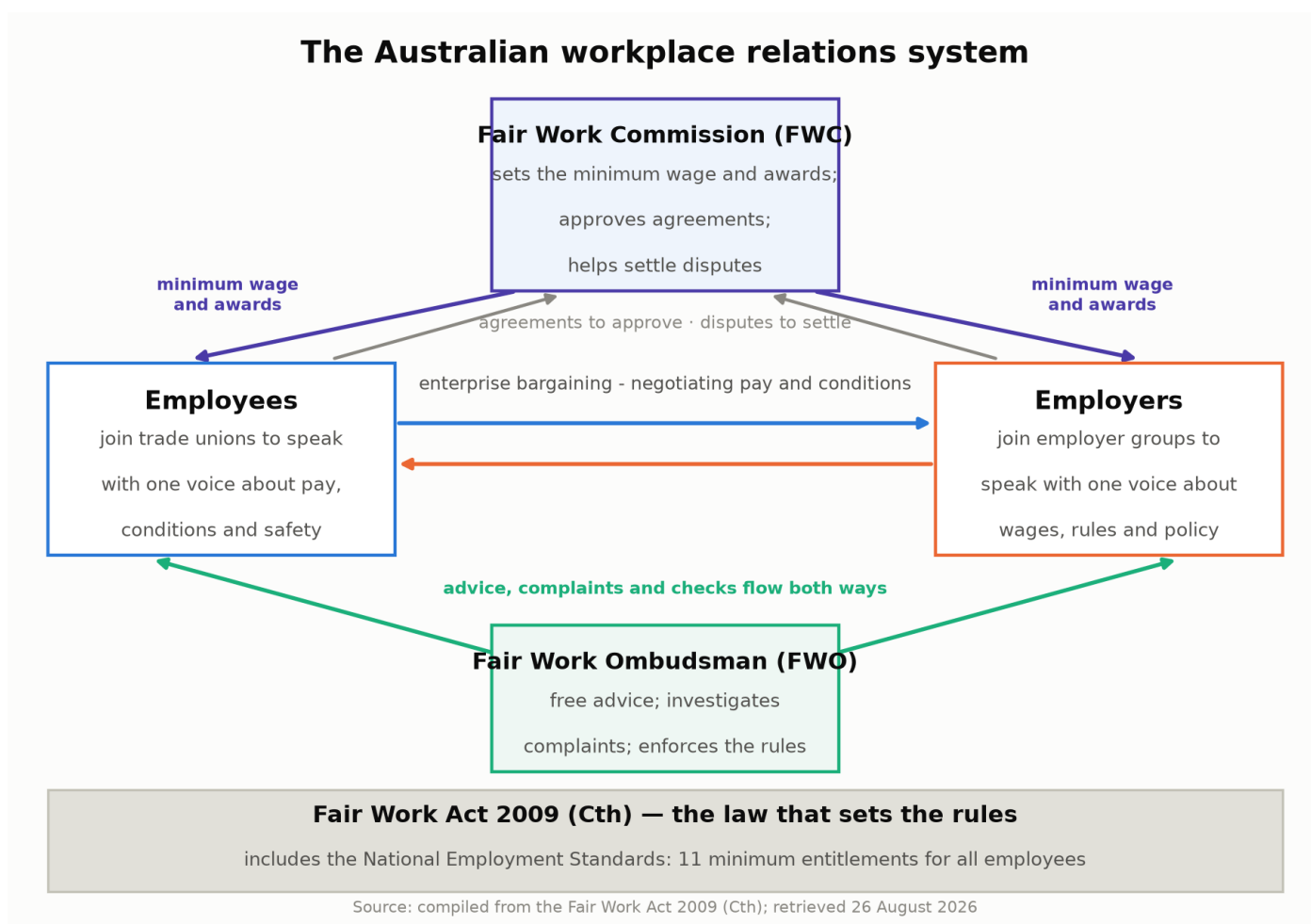


Diagram of the Australian workplace relations system: employees join trade unions and employers join employer groups; the Fair Work Commission sets the minimum wage and awards, approves agreements and settles disputes; the Fair Work Ombudsman gives advice and enforces the rules; the Fair Work Act 2009 sits under everything as the law that sets the rules

The rules of the game. Since 1 July 2009, the *Fair Work Act 2009* has set the rules for most Australian workplaces. It created two independent bodies: the **Fair Work Commission (FWC)**, which sets the minimum wage each year, makes awards, approves workplace agreements and helps settle disputes; and the **Fair Work Ombudsman (FWO)**, which gives free advice, investigates complaints and enforces the rules. The Act also contains the **National Employment Standards (NES)**: 11 minimum conditions for every employee, including a maximum 38-hour week, 4 weeks of paid annual leave and 10 days of paid personal leave.

The pay safety net. Pay in Australia is built in layers, like a safety net with a floor (see the figure below). The floor is the NES plus the **national minimum wage** (from 1 July 2026: \$26.44 an hour for an adult, \$1,004.90 a week). Above that sit **modern awards**, which set minimum pay and conditions for an industry or job (for example, the Hospitality Industry Award). Above awards sit **enterprise agreements**: workplace-level deals, voted on by the employees they cover, that must leave every employee better off overall than the award — the FWC checks this with the **Better Off Overall Test** before approving an agreement. At the top are individual contracts that pay more than the agreement or award. No contract can go below the floor, and the floor itself rises most years: the FWC’s annual wage review sets a new minimum wage each 1 July.

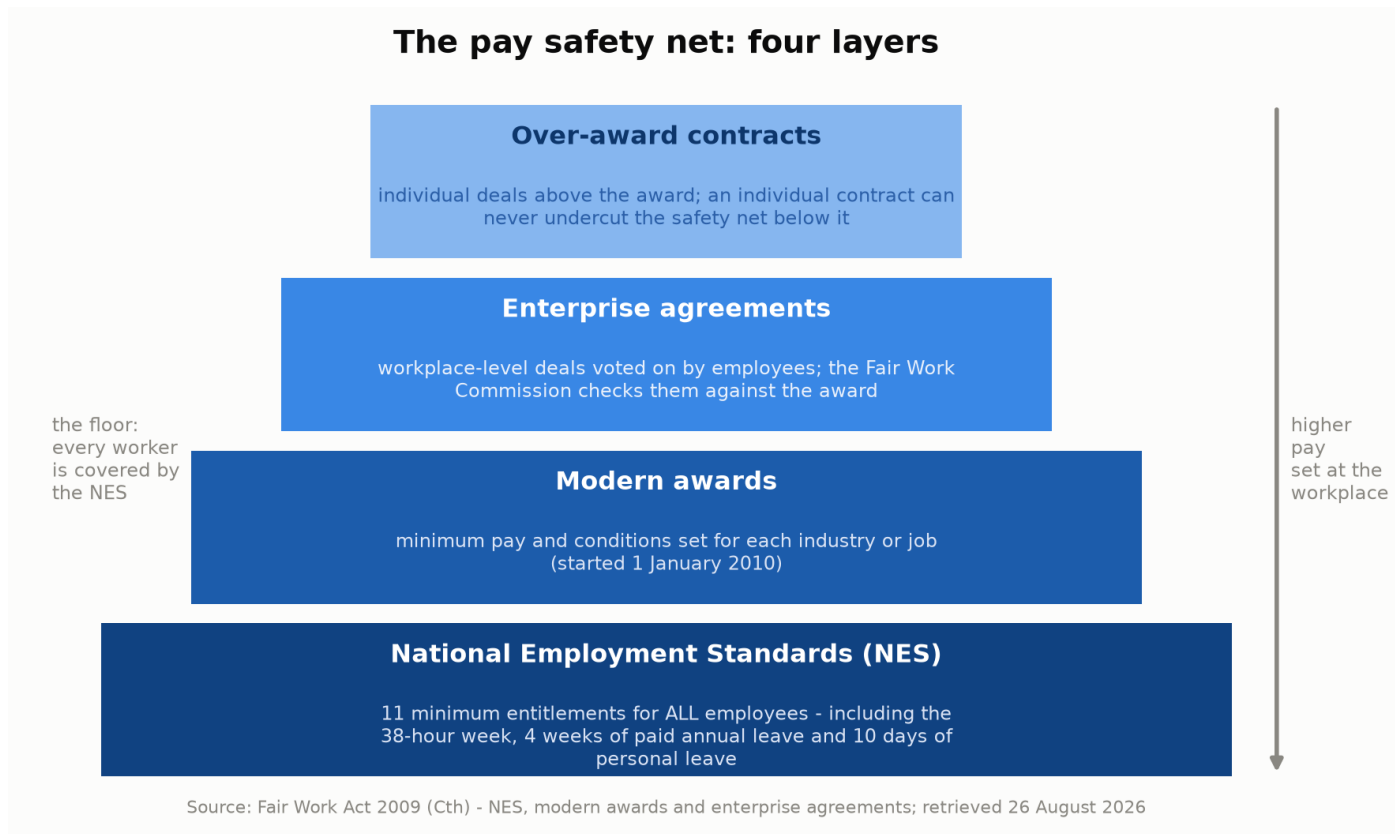
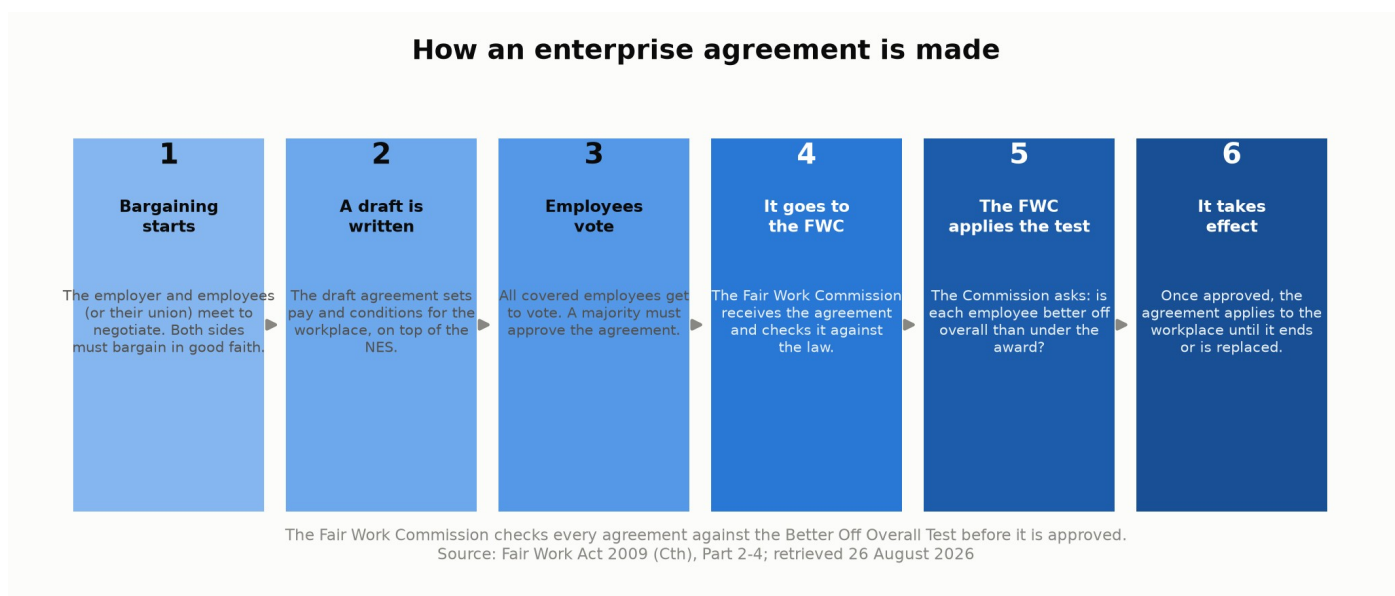


Diagram of the pay safety net in four layers, widest at the bottom: National Employment Standards (NES) as the floor for all employees; modern awards; enterprise agreements checked by the Fair Work Commission; and over-award contracts at the top



Six-step flow diagram of how an enterprise agreement is made: bargaining starts; a draft is written; employees vote; it goes to the Fair Work Commission; the Commission applies the Better Off Overall Test; then it takes effect

Adult national minimum wage, Australia (hourly)



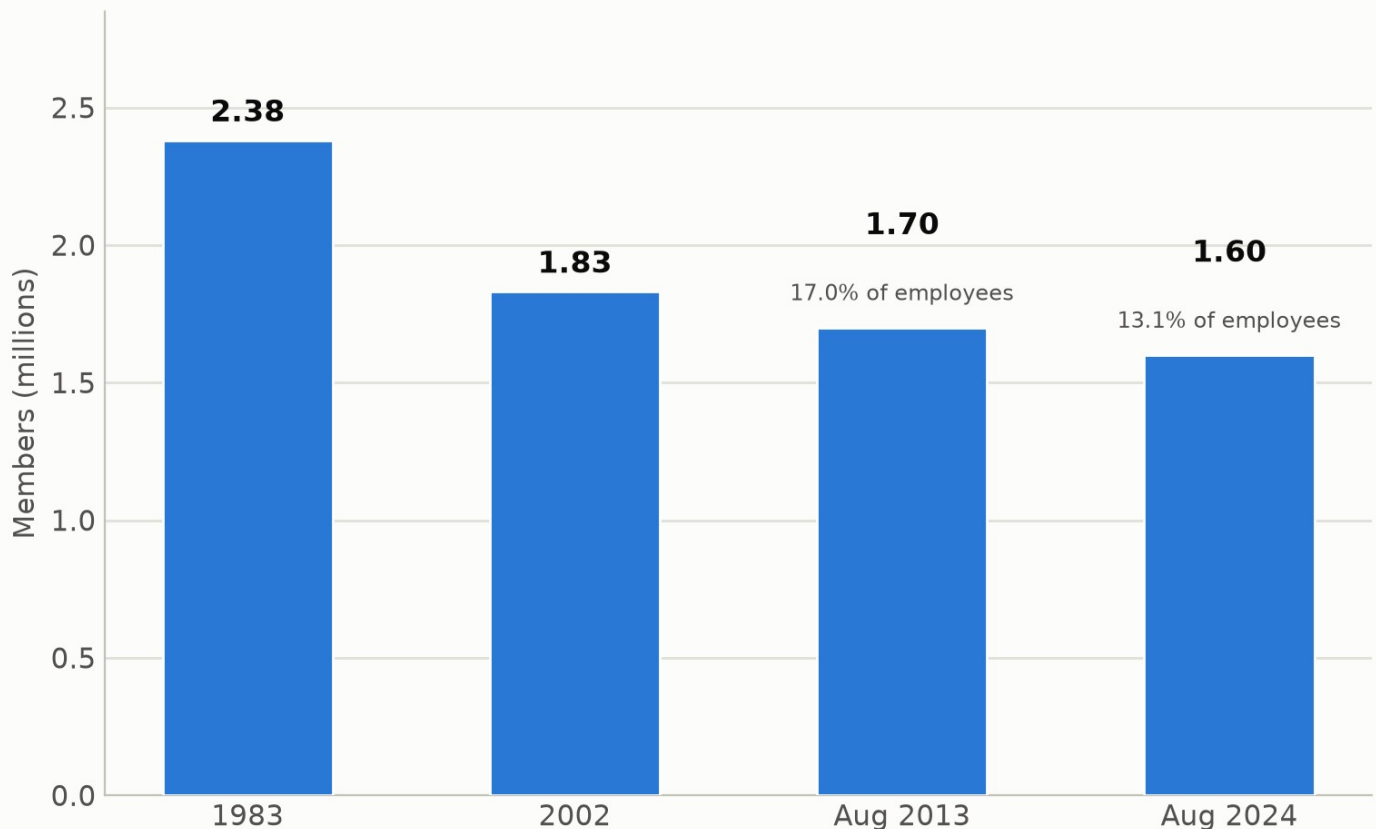
Each point is the rate set by the Fair Work Commission's annual wage review, operative from 1 July of that year. Percentages show the rise on the year before.

Source: Fair Work Commission, annual wage reviews; retrieved 26 August 2026

Line chart of the adult national minimum wage in Australia by hour, set each 1 July: \$20.33 in 2021, \$21.38 in 2022, \$23.23 in 2023, \$24.10 in 2024, \$24.95 in 2025 and \$26.44 in 2026, with the yearly percentage rises labelled

What trade unions do. A union's core jobs are: bargaining with employers over pay and conditions; helping write and vote on enterprise agreements; representing members in disputes (for example, if a member is sacked unfairly); checking that safety rules are followed; and pushing governments and the FWC for changes to workplace law and minimum wages. Most Australian unions also belong to a **peak body** — the top organisation that speaks for the whole group. The union peak body is the **Australian Council of Trade Unions (ACTU)**, formed in 1927, which today has 46 member unions and 8 trades and labour councils. Union membership has fallen over time: the ABS counted 2.38 million members in 1983 and about 1.60 million (13.1% of employees) in August 2024.

Trade union membership, Australia



Membership fell from 2.38 million in 1983 to about 1.60 million in August 2024. Rates shown where the ABS reports the share of employees who were members.

Source: Australian Bureau of Statistics, Trade Union Membership, Australia; retrieved 26 August 2026

Bar chart of Australian trade union membership: 2.38 million in 1983, 1.83 million in 2002, 1.70 million (17.0% of employees) in August 2013 and 1.60 million (13.1% of employees) in August 2024

What employer groups do. Employer groups speak for the other side. They advise member businesses on workplace law and agreements, represent employers in bargaining and in FWC cases (each year they put the employer side of the argument in the minimum wage review), and try to shape government policy on wages, tax and rules. Two big examples: **Ai Group**, an employer organisation whose roots go back to 1873 and whose member businesses employ more than 750,000 people; and the **Business Council of Australia (BCA)**, formed in 1983, whose members are the chief executives of more than 130 of Australia's largest companies.

Two organised voices: trade unions and employer groups

	Trade unions	Employer groups
What are they?	Organisations formed by workers, joined together to represent their members.	Organisations formed by businesses, joined together to represent their members.
Who do they speak for?	About 1.6 million employees were union members in August 2024 (ABS).	Member businesses - Ai Group members alone employ more than 750,000 people.
Main roles	Negotiate pay and conditions; represent members in disputes; campaign for workplace changes.	Advise and represent employers; argue their case in wage reviews; influence workplace policy.
Examples	Australian Workers' Union (AWU, founded 1894).	Ai Group (formed 1998; roots back to 1873); Business Council of Australia (founded 1983).
National voice	The ACTU - founded 1927, with 46 affiliated unions.	Several groups speak for different industries and business sizes.

Sources: ABS, Trade Union Membership, Australia (August 2024); ACTU and Ai Group records; retrieved 26 August 2026

Trade unions and employer groups compared: what they are, who they speak for, their main roles, examples such as the AWU, Ai Group and the Business Council of Australia, and their national voice

Case study: the Australian Workers' Union (AWU) — a model for E03. The AWU grew out of the pastoral and mining unions of the late 1880s and was formed in 1894, soon after the big strikes of 1890 and 1891. Those strikes taught the union to use the independent umpire system as well as industrial action, and the AWU won the first federal award, the Pastoral Industry Award, for shearers and station workers. By 1904 its branches had about 34,000 members; as at 31 December 2024 it reported 77,063 members in work from farming and fishing to building, mining and government services.

Case study: the Australian Workers' Union (AWU)

a trade union — researched for elaboration E03

Founded

1894

from pastoral and mining
unions of the late 1880s

Members

77,063

as at 31 December 2024
(about 80,000)

First federal award

Pastoral Industry Award

negotiated by the AWU for
shearers and station workers

Key moments

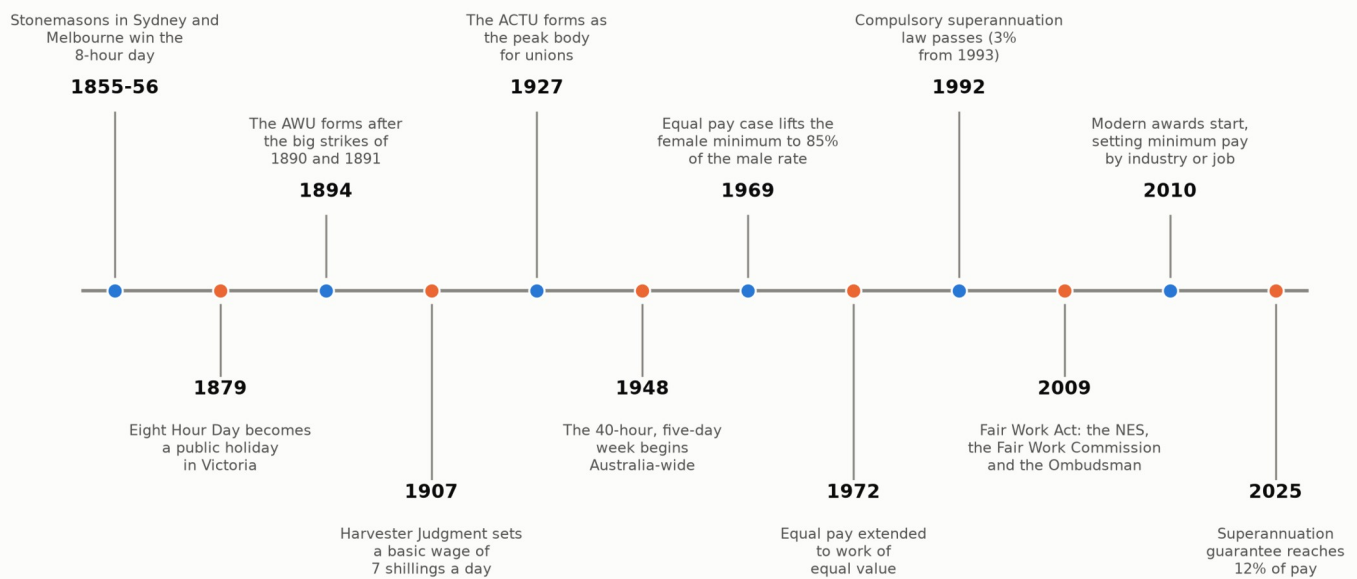
- The strikes of 1890 and 1891 shaped the union: it chose to work through the arbitration system rather than strikes alone.
- By 1904 its branches had a combined membership of 34,000, and it grew into one of Australia's largest unions.
- Today it covers members in work from farming, fishing and building to manufacturing, mining and government services.

Source: Australian Workers' Union records as reported in public histories of the union; membership figure as at 31 December 2024; retrieved 26 August 2026

Case study card for the Australian Workers' Union: founded 1894; 77,063 members as at 31 December 2024; first federal award the Pastoral Industry Award; key moments from the strikes of 1890 and 1891 to its modern industry coverage

A model timeline for E02. The figure below is a starting model of how employee rights and conditions improved in Australia — won by a mix of strikes and bargaining, union and employer choices, court and commission decisions, and Acts of Parliament. Your task in this section is to extend it with your own dated, sourced events.

How worker rights and conditions improved in Australia (model timeline)



This timeline is a starting model - Task E02 asks you to extend it with your own research.

Sources: Fair Work Act 2009 (Cth); Fair Work Commission; ABS; Harvester Judgment (1907); Superannuation Guarantee (Administration) Act 1992; retrieved 26 August 2026

Model timeline: how worker rights and conditions improved in Australia, 1855 to 2025: the 8-hour day, the Harvester Judgment, the 40-hour week, equal pay cases, compulsory super, the Fair Work Act, modern awards and the 12% super guarantee

How much power should unions have? This is politically live in Australia, and informed people disagree. The facts of the system are: unions must bargain in good faith, protected industrial action needs a secret ballot, and the FWC and Parliament set the boundaries. **One view** is that unions are still needed to balance the power of employers, lift pay and conditions for low-paid workers, and expose unsafe workplaces — pointing to the gains on the timeline above, most of which unions helped win. **The other view** is that strong union power can push wages above what some businesses can afford, that strikes can disrupt services for the public, and that with only 13.1% of employees choosing to join a union in 2024, most workers prefer other protections such as the NES and awards. Both views sit inside the same set of laws; this workbook takes no side, and your arguments are marked on the reasoning, not the conclusion.

Getting ready to interview a union official (E01). A short interview with a union official (in person, by phone, or by email to a local branch) is one of the best ways to learn what a union actually does day to day. Prepare questions in advance, ask about their *role* (what they do in a normal week), and follow up with one history question. Question 6 below gives you a starter bank.

Worked examples

Example 1 — casual versus permanent pay at the minimum wage (scaffolded)

From 1 July 2026 the adult national minimum wage is \$26.44 an hour (\$1,004.90 for a 38-hour week). Casual employees covered by this wage get a 25% casual loading on top of the hourly rate, because they miss out on paid leave. A full-time permanent employee works 38 hours; a casual works the same 38 hours. Compare their weekly pay.

Step 1 — casual hourly rate. $\$26.44 \times 1.25 = \$33.05$ per hour. **Step 2 — casual weekly pay.** $\$33.05 \times 38 = \$1,255.90$. **Step 3 — permanent weekly pay.** **\$1,004.90** (as set by the FWC). **Step 4 — difference.** $\$1,255.90 - \$1,004.90 = \$251.00$ more per week in cash for the casual. **Step 5 — interpret.** The loading is not a bonus: the casual trades paid annual leave, paid personal leave and paid public holidays for that extra \$251.00. Whether the deal is better depends on the worker's situation — which is exactly the kind of trade-off the safety net is built around.

Example 2 — reading the union membership data (scaffolded)

Use the ABS data in the membership figure: August 2013, 1.70 million members (17.0% of employees); August 2024, 1.60 million (13.1%).

Step 1 — change in members. $1.70 - 1.60 = 0.10$ million fewer members (about 100,000). **Step 2 — percentage fall.** $0.10 \div 1.70 \times 100 \approx 5.9\%$ fewer members. **Step 3 — change in the share.** $17.0\% - 13.1\% = 3.9$ percentage points. **Step 4 — interpret carefully.** The *percentage* (5.9%) compares the change to the 2013 number of members; the *percentage-point* change (3.9) compares the share of all employees. Both are correct, but they answer different questions — an examiner will ask which one you mean.

Practice questions

Scaffolded

1. In your own words, define *trade union* and *employer group*. Starters: “A trade union is an organisation of ... that ...”; “An employer group is an organisation of ... that ...”.
2. Using the system figure: (a) name the law that sets the rules; (b) name the two bodies it created; (c) give one role for each body.
3. Put the four layers of the pay safety net in order from the floor (every worker) to the top (individual deals), and say which layer the FWC checks with the Better Off Overall Test.
4. Using the minimum wage figure: (a) state the adult hourly rate from 1 July 2023; (b) state the largest yearly rise shown, and the year it took effect.
5. Match each improvement to its date on the model timeline: (a) the 40-hour, five-day week begins Australia-wide; (b) the Harvester Judgment sets a basic wage; (c) the ACTU forms; (d) equal pay extended to work of equal value; (e) the super guarantee reaches 12%; (f) stonemasons win the 8-hour day.
6. **(E01)** Draft eight interview questions for a union official. Use at least one from each starter: “What does a typical week involve ...?”; “How do you help a member when ...?”; “What has your union achieved ...?”; “How did your union begin ...?”. Then add two questions of your own.

Unscaffolded

7. Give two reasons a worker might join a union and two reasons a business might join an employer group.
8. A casual employee covered by the national minimum wage works 20 hours a week in 2026–27. Using the 25% loading, calculate their weekly pay before tax.
9. Describe the trend in union membership from 1983 to August 2024 using two numbers from the figure, and suggest two possible reasons for it (label your reasons as suggestions, not facts).
10. **(E03)** Research one trade union *or* employer group in Australia (not the AWU) and build a case-study card like the AWU figure: when and why it formed, who it speaks for, one dated achievement, and one current campaign or service. Record your sources.
11. **(E02)** Extend the model timeline with three more dated improvements in employee rights or conditions (for example: long service leave, paid parental leave, or work health and safety laws). Each entry needs a year, a one-line description, and a source you could check.

Inquiry — evaluate and argue

12. Claim: “*With only 13.1% of employees in unions, trade unions no longer matter in Australia.*” Evaluate this claim in a short argument (about 250–350 words). Rules: use at least two figures or facts from this section on each side; present the strongest version of each side before you conclude; finish with your own reasoned position. Your reasoning is marked, not your conclusion.

Answers

1. A trade union is an organisation of workers that represents its members' pay, conditions and safety interests (for example, the AWU). An employer group is an organisation of businesses that advises and speaks for its members about wages, rules and policy (for example, Ai Group).
 2.
 - (a) *Fair Work Act 2009*. (b) The Fair Work Commission and the Fair Work Ombudsman. (c) FWC: sets the minimum wage / approves agreements / settles disputes (any one). FWO: free advice / investigates complaints / enforces the rules (any one).
 3. NES (plus the national minimum wage) → modern awards → enterprise agreements → over-award contracts. The FWC checks enterprise agreements with the Better Off Overall Test.
 4.
 - (a) \$23.23 per hour. (b) +8.6%, taking effect 1 July 2023.
 5.
 - (a)
1948.
 - (b)
1907.
 - (c)
1927.
 - (d)
1972.
- 2025.
- (f) 1855–56.
 6. Answers vary. A strong set covers: the official's role; helping members in disputes; pay and conditions won by bargaining; safety issues; the union's history; and how a student could learn more.
 7. Worker: more bargaining power than alone; representation in disputes and unsafe-work issues. Business: expert advice on workplace law; a voice in wage reviews and policy that one firm could not have alone.
 8. $\$33.05 \text{ per hour} \times 20 = \$661.00 \text{ per week}$.
 9. Trend: membership fell from 2.38 million (1983) to 1.60 million (August 2024); the share of employees fell from 17.0% (2013) to 13.1% (2024). Suggested reasons (must be labelled as suggestions): the economy shifted from unionised factories to services and part-time work; awards and the NES now protect many workers who see less need to join.
 10. Answers vary; check for: a named organisation, a founding date and purpose, who it speaks for, one dated achievement, one current activity, and recorded sources.
 11. Answers vary; each added event needs a correct year, a clear one-line description, and a checkable source.
 12. Answers vary. A strong response uses, on one side, the membership fall (13.1% in 2024) and, on the other, continuing union roles (bargaining, minimum wage reviews, the gains on the timeline) plus the protections that now cover non-members (NES, awards); it states the strongest case for each side and then concludes with reasoned judgement.

Fully-worked solutions

Question 8. Casual hourly rate = $\$26.44 \times 1.25 = \$33.05$. Weekly pay = $\$33.05 \times 20 \text{ hours} = \$661.00$. (Check: $33.05 \times 2 = 66.10$, $\times 10 = 661.00$.)

Question 9, in numbers. Change 1983 → 2024: $2.38 - 1.60 = 0.78$ million fewer members; $0.78 \div 2.38 \times 100 \approx 32.8\%$ fewer. A complete answer pairs the number with the labelled suggestions from the Answers list.

Question 12, structure checklist. (1) State the claim and what “matter” could mean (membership numbers, pay outcomes, laws). (2) Strongest case for the claim: membership 13.1% in 2024 vs 17.0% in 2013 (−3.9 percentage points); many conditions now come from the NES and awards, not union deals. (3) Strongest case against: unions still bargain enterprise agreements, put the worker side of every minimum wage review (for example, the +8.6% rise of 2023 followed years of union arguments), and most rights on the timeline began as union campaigns. (4) Weigh both, then conclude; mark-worthy reasoning names which evidence would change your mind.

All figures, dates and statistics in this section were retrieved 26 August 2026 from: Fair Work Act 2009; Fair Work Commission annual wage reviews; Australian Bureau of Statistics, Trade Union Membership, Australia; ACTU, AWU, Ai Group and BCA records as reported in public sources.

Risks and rewards of money choices: scams, investment and insurance

Curriculum trace — VC2HE10K08 (Levels 9–10 band, Consumer and financial literacy).

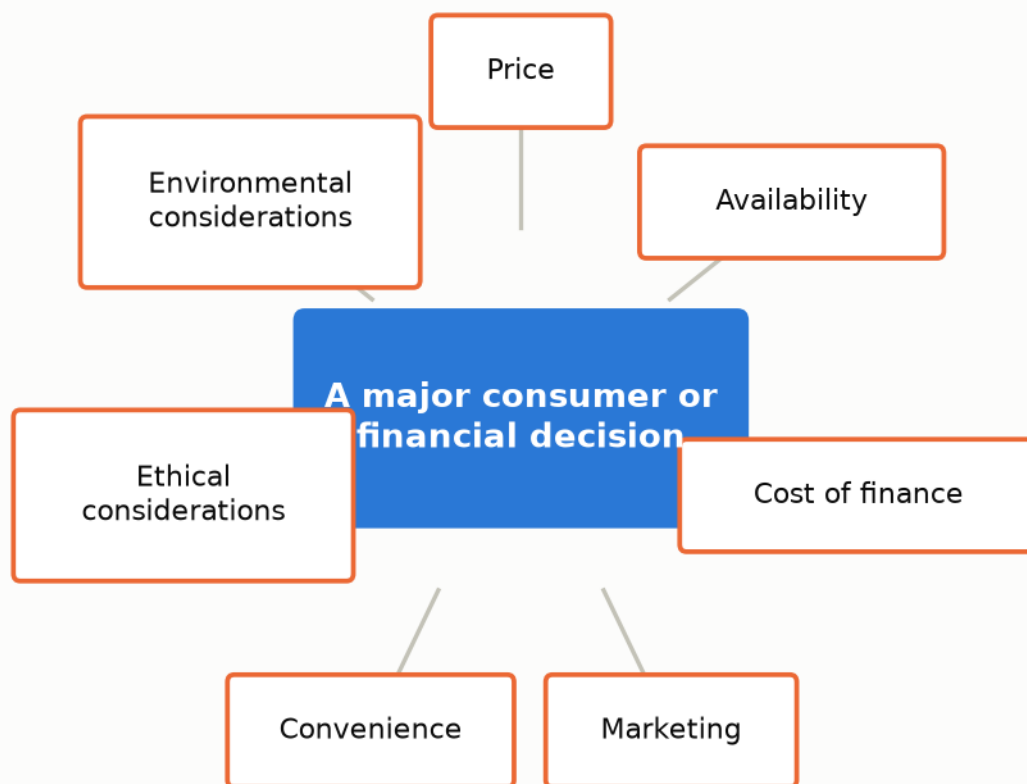
Elaborations covered in this section:

- VC2HE10K08.E01
- VC2HE10K08.E02
- VC2HE10K08.E03
- VC2HE10K08.E04

Most money choices are small: a lunch, a top-up, a streaming plan. A few are **major consumer and financial decisions** — buying a car or a property, choosing a bank, choosing a superannuation fund (super, the money set aside for retirement). They involve large sums, last for years, and are hard to undo. This section walks one path through those big decisions: the factors behind them (E01), the reward and risk of investing (E02), how insurance moves risk from one person to a pool (E03), and how scams take money — and how to keep yours (E04). Two ideas sit under all of it. **Risk** is the chance of losing money. **Reward** is the money you hope to gain. And every one of these choices has a legal side (what the law requires or forbids) and an ethical side (what is fair, honest, and good for people and the planet).

Theory

Minor and major decisions, and the factors behind them (VC2HE10K08.E01). The same short list of factors sits behind every major decision: **price, availability** (can you get it at all, and where?), **cost of finance** (the extra you pay if you borrow instead of paying cash), **marketing** (the advertising and branding that tries to shape your choice), **convenience, ethical considerations** (does the seller behave in ways you find fair and honest?), and **environmental considerations** (what does the choice do to the natural world?). The factors do not tell you the answer; they give you the checklist, so a big choice is a comparison instead of a guess.



The same list of factors helps explain either a smart choice or a regretted one.

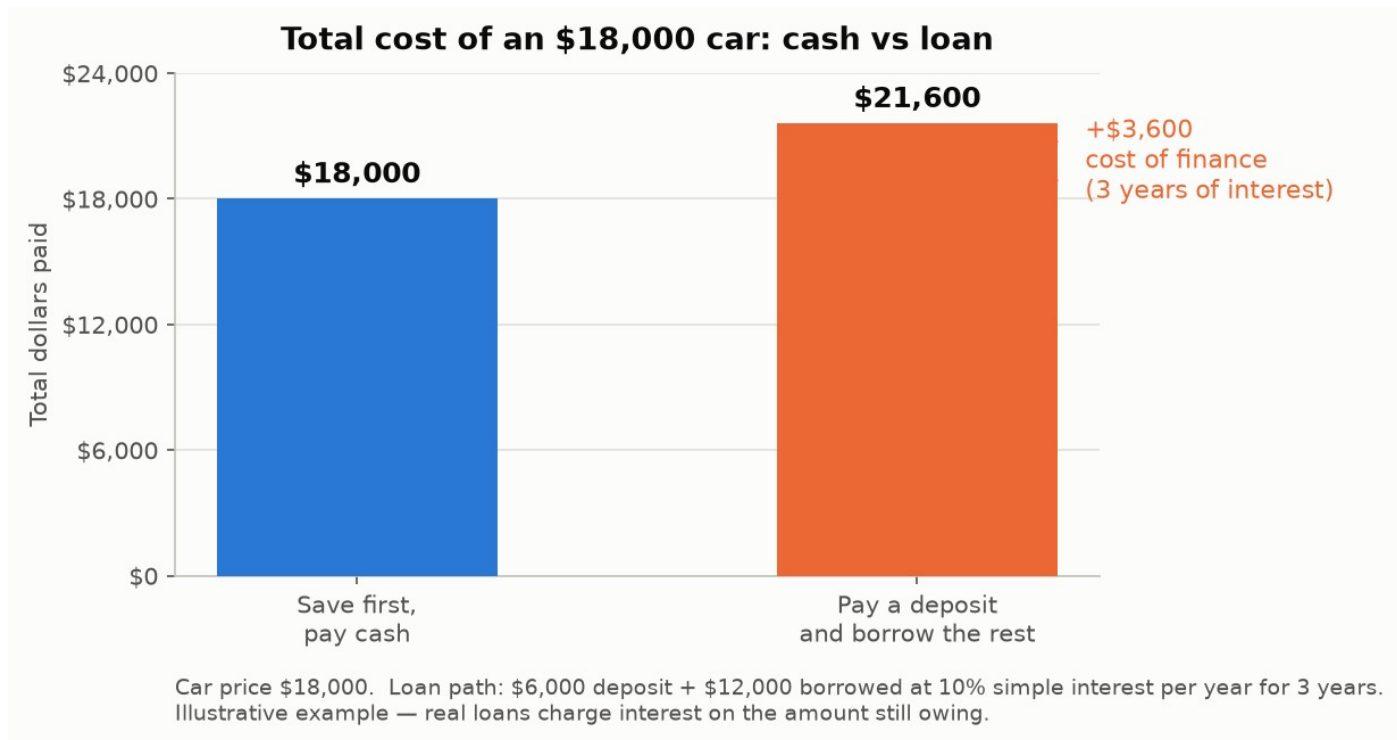
Seven factor boxes joined to a centre box labelled “A major consumer or financial decision”: price, availability, the cost of finance, marketing, and convenience, plus ethical and environmental considerations.

Figure 1 — The factors that influence a major consumer or financial decision (the list named in VC2HE10K08.E01). The same list explains a smart choice or a regretted one.

Cost of finance. When you borrow, you pay **interest** — a charge for using someone else’s money. The amount borrowed is the **principal**. With **simple interest**, the charge is worked out on the principal only:

$\text{interest per year} = \text{principal} \times \text{yearly rate (as a decimal)}$; $\text{total interest} = \text{interest per year} \times \text{number of years}$.

Borrowing can still be sensible (a reliable car can be worth more than the interest), but the cost of finance is real money added on top of the price, and it belongs in any comparison.



Bar chart: paying cash for an \$18,000 car costs \$18,000 in total; paying a deposit and borrowing the rest at 10% simple interest per year for 3 years costs \$21,600 in total, a bracket marking +\$3,600 as the cost of finance.

Figure 2 — The same car, two ways of paying. Borrowing added \$3,600 to the price (worked example 1).

Investment: risk and reward (VC2HE10K08.E02). An **investment** is putting money to work in the hope it grows. An **asset class** is a family of investments that behaves in a similar way — Moneysmart, the Australian Government’s money site run by ASIC, lists the main ones as cash (savings accounts and **term deposits**, where money is locked away for a fixed time at a fixed rate), bonds (loans to governments or companies that pay interest), property, shares (part ownership of a company), and alternatives such as crypto assets. Figure 3 shows the pattern that joins them: usually, an investment can only offer a higher **potential** reward by accepting a higher risk of losing money. A savings account is close to risk-free and grows slowly; shares and crypto assets can grow fast — or fall fast. The curriculum uses “smart investment strategies” without defining the term, so this section works with a plain definition: a strategy is smart when it fits the investor’s goal, time frame and the risk they can stand, after fees and inflation are counted.

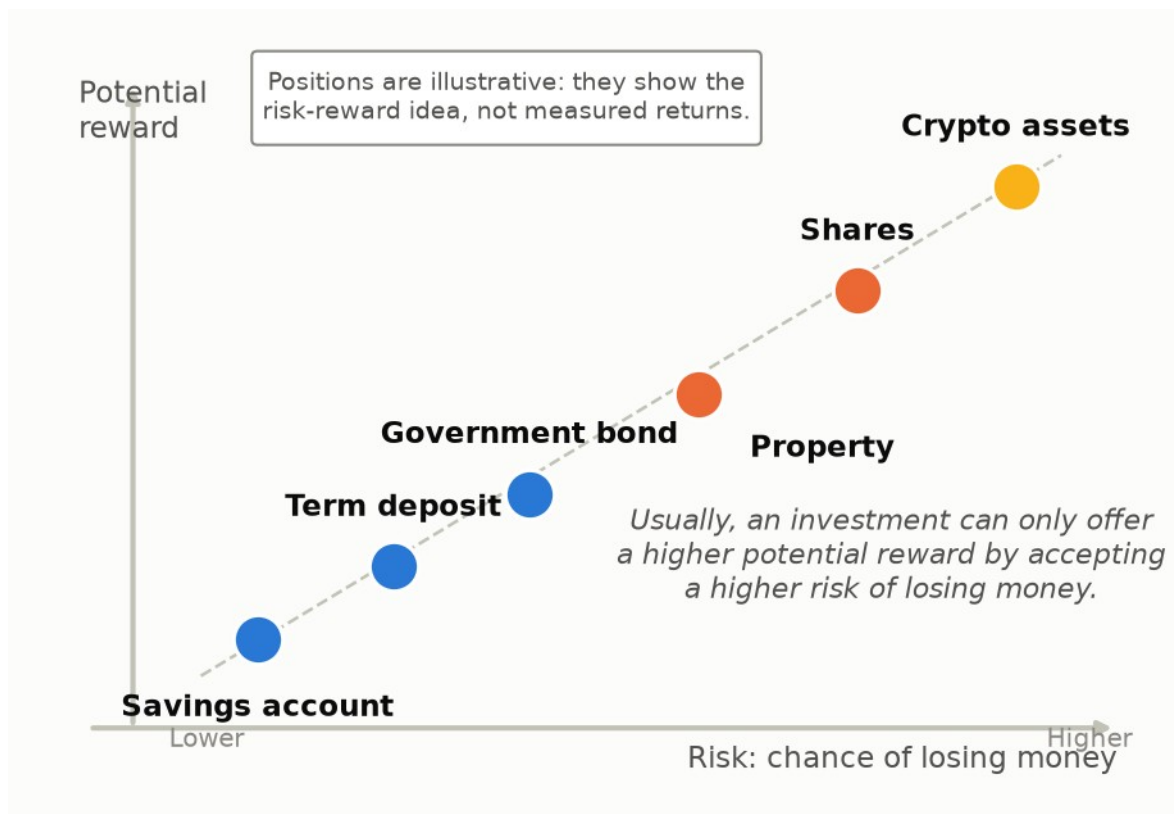
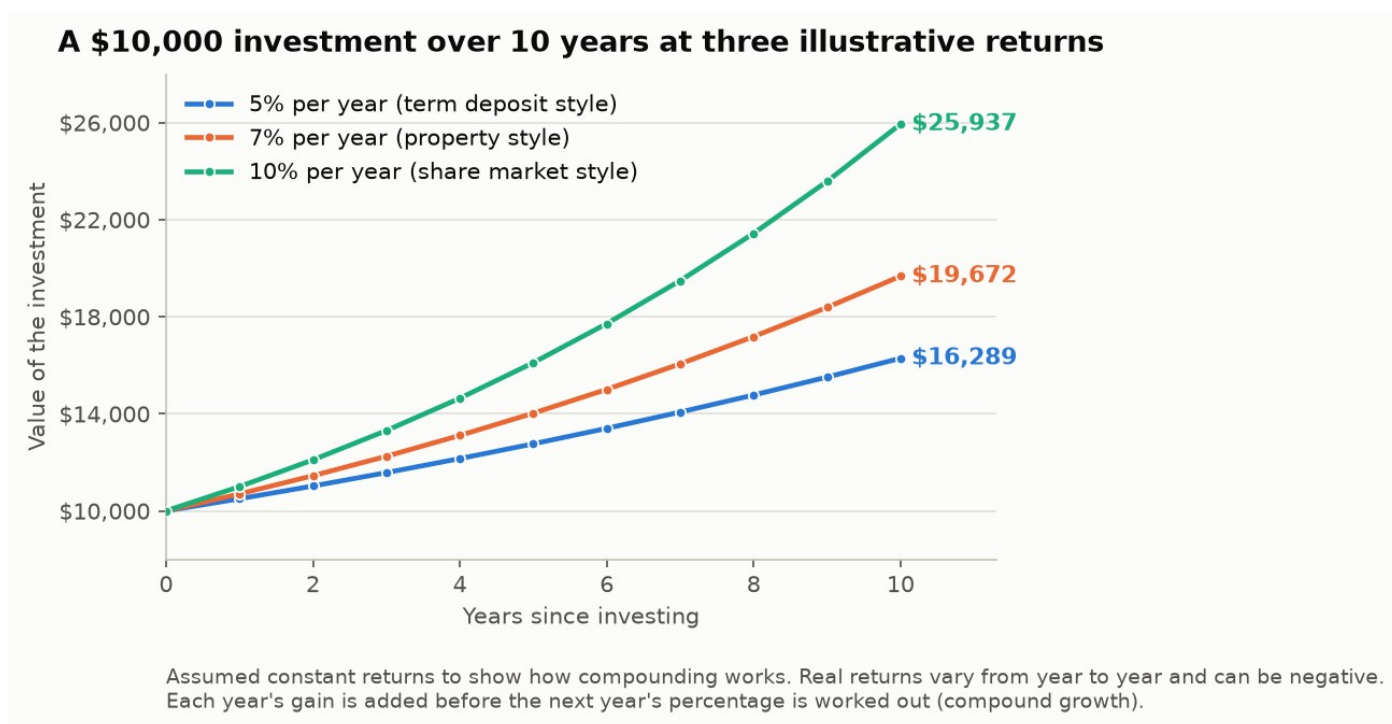


Diagram with a rising diagonal from lower left to upper right placing six asset classes in order of risk and potential reward: savings account, term deposit, government bond, property, shares, crypto assets, with a note that positions are illustrative.

Figure 3 — The risk–reward spectrum. Positions are illustrative: they show the idea, not measured returns.

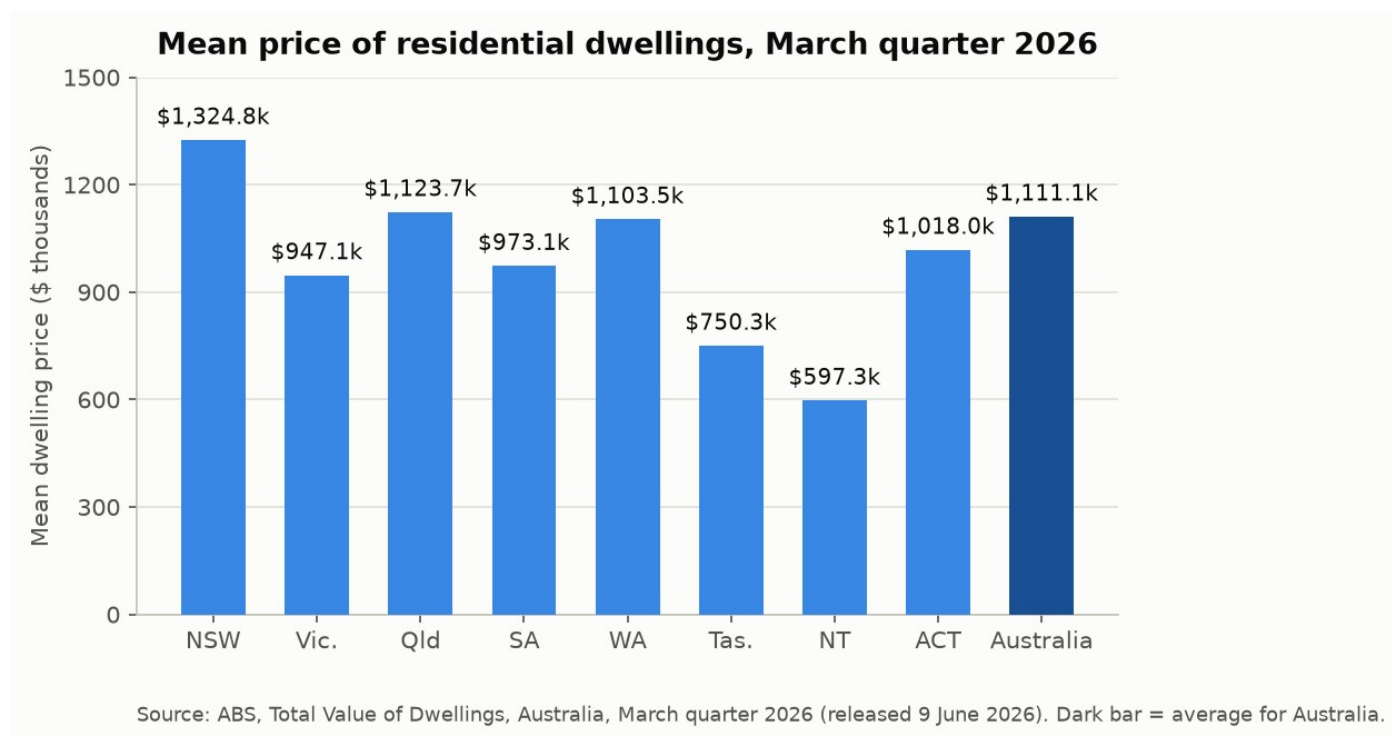
One more yardstick: **inflation**, the rate at which prices rise, measured by the Consumer Price Index. In the 12 months to June 2026, the ABS reported that the all-groups Consumer Price Index rose by **3.8%**. If your money grows by less than inflation, it buys less next year than it does now — so “no risk” carries its own quiet risk.



Line chart of \$10,000 growing for 10 years at three assumed constant yearly rates: 5% ends at \$16,289, 7% at \$19,672, 10% at \$25,937, the gaps between the lines widening over time.

Figure 4 — Compounding: interest earning interest. \$10,000 left for 10 years at three assumed constant rates (worked example 2).

Property versus shares. Two of the most common growth investments make a clean comparison. Property (real estate) means buying a home or land; shares mean buying small slices of companies. Figure 5 gives real property numbers: the ABS's average dwelling price across Australia reached **\$1,111,100** in the March quarter 2026, and the state-by-state spread is huge — a fact that changes what “getting into the market” even means for a first buyer.



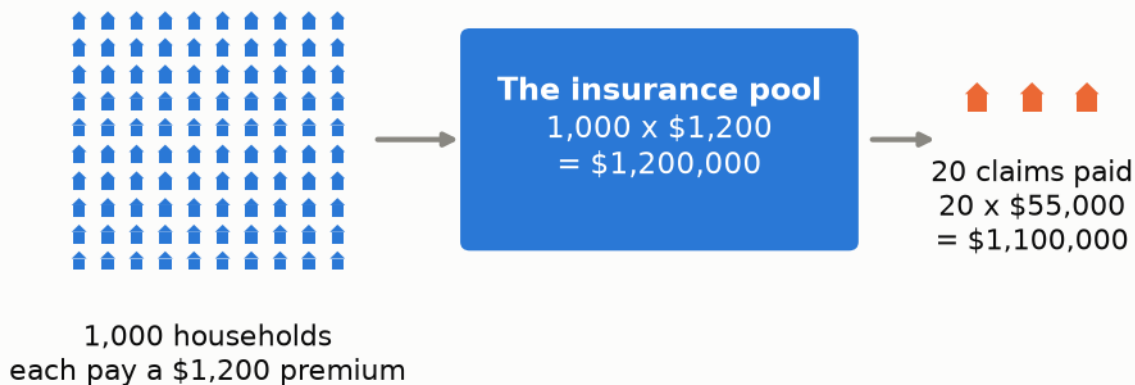
Bar chart of average dwelling prices, March quarter 2026: NSW \$1,324.8k, Vic. \$947.1k, Qld \$1,123.7k, SA \$973.1k, WA \$1,103.5k, Tas. \$750.3k, NT \$597.3k, ACT \$1,018.0k, Australia \$1,111.1k, with ABS source line.

Figure 5 — Average dwelling price by state and territory, March quarter 2026 (ABS, Total Value of Dwellings, released 9 June 2026).

Steelman both sides before choosing. **The case for property:** you can live in it or rent it out while you wait; banks will lend heavily against it; and Australian dwelling prices have risen over long periods. **The case for shares:** you can start with \$50, not \$500,000; you can spread one small purchase across hundreds of companies; and there is no lawn to mow, no roof to fix, no council rates to pay. The honest answer to “which is better?” is: better *for whom, for how long, and with what money?* — and past rises are not a promise of future ones. Moneysmart’s core advice for any answer is to spread your money across *and within* asset classes, so one bad share or one bad suburb does not sink you.

Insurance: moving risk into a pool (VC2HE10K08.E03). Insurance does not stop bad things happening; it moves the cost from one person to many. A **premium** is the regular payment you make to be covered; an **excess** is the first slice of any claim that you pay yourself. Figure 6 shows the engine: most people pay in and never claim, and their premiums pay the few big claims.

How insurance pools risk



Most households pay in every year and never claim. Their premiums pay for the few households that do suffer a loss - so no single household faces the full cost alone.
Illustrative numbers, chosen for clean arithmetic.

Diagram: a grid of 1,000 small houses each paying a \$1,200 premium into a blue pool totalling \$1,200,000, from which 20 claims of \$55,000 each are paid out, totalling \$1,100,000.

Figure 6 — How insurance pools risk. No single household faces a \$55,000 loss alone (illustrative numbers).

Three common types appear in Figure 7. Two facts matter for Victorian readers. **Medicare**, Australia's public health system, covers you as a public patient in a public hospital, so private **health insurance** is a choice, not a legal requirement. And in Victoria, every vehicle registration includes **Compulsory Third Party (CTP) insurance**, delivered through the Transport Accident Commission (TAC): it covers injuries to people in a crash you cause. It does not cover damage to vehicles — that is what optional **comprehensive** cover is for. **House and contents** insurance is also optional, though a bank usually requires it before lending on a home.

Three common types of insurance compared

Type	What it covers	Required?	What affects the cost	Main benefits
Health insurance	Treatment as a private patient in hospital, plus extras such as dental and optical	Optional. Medicare covers public hospital care	Age, level of cover, state, the excess chosen	Choice of doctor and timing, private room, extras cover
Motor vehicle insurance	CTP: injuries to people in a crash. Comprehensive: damage to vehicles and property	CTP is compulsory with registration. Comprehensive is optional	Driver age and history, car value, where it is kept, the excess chosen	Protection against large repair, replace and legal costs
House and contents	Damage to the home and belongings from events such as fire, storm and theft	Optional	Cost to rebuild, location, level of cover, the excess chosen	Cover to rebuild the home and replace what was lost

Costs are paid as a premium (a regular payment) plus an excess (the amount the customer pays first when they claim).

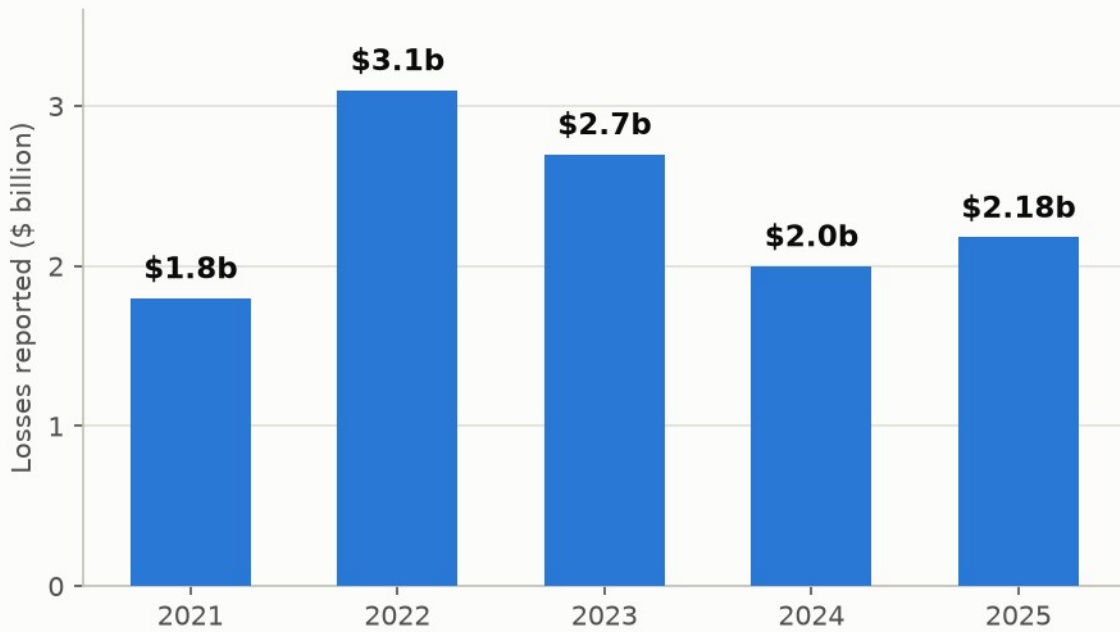
Table comparing health, motor vehicle, and house and contents insurance: what each covers, whether it is required, what affects the cost, and the main benefits, with premium and excess defined in a footer.

Figure 7 — Three common types of insurance compared.

Comparing providers (the second half of E03) means comparing like with like: the premium, the excess, and exactly what is covered. A cheaper premium with a much bigger excess can cost you more in the year you actually claim — practice question Q8 puts numbers on that.

Scams: how the money leaves (VC2HE10K08.E04). Scamwatch, the site run by the ACCC, describes a **scam** as a trick by a person or organisation you do not know, designed to make you send money or hand over personal information such as passwords or bank details. Scams are not rude marketing; they are economic crime, and running one is against the law. They are also big business. Australians reported **\$2.18 billion** in scam losses in 2025, and because about 1 in 3 scams is never reported, the true number is bigger still.

Scam losses reported in Australia, 2021-2025

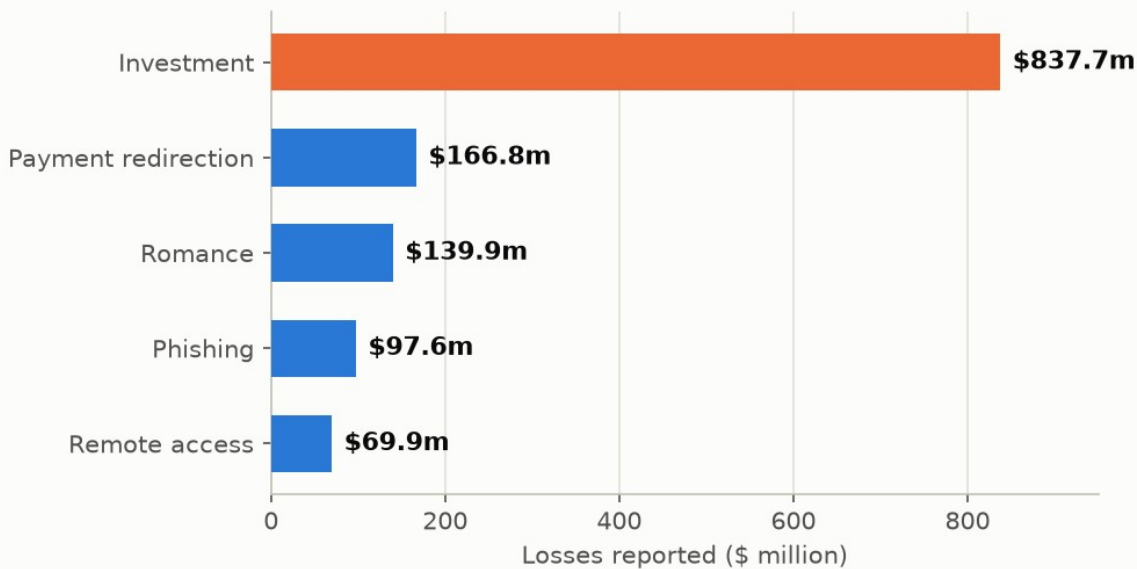


Combined losses reported to Australian agencies. Scamwatch estimates about 1 in 3 scams is never reported, so the true cost is higher than these bars show.

Bar chart of reported scam losses in Australia by year: 2021 \$1.8b, 2022 \$3.1b, 2023 \$2.7b, 2024 \$2.0b, 2025 \$2.18b, with a footnote that about 1 in 3 scams is never reported.

Figure 8 — Reported scam losses in Australia, 2021–2025 (NASC/Scamwatch).

Losses by scam type, 2025 (top five)



These five scam types made up 60% of all reported losses in 2025. Source: NASC, Targeting scams 2025.

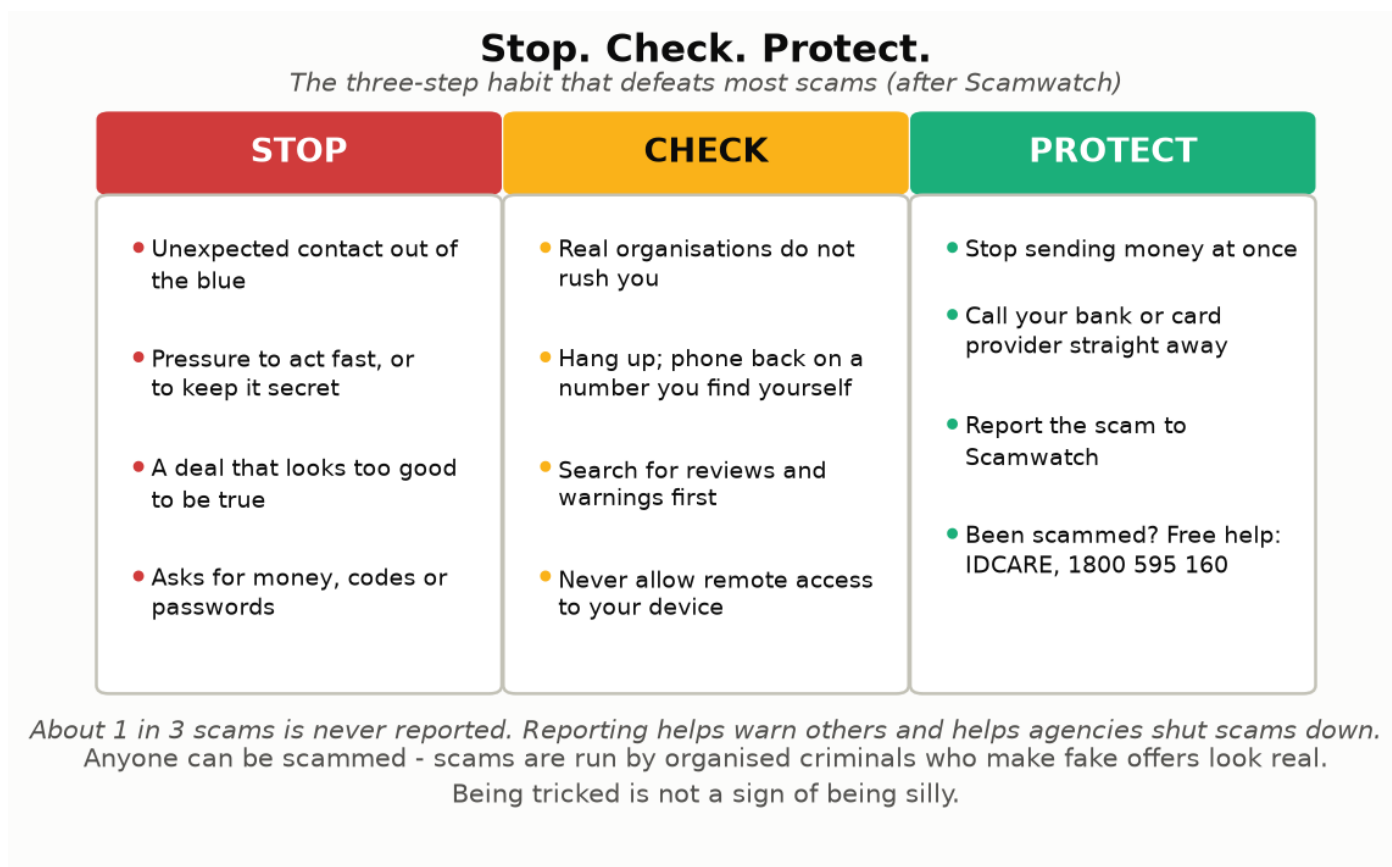
Horizontal bar chart of the five costliest scam types in 2025: investment \$837.7m, payment redirection \$166.8m, romance \$139.9m, phishing \$97.6m, remote access \$69.9m — together 60% of all reported losses.

Figure 9 — The five costliest scam types in 2025 (NASC, Targeting scams 2025). Investment scams alone took more than the other four combined.

Know the five costliest by name. An **investment scam** sells a fake opportunity with fake returns — it borrows the language of Figure 3 and removes the risk that makes it honest. A **payment redirection scam** tricks a business or buyer into typing new bank details into a fake invoice or email. A **romance scam** builds a fake relationship, then a

fake emergency needs real money. **Phishing** sends texts and emails dressed up as your bank to steal log-ins. A **remote access scam** talks you into installing software that hands a stranger control of your device.

The defence is a habit, not a talent. Scamwatch boils it to three words: **Stop. Check. Protect.** Stop when contact is unexpected, rushed, secret, or too good to be true. Check by hanging up and phoning back on a number you found yourself, and by searching before you send. Protect by cutting off money and access at once, calling your bank, and reporting to Scamwatch — and if identity details have gone, IDCARE (1800 595 160) gives free help.



Three-column poster: *STOP* (unexpected contact, pressure to act fast, too-good-to-be-true deals, asks for money codes or passwords), *CHECK* (real organisations do not rush you, hang up and phone back yourself, search first, never allow remote access), *PROTECT* (stop sending money, call your bank, report to Scamwatch, IDCARE 1800 595 160), with the lines “about 1 in 3 scams is never reported” and “anyone can be scammed”.

Figure 10 — Stop. Check. Protect. The three-step habit that defeats most scams (after Scamwatch).

One myth deserves a steelman before it is retired: “people only get scammed if they are silly or careless.” The tempting part is that caution helps — people who rush and click do lose money. But Scamwatch is clear that **anyone** can be scammed: scams are run by organised criminals who study people, copy real brands, and tailor the trick to the target — professionals, older Australians with savings, and teenagers alike. Being tricked by a professional trickster is not a character flaw, and reporting a scam (which about 1 in 3 victims never do) is how warnings and cases get built.

The legal and ethical thread. Law and ethics run through all four elaborations. In law: misleading conduct by sellers is banned under the Australian Consumer Law; CTP cover is compulsory with registration in Victoria; insurance and loan applications must be answered honestly, and hiding facts on purpose can mean a claim is refused; and scams are crimes to report, not embarrassments to hide. Ethically: sellers market to your weaknesses as well as your needs; investors can ask what their money supports (the ethical and environmental considerations of E01); insurers rely on everyone else in the pool telling the truth, so a fake claim is theft from the other members; and a community that reports scams protects its next victim.

Worked examples

Example 1 — scaffolded (E01, cost of finance)

A Victorian family chooses a used car priced at **\$18,000**. They can pay cash from savings, or pay a \$6,000 deposit and borrow \$12,000 at **10% per year simple interest for 3 years**. Find the total cost of each path and the cost of finance. (The 10% flat rate is chosen for clean arithmetic; see the comment in the last row.)

Working	Comment
Cash path: total cost = \$18,000.	No borrowing, no interest.
Loan path: principal = \$18,000 – \$6,000 = \$12,000.	Only the borrowed part attracts interest.
Interest per year = \$12,000 × 0.10 = \$1,200.	Rate as a decimal: 10% = 0.10.
Total interest = \$1,200 × 3 = \$3,600.	Simple interest: same charge each year, on the principal only.
Loan path total = \$18,000 + \$3,600 = \$21,600.	Price plus cost of finance.
Cost of finance = \$21,600 – \$18,000 = \$3,600.	The price of not waiting until the savings are there.

Reality check with a real, dated number: the Reserve Bank of Australia's cash rate target was **4.35%** at its mid-June 2026 meeting, and real car loans sit above it and charge interest on the amount still owing — so a real quote will not match \$3,600 exactly. The point stands either way: borrowing turned an \$18,000 car into a \$21,600 car, and that difference is a factor in the decision exactly like price or convenience (Figure 1).

Example 2 — scaffolded (E02, compounding and the reward for risk)

\$10,000 is invested for 10 years. Compare three *assumed constant* yearly returns: 5% (savings-account-like), 7%, and 10% (shares-like in a good stretch). Show the method for two years, then read the 10-year results off Figure 4.

Working	Comment
5%, year 1: $\$10,000 \times 1.05 = \$10,500$.	The whole balance is multiplied by 1 + rate each year.
5%, year 2: $\$10,500 \times 1.05 = \$11,025$.	Interest now earns interest — compounding.
After 10 years: \$16,289 (5%), \$19,672 (7%), \$25,937 (10%).	Read from Figure 4; the gaps widen every year.
Extra reward for the extra risk: $\$25,937 - \$16,289 = \$9,648$.	The gap between 5% and 10% over a decade.
Inflation check: prices rose 3.8% in the year to June 2026 (ABS).	A 5% return only just beats that; 3% would shrink your buying power.

The assumptions are the lesson's fine print: real returns jump around, and a shares-like investment can be *below* its starting point after a bad year — the 10% line shows what compounding does *if* the rate holds, which is exactly why Figure 3 pairs higher potential reward with higher risk. Moneysmart also warns that borrowing to invest is a high-risk strategy for experienced investors, not a beginner move.

Practice questions

Scaffolded

Q1 (E01). Match each situation to the factor from Figure 1 that it mainly tests: (a) “the nearest dealership with the model in stock is 300 km away”; (b) “the TV ad shows the car on an empty coastal road at sunrise”; (c) “the bank's car-loan rate went up since last month”; (d) “the maker was fined for underpaying workers”.

Q2 (E01). A family borrows **\$8,000** at **8% per year simple interest** for **2 years** toward a car. Find: (a) the interest for one year; (b) the total interest; (c) the total to repay (principal plus interest).

Q3 (E02). Using Figures 3 and 4: (a) which is riskier, a term deposit or shares? (b) what did \$10,000 become after 10 years at the assumed 7% rate? (c) how much more is that than the 5% result?

Q4 (E02). Using Figure 5: (a) which state or territory had the highest average dwelling price in the March quarter 2026, and what was it? (b) find the gap between Victoria’s and Tasmania’s averages. (c) name one factor from Figure 1, other than price, that could pull a buyer toward the more expensive state.

Q5 (E03). Using the pool in Figure 6 (1,000 households, \$1,200 premium each, 20 claims of \$55,000): (a) what is the total pooled? (b) what is paid out in claims? (c) what is left over? (d) explain in one sentence how a \$55,000 loss costs no single household more than \$1,200.

Q6 (E03). Using Figure 7: (a) which cover must a Victorian driver hold with registration? (b) which optional cover pays for damage to the driver’s own car? (c) define premium and excess in your own words.

Unscaffolded

Q7 (E02). Your uncle says “in Australia, property always beats shares.” Steelman him: give the two strongest reasons *for* his view, then the two strongest reasons *against* it (Figures 3 and 5 help). Finish with your own 2–3 sentence view on when his rule breaks down.

Q8 (E03). Two providers quote for the same comprehensive car policy with the same cover. **Provider A:** premium \$1,150 per year, excess \$1,500. **Provider B:** premium \$1,400 per year, excess \$600. (a) What does a claim-free year cost with each? (b) What does a year with one \$4,000 repair cost with each (premium plus excess)? (c) Which provider is cheaper in each case? (d) Name one thing besides price you would compare before choosing.

Q9 (E04, data inquiry). Using Figures 8 and 9: (a) which year had the largest reported losses, and what were they? (b) show that investment scam losses (\$837.7 million) were about 38% of the \$2.18 billion reported in 2025. (c) Scamwatch estimates about 1 in 3 scams is never reported. Explain in a sentence what that means for the true size of the problem. (d) A school wants one poster warning about one scam type. Argue for the type you would pick, using at least one number from the figures.

Q10 (E04, produced document). Create a one-page document titled “**How to avoid being scammed**” for a Year 9 assembly. It must include, in your own words: a one-line definition of a scam; three red flags that mean *stop*; the Stop. Check. Protect. steps; what to do in the first hour after being scammed (include one real help service and its number); and one real 2025 statistic from Figure 8 or 9, named with its source. Plain language beats long words — the document succeeds if a tired Year 9 reads it on a phone and remembers it.

Answers

Q1. (a) availability (and convenience). (b) marketing. (c) cost of finance. (d) ethical considerations. **Q2.** (a) \$640. (b) \$1,280. (c) \$9,280. **Q3.** (a) shares. (b) \$19,672. (c) \$3,383. **Q4.** (a) NSW, \$1,324,800. (b) \$196,800. (c) e.g. convenience or availability — jobs, family, schools, the home you want is there. **Q5.** (a) \$1,200,000. (b) \$1,100,000. (c) \$100,000. (d) the many small premiums pay the few big losses, so the risk is shared. **Q6.** (a) CTP (Compulsory Third Party). (b) comprehensive. (c) premium: the regular payment for cover; excess: the first part of a claim you pay yourself. **Q7.** For: you can live in or rent out property while it grows; banks lend heavily against it; long-run Australian prices have risen. Against: the entry price is enormous (Figure 5), so most of it is borrowed; one property concentrates risk in one suburb and one roof, while shares spread it; costs (rates, repairs) never appear on a shares trade. View: the rule breaks down for buyers who must borrow almost everything, and for anyone who needs to move their money quickly. **Q8.** (a) A: \$1,150; B: \$1,400. (b) A: \$2,650; B: \$2,000. (c) claim-free year: A; claim year: B. (d) what is actually covered (and the excess, service, reviews). **Q9.** (a) 2022, \$3.1 billion. (b) $837.7 \div 2,180 \approx 0.384 \approx 38\%$. (c) Reported numbers miss about one extra scam for every two reported, so the true loss is well above \$2.18 billion. (d) e.g. investment scams — 38% of all reported losses in one type, more than the next four types combined. **Q10.** Check against the five must-haves: definition; three red flags; Stop. Check. Protect.; first-hour steps with a real number (e.g. IDCARE 1800 595 160, or your bank, or Scamwatch); one sourced 2025 statistic.

Fully-worked solutions

Q1. (a) A car you cannot obtain nearby tests **availability** (and the 300 km trip tests convenience). (b) A lifestyle ad is **marketing** — it sells a feeling, not a specification. (c) A change in loan rates is **cost of finance**. (d) Underpaying workers is an **ethical consideration**.

Q2. (a) $\$8,000 \times 0.08 = \$640$ per year. (b) $\$640 \times 2 = \$1,280$. (c) $\$8,000 + \$1,280 = \$9,280$.

Q3. (a) Figure 3 places shares above a term deposit on both risk and potential reward. (b) \$19,672. (c) $\$19,672 - \$16,289 = \$3,383$.

Q4. (a) NSW at \$1,324,800 (Figure 5 shows \$1,324.8 thousand). (b) $\$947,100 - \$750,300 = \$196,800$. (c) Any non-price factor with a reason: e.g. availability/convenience — the jobs, family and schools the family wants are in Victoria, so they pay the higher price for them.

Q5. (a) $1,000 \times \$1,200 = \$1,200,000$. (b) $20 \times \$55,000 = \$1,100,000$. (c) $\$1,200,000 - \$1,100,000 = \$100,000$. (d) Because the loss is shared across the pool, each household's known cost is the \$1,200 premium, never the \$55,000 shock.

Q6. (a) CTP — Compulsory Third Party insurance, included with Victorian registration through the TAC. (b) Comprehensive cover. (c) A premium is the regular payment that keeps the cover alive; an excess is the amount the insured person pays first when a claim is made.

Q7. Strongest *for*: (1) property earns its keep while you wait — you live in it or collect rent, and banks will lend large against it; (2) Australian dwelling prices have risen over long stretches (Figure 5's averages did not get there by falling). Strongest *against*: (1) the ticket size — at state averages of \$750k–\$1.3M, most buyers borrow heavily, which adds interest cost and risk; (2) one property is one bet on one suburb, while a small share portfolio spreads the bet, and shares can be sold in a day, a house in months. Own view (example): the rule works for people with deposits and long horizons, and breaks down for highly borrowed buyers or anyone who may need the money back quickly.

Q8. (a) Claim-free year: A costs \$1,150; B costs \$1,400. (b) Claim year: A costs $\$1,150 + \$1,500 = \$2,650$; B costs $\$1,400 + \$600 = \$2,000$. (c) Cheapest depends on the year: A if nothing goes wrong, B if the \$4,000 claim happens. (d) Compare what is covered, the excess, and the insurer's service record — a cheap policy that excludes your most likely claim is not cheap.

Q9. (a) 2022, at \$3.1 billion (Figure 8). (b) $\$837.7 \text{ million} \div \$2,180 \text{ million} = 0.384\dots$, i.e. about 38%. (c) If about 1 in 3 scams is never reported, the reported figures describe only about two of every three scams, so true losses and victim counts are larger than the charts show. (d) Example argument: target **investment scams** — one type took \$837.7 million, about 38% of all reported losses and more than the next four types combined (Figure 9), and it preys

on the same hope of reward this section teaches, so a poster can teach the check: real returns always come with real risk.

Q10. A model outline (your document, your words): **Definition** — a scam is a trick by a stranger to make you send money or hand over passwords or bank details. **Red flags** — contact out of the blue; pressure to hurry or keep it secret; a deal too good to be true. **Steps** — Stop (do not click, send, or share); Check (hang up, phone the organisation on a number you find yourself, search first); Protect (cut off money and access, call your bank, report to Scamwatch). **First hour** — call your bank straight away; if identity details went, ring IDCARE on 1800 595 160; report to Scamwatch; tell someone you trust. **Statistic** — “Australians reported \$2.18 billion in scam losses in 2025, and investment scams took about 38% of it” (NASC/Scamwatch, Targeting scams 2025).

Sources (retrieved 26 August 2026 unless stated):

- Australian Bureau of Statistics, *Consumer Price Index, Australia*, June quarter 2026 — all-groups CPI up 3.8% over the 12 months to June 2026.
- Australian Bureau of Statistics, *Total Value of Dwellings*, March quarter 2026 (released 9 June 2026) — average dwelling prices by state and territory (Figure 5).
- Reserve Bank of Australia cash rate target 4.35%, held at the mid-June 2026 board meeting (ABC News business coverage, 16 June 2026).
- National Anti-Scam Centre / Scamwatch (ACCC), *Targeting scams 2025* and Scamwatch advice pages — 2021–2025 reported losses, 2025 losses by type, “about 1 in 3 scams never reported”, Stop. Check. Protect., and post-scam help including IDCARE 1800 595 160.
- ASIC Moneysmart, investing basics — asset classes; spreading money across and within asset classes to lower risk; borrowing to invest is high-risk.
- Victorian CTP/TAC and Medicare arrangements stated as institutional facts (no figures quoted).
- Worked-example and practice numbers flagged as illustrative (car loan rate, assumed returns, insurance quotes) are invented for teaching, per house policy on hypothetical worked examples.

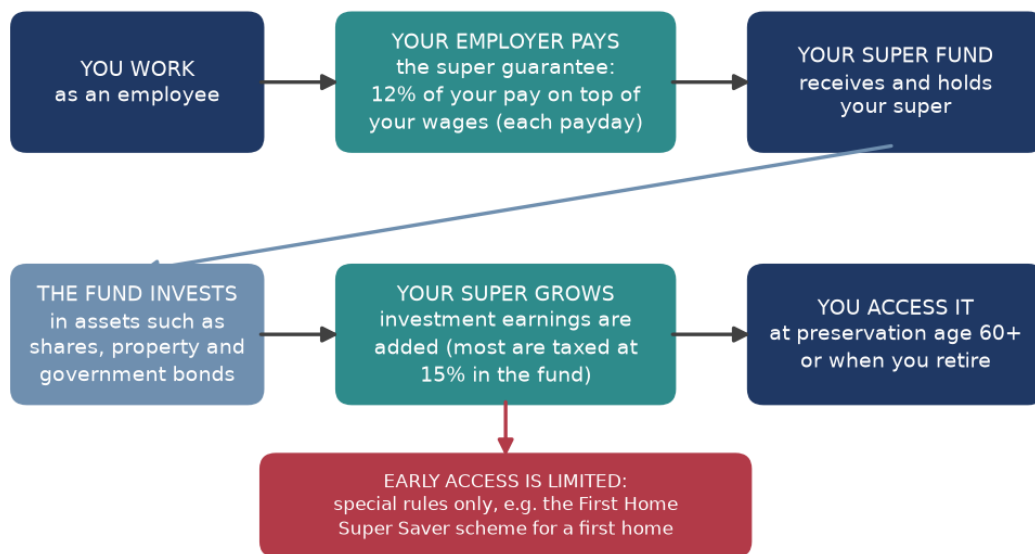
Superannuation: why it matters for you and for Australia

Curriculum for this section — Victorian Curriculum 2.0, Economics and Business, Levels 9 and 10 (Level 9 book). Content description VC2HE10K09 (Knowledge and Understanding — Consumer and financial literacy). Elaborations covered in this section: .E01 .E02 .E03

Theory

What superannuation is. Superannuation (**super**) is money that is put aside for you while you work, held and invested by a super fund, and paid out to support you when you retire from work. Almost every employee in Australia has it, and it is one of the biggest parts of Australia's economy and of your future living standard. The diagram below shows the whole journey of a super dollar.

How Australia's superannuation system works



Original diagram. Facts: ATO super guarantee rate (retrieved 26 August 2026); ATO preservation age media release (14 May 2025); ATO FHSS scheme pages (2026).

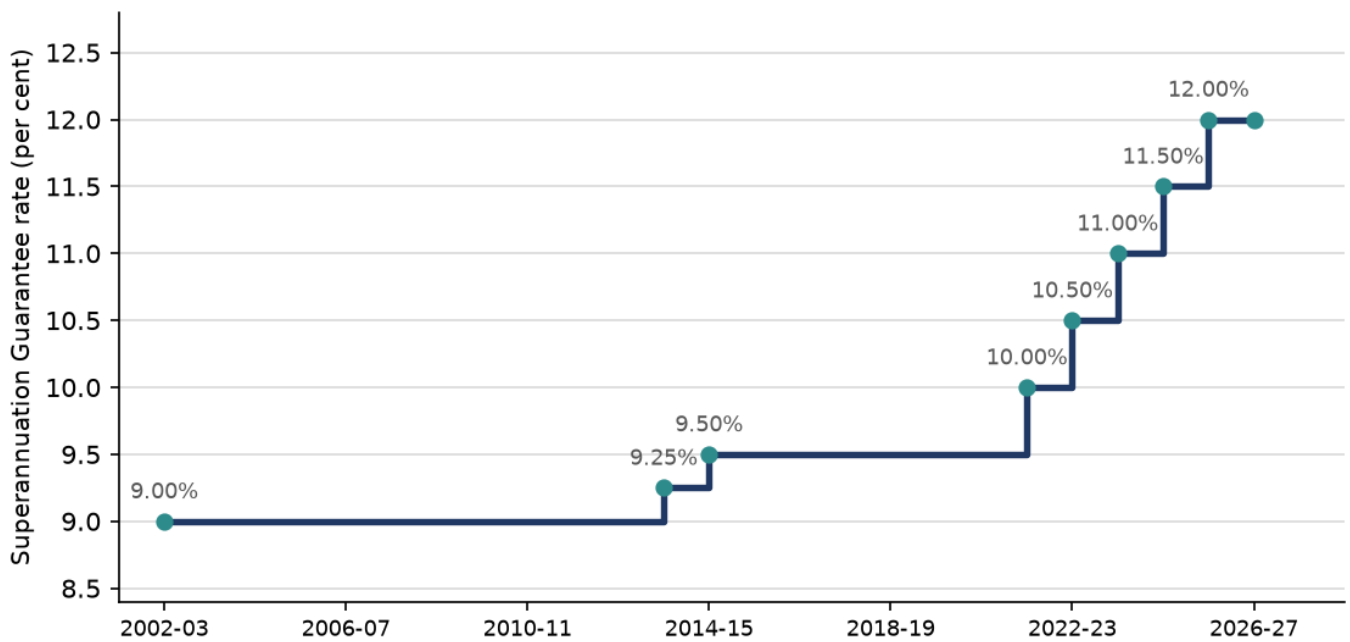
Flow diagram of how Australia's superannuation system works: you work as an employee, your employer pays the super guarantee of 12 per cent of your pay on top of your wages each payday, your super fund receives and holds your super, the fund invests it in assets such as shares, property and government bonds, your super grows as investment earnings are added, and you access it at preservation age 60 or over or when you retire, with early access limited to special rules such as the First Home Super Saver scheme for a first home.

Who contributes. Three groups put money into super:

1. **Employers** — by law, every employer must pay super on top of an employee's wages. This compulsory payment is called the **superannuation guarantee (SG)**. From 1 July 2025 the SG rate is **12%** of an employee's pay (Source: Australian Taxation Office (ATO), superannuation guarantee rates, viewed 26 August 2026).
2. **Employees (members)** — many people choose to add extra money of their own, called **voluntary contributions**, to grow their super faster.
3. **The government** — for example, the **super co-contribution**: a low-income earner who adds after-tax money to super can receive up to \$500 a year from the government (Source: ATO, co-contribution rules, viewed 26 August 2026). The government also supports super by taxing super savings at a lower rate than most people pay on their wages.

The SG rate was not always 12%. The graph below shows how it has changed since 2002. It sat at 9% for many years, rose to 9.5% in 2014, was then held at 9.5% for seven years, and from 1 July 2021 rose half a percentage point each year until it reached 12% on 1 July 2025. A new rule also started on 1 July 2026: employers must now pay super into a worker's fund **on each payday**, not just once a month (Source: ATO, payday super, viewed 26 August 2026).

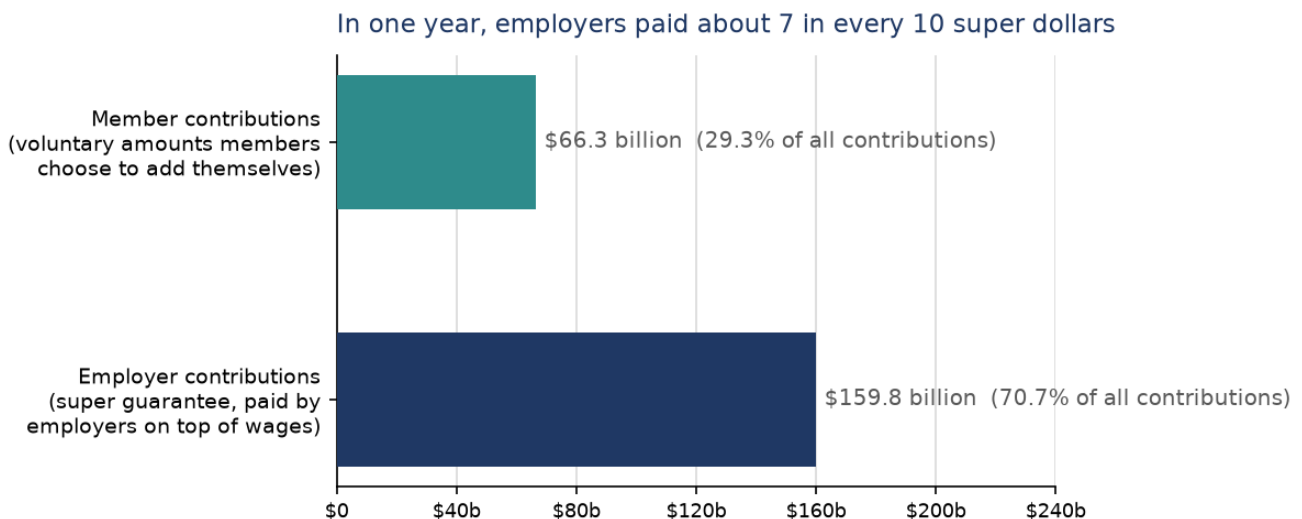
The compulsory employer super rate has risen from 9% to 12%



Rate each financial year (year shown = year starting 1 July). Source: Australian Taxation Office, 'Super guarantee' table, retrieved 26 August 2026.

Step-line graph of the superannuation guarantee rate from 2002 to 2026, holding at 9 per cent until 2013, rising to 9.25 per cent in 2013 and 9.5 per cent in 2014, then stepping up half a point each year from 10 per cent in 2021 to reach 12 per cent on 1 July 2025.

Employer payments are by far the biggest source of super money. In the year ending March 2026, employers paid in \$159.8 billion (70.7% of all contributions) and members added \$66.3 billion (29.3%) — \$226.1 billion in total (Source: APRA, *Quarterly Superannuation Performance, March 2026 quarter*, viewed 26 August 2026).



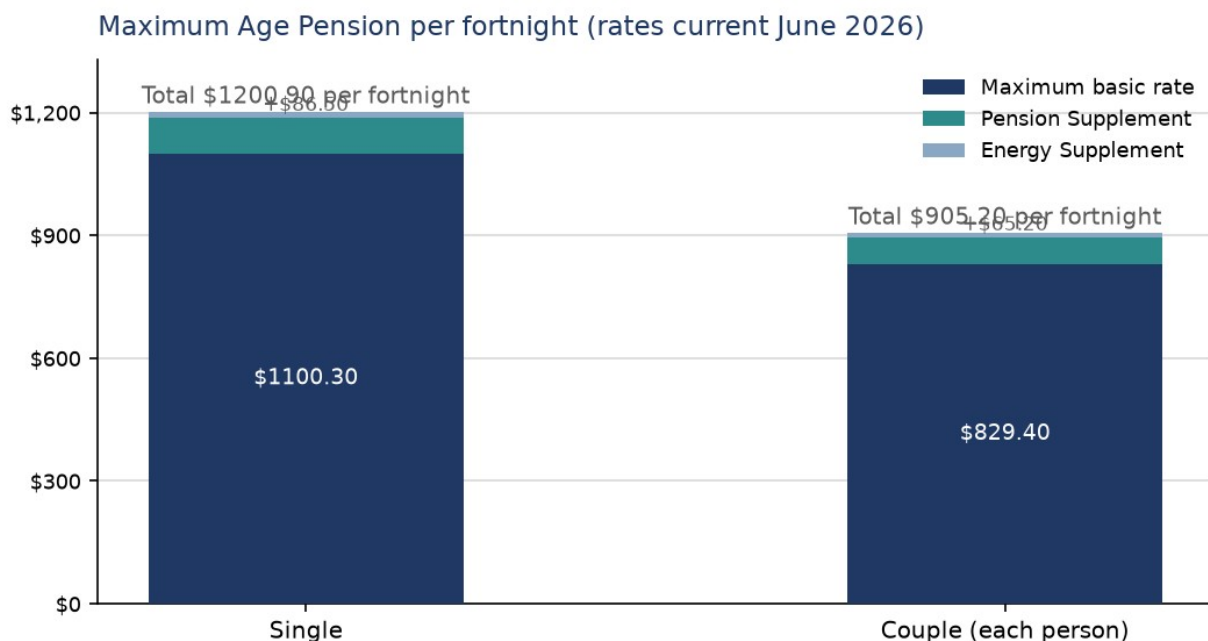
Year ending March 2026. Total contributions \$226.1 billion. Source: APRA, *Quarterly Superannuation Performance, March 2026 quarter* (retrieved 26 August 2026).

Bar chart of super contributions for the year ending March 2026: employer contributions of 159.8 billion dollars, which is 70.7 per cent of all contributions, and member contributions of 66.3 billion dollars, which is 29.3 per cent, totalling 226.1 billion dollars.

How super grows. A super fund does not leave the money sitting in a bank account. It invests members' money in **assets** — things of value such as shares in companies, property, government **bonds** (loans to the government that pay interest) and cash. The earnings from these assets are added to members' accounts, and in most cases those earnings are taxed at only 15% inside the fund, which is less than most workers pay on their wages. Because the earnings themselves earn more in later years, super grows by **compounding** — earning returns on top of earlier returns. Compounding is why small amounts put in early in working life can become large amounts by retirement.

Why super is locked away. Super is not like a bank account you can dip into. It is **preserved** — that is, it cannot be taken out until you reach your **preservation age**, which is 60 for anyone born on or after 1 July 1964 (*Source: ATO, preservation age media release, 14 May 2025*). The purpose of the lock is the purpose of the whole system: the money has to still be there when you retire.

Why super matters to your living standard (.E01). The government’s safety net for older Australians is the **Age Pension**, a regular payment funded from the federal Budget. As at June 2026, the maximum Age Pension is \$1,200.90 per fortnight for a single person and \$905.20 per fortnight for each member of a couple (*Source: Services Australia, ‘How much Age Pension you can get’, page updated 19 June 2026, viewed 26 August 2026*).



Rates before tax, indexed each 20 March and 20 September. Source: Services Australia, 'How much Age Pension you can get' (retrieved 26 August 2026).

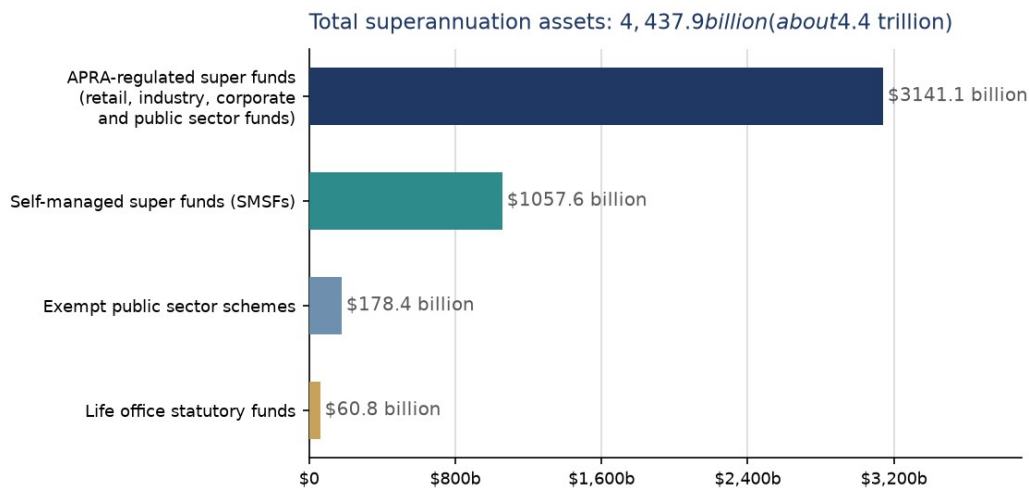
Stacked bar chart of the maximum Age Pension per fortnight at June 2026 rates: a single person receives 1,100.30 dollars basic rate plus 86.50 dollars Pension Supplement plus 14.10 dollars Energy Supplement, totalling 1,200.90 dollars; each member of a couple receives 829.40 dollars plus 65.20 dollars plus 10.60 dollars, totalling 905.20 dollars.

About \$1,200 a fortnight (roughly \$600 a week) covers the basics of living, but not much more. Super matters because it gives retirees income **on top of** the Age Pension, and that extra income lifts both sides of living standards:

- **financial wellbeing** — more money to live on: a better home, health care, transport, helping family, and savings that last;
- **human wellbeing** — non-money benefits such as feeling secure, having choices about how to live, staying independent, and less worry about running out of money.

A retiree with a healthy super balance is not limited to the safety net. That is the individual side of the content description.

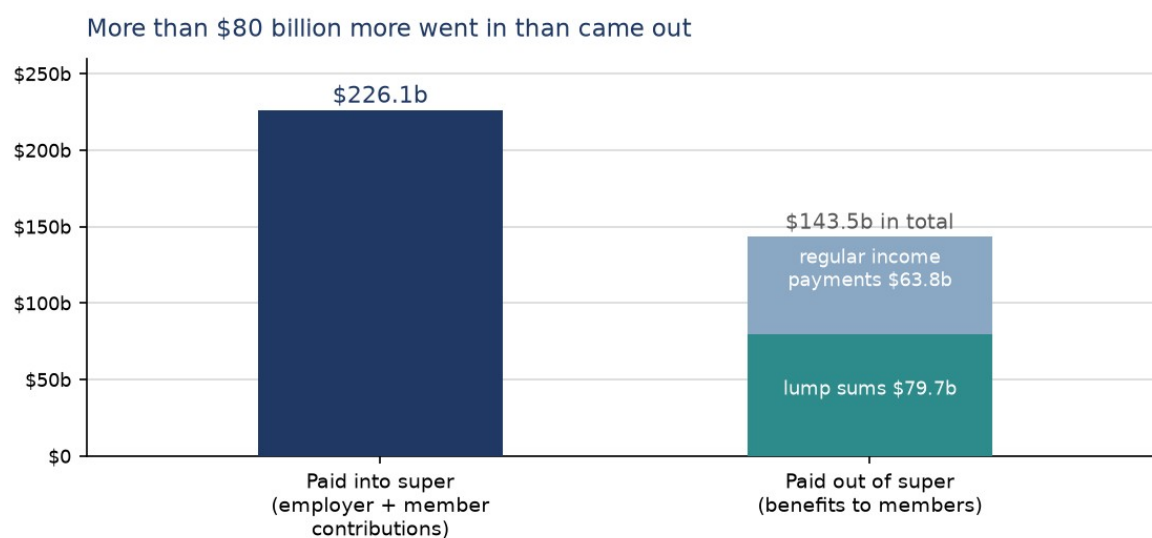
Why super matters to Australia’s living standard (.E01). All of Australia’s super savings together form one of the largest pools of retirement savings in the world. As at 31 March 2026 the total was **\$4,437.9 billion** (about \$4.4 trillion), up 7.9% from a year earlier (*Source: APRA, Quarterly Superannuation Performance, March 2026 quarter, viewed 26 August 2026*).



As at 31 March 2026. A year earlier the total was \$4,111.4 billion (up 7.9% over the year). Source: APRA, Quarterly Superannuation Performance, March 2026 quarter (retrieved 26 August 2026).

Bar chart of where Australia's super money sits as at 31 March 2026: APRA-regulated super funds 3,141.1 billion dollars, self-managed super funds 1,057.6 billion dollars, exempt public sector schemes 178.4 billion dollars and life office statutory funds 60.8 billion dollars, totalling 4,437.9 billion dollars.

This pool matters to Australian living standards in two ways. First, super funds invest it in Australian companies and in public projects such as roads, hospitals, rail lines and energy projects, which funds business investment, jobs and the goods and services Australians live on. Second, the pool keeps growing: in the year ending March 2026, \$226.1 billion was paid into super and only \$143.5 billion was paid out (as lump sums and as regular income payments to retirees), so the pool grew by \$82.6 billion in one year (Source: APRA, March 2026 quarter, viewed 26 August 2026).

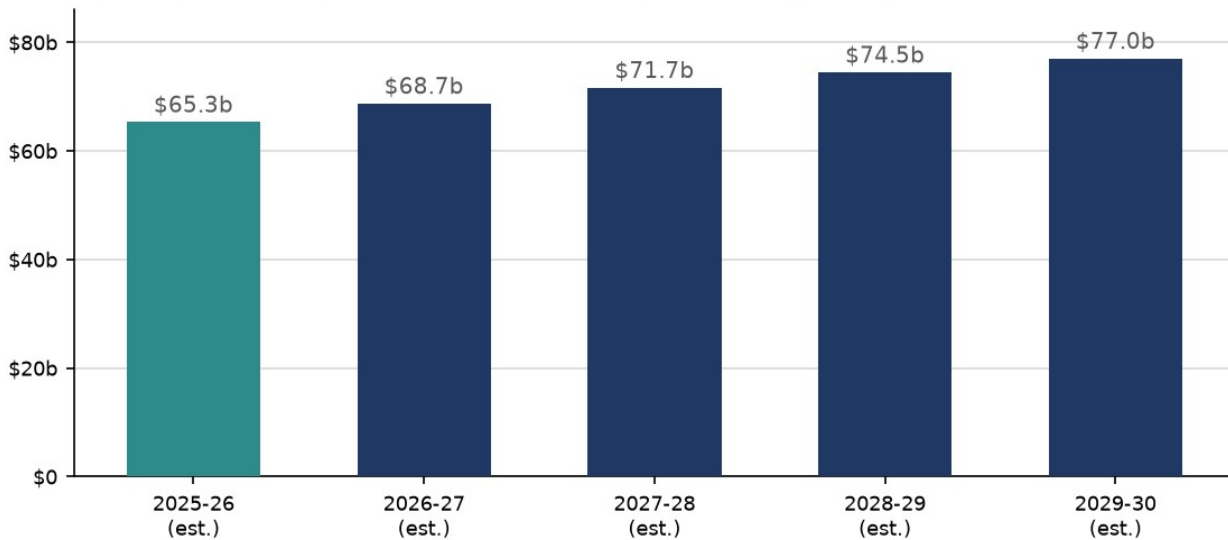


Year ending March 2026. Net flow = \$226.1b - \$143.5b = \$82.6b. Source: APRA, Quarterly Superannuation Performance, March 2026 quarter (retrieved 26 August 2026).

Bar chart comparing money paid into super with money paid out for the year ending March 2026: contributions of 226.1 billion dollars went in, while benefit payments of 143.5 billion dollars went out, split into 79.7 billion dollars of lump sums and 63.8 billion dollars of regular income payments, a net gain of 82.6 billion dollars.

Super and the future of the safety net (.E01). Australia's population is ageing: people live longer and there are more retirees for each worker. That puts growing pressure on the Budget, because the Age Pension and other senior payments are paid out of taxes. The 2026-27 Budget estimates 'Support for Seniors' spending at \$65.3 billion in 2025-26, rising to \$77.0 billion by 2029-30 (Source: Australian Government, Budget Paper No. 1, Budget 2026-27, Statement 6, Table 6.9.1, viewed 26 August 2026).

Spending on the Age Pension and senior payments keeps rising



'Support for Seniors' program expenses, Budget estimates. Source: Budget Paper No. 1, Budget 2026-27, Statement 6, Table 6.9.1 (retrieved 26 August 2026).

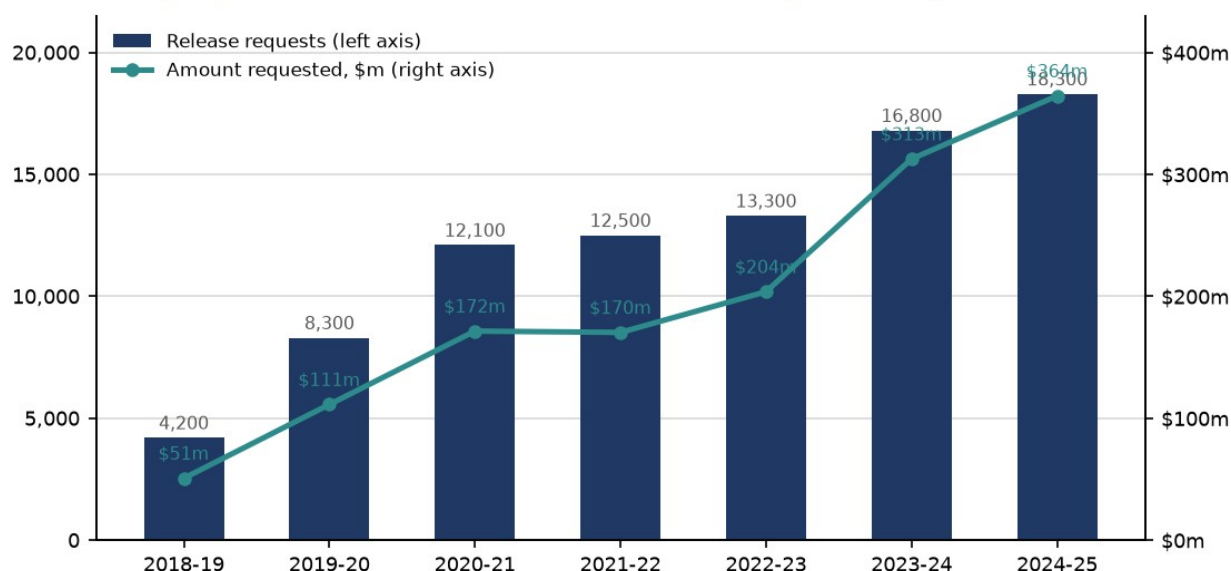
Bar chart of Australian Government Support for Seniors expenses from 2025-26 to 2029-30: 65.3 billion dollars, 68.7 billion, 71.7 billion, 74.5 billion and 77.0 billion dollars, rising every year.

If retirees had no super, almost all of them would depend on the Age Pension, and that spending would climb even faster as the population aged. Because most workers now build their own super, retirees rely less on the pension than earlier generations did. That helps the government keep senior payments affordable into the future: the safety net stays there for the people who most need it, while Budget money that does not have to go to pensions can go to schools, hospitals and other services that lift Australian living standards. (Economists disagree about the details — for example, some point out that the tax support for super costs the Budget a lot each year, while others answer that the support is what makes people save and lowers pension costs later. The institutional facts above are not in dispute; the policy balance is a live public debate.)

Super and buying a house (.E02). Because super is preserved until your preservation age, you normally cannot take it out early to buy a house — and anyone who offers to “release your super early” for a fee outside the legal rules is almost always running a **scam** (see 2D). There is, however, one legal path for first-home buyers: the **First Home Super Saver (FHSS) scheme**, which started on 1 July 2018. Under it, voluntary contributions of up to \$15,000 in a year and \$50,000 in total, plus the earnings on them, can be released from super to help buy a first home (*Source: ATO, FHSS scheme rules, viewed 26 August 2026*).

Use of the scheme has grown every year. In 2024-25 there were 18,300 release requests asking for \$364.4 million in total — an average of about \$19,900 each (*Source: ATO, ‘Usage of the FHSS scheme’ super statistics, data as at 29 July 2025, viewed 26 August 2026*).

More people use the FHSS scheme to save a house deposit each year



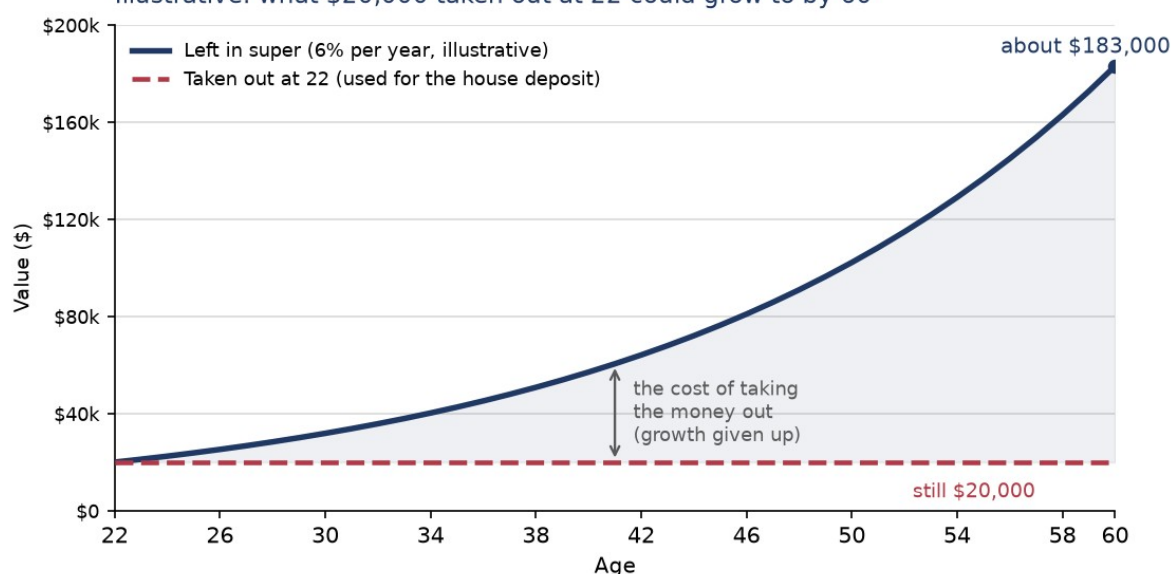
Scheme started 1 July 2018. Source: Australian Taxation Office, 'Usage of the FHSS scheme' super statistics, data as at 29 July 2025 (retrieved 26 August 2026).

Combined bar and line chart of First Home Super Saver scheme use from 2018-19 to 2024-25: release requests rising from 4,200 to 8,300, 12,100, 12,500, 13,300, 16,800 and 18,300, and amounts requested rising from 50.8 million dollars to 364.4 million dollars.

Taking super out early for a house has both sides, and calculating them is the key financial task of this section:

- **Benefits** — a deposit sooner means buying sooner, stopping rent sooner, and needing a smaller home loan, which means less interest paid over the life of the loan.
- **Costs** — money taken out of super stops compounding. The graph below is an example, not a forecast: \$20,000 left in super at age 22 and growing at an example rate of 6% a year would be about \$183,000 by age 60, while the same \$20,000 taken out and spent on a deposit is still just \$20,000. The shaded gap is the cost of taking the money out early — the growth given up.

Illustrative: what \$20,000 taken out at 22 could grow to by 60



Illustrative example only: assumes a steady 6% per year return and no taxes or fees; not a forecast. Preservation age is 60 for anyone born from 1 July 1964 (ATO, 2025).

Line graph, illustrative, showing 20,000 dollars left in super at age 22 growing at 6 per cent a year to about 183,000 dollars by age 60, while the same 20,000 dollars taken out at 22 stays at 20,000 dollars; the widening shaded gap between the lines is labelled the cost of taking the money out, the growth given up.

Whether releasing super for a first home is worth it is different for each person, and it is also a live public debate: one side argues that a home and retirement are equally important living-standard goals, while the other worries that early release leaves people poorer at retirement. The law as it stands draws a careful line: only voluntary savings, within the FHSS caps, can be released for a first home.

Choosing a fund, and staying safe (.E03). Most employees can choose which fund holds their super; if you do not choose, your employer's chosen fund receives it. Moneysmart (moneysmart.gov.au) is a free website run by ASIC, a government agency, and it is the curriculum's own starting point for researching super. The facts you need to research sit under five headings: **choosing a superannuation fund** (compare fees, investment options, insurance in super, service and long-run returns — even a small difference in fees can cost a large amount over a working life, because fees reduce compounding too); **different types of superannuation funds** (industry funds, retail funds, public sector funds, and **self-managed superannuation funds (SMSFs)**, where you run your own super yourself the way a small business is run); **tax and superannuation** (contributions are taxed at 15% in the fund, usually less than your tax on wages); and **superannuation scams** (offers to release super early outside the legal rules are scams — report them to the ATO). Research task Q10 below sends you to the website to list facts under each heading.

Worked examples

Example 1 — scaffolded (real referent: ABS Average Weekly Earnings, May 2026)

Maya, 24, works full-time in retail in Melbourne. Her weekly pay is exactly the ABS figure for full-time adult average weekly ordinary time earnings in May 2026: **\$2,083.70** (Source: ABS, *Average Weekly Earnings, Australia, May 2026*, released 13 August 2026, viewed 26 August 2026). Her employer pays the 12% superannuation guarantee on top. (a) How much super does her employer pay for her in one week? (b) How much is that over a 52-week year? (c) If Maya also adds \$50 of her own money each week, what is the total added to her super in a year?

Working	Comment
Weekly SG = 12% of \$2,083.70 = $0.12 \times 2,083.70 =$ \$250.04 (to the nearest cent).	The SG is a percentage of the wage, paid on top of the wage.
Yearly SG = $\$250.04 \times 52 \approx \$13,002.29$, i.e. $0.12 \times$ $(2,083.70 \times 52) = 0.12 \times 108,352.40 =$ \$13,002.29 .	Multiply the weekly amount by 52 weeks (or take 12% of the yearly wage — same answer).
Maya's own $\$50 \times 52 = \$2,600$; total = $13,002.29 +$ $2,600 =$ \$15,602.29 .	Employer SG + member voluntary contributions = total added to her super that year.

So before Maya has touched a cent of it, more than \$15,600 a year is flowing into her super — and it will compound there until her preservation age.

Example 2 — scaffolded (real referents: FHSS scheme rules, ATO 2026; growth example from the graph above)

Tom, 22, lives in Victoria and has \$20,000 of voluntary contributions in his super fund, on which the fund has earned \$2,000 so far. He is saving for his first home and is weighing up releasing the money under the FHSS scheme. (a) How much could Tom release? (b) If he instead left the \$20,000 in super until age 60, roughly what would it become at the example 6% rate (read from the graph on the previous page)? (c) State one benefit and one cost of Tom's choice.

Working	Comment
(a) Release = contributions + earnings = 20,000 + 2,000 = \$22,000 .	FHSS releases voluntary contributions plus the earnings on them ; both are within the \$15,000-a-year and \$50,000-total caps.
(b) Read from the graph: \$20,000 left in at 22 grows to about \$183,000 by 60 at the example 6% rate. Cost $\approx 183,000 - 22,000 =$ about \$161,000 of super given up by 60 (at the example rate).	Compounding: returns earn returns for 38 years. The cost is the growth given up, not the \$22,000 itself — Tom gets that as his deposit.
(c) Benefit: a \$22,000 deposit now $\rightarrow$ buy sooner, stop renting sooner, smaller home loan. Cost: about \$161,000 less super at 60, meaning less retirement income.	A cost–benefit trade-off between living standards now (a home) and later (retirement income).
Different people will judge this trade-off differently — that judgement, backed by the arithmetic, is exactly what .E02 asks for.	

Practice questions

Scaffolded

- Q1.** Use the superannuation guarantee graph. (a) What was the SG rate in 2015? (b) What is it in 2026? (c) By how many percentage points did it rise between 1 July 2021 and 1 July 2025?
- Q2.** An employer pays the 12% SG for a worker earning \$1,600 a week. (a) How much super is paid for one week? (b) How much over a 52-week year?
- Q3.** Use the Age Pension chart (June 2026 rates). (a) What is the maximum total pension per fortnight for a single person? (b) About how much is that per week?
- Q4.** Under the FHSS scheme, Priya put in \$12,000 of voluntary contributions in her first year. (a) What is the most she can put in during her second year? (b) What would her total contributions be after two years, and is that within the \$50,000 total cap?
- Q5.** Use the contributions chart for the year ending March 2026. (a) What share of all contributions came from employers? (b) Show that the two bars add to the stated \$226.1 billion total.
- Q6.** Use the super assets chart (31 March 2026). (a) What is the total of all super assets? (b) How much larger are APRA-regulated funds than self-managed super funds? (c) About how many times larger is that?

Un scaffolded

- Q7.** Explain two ways a good super balance supports **financial** wellbeing in retirement, and one way it supports **human** (non-money) wellbeing (.E01).
- Q8.** Using the Support for Seniors spending graph, explain how wide super coverage helps the government keep senior payments affordable into the future (.E01).
- Q9.** Mia, 26, is thinking of releasing \$18,000 under the FHSS scheme for her first home. Give two benefits and two costs of her doing so (.E02).
- Q10.** Research task (.E03): visit the Moneysmart website (moneysmart.gov.au) and list at least two facts under each of these headings: choosing a superannuation fund; the different fund types; self-managed superannuation; how super is taxed; and superannuation scams.

Data-based inquiry

Q11. Use the FHSS usage chart and the Support for Seniors spending graph (and any other figure in this section you need).

- (a) Describe the trend in FHSS release requests from 2018-19 to 2024-25.
 - (b) Describe the trend in Budget spending on seniors from 2025-26 to 2029-30.
 - (c) Suggest one cause for each trend.
 - (d) If the FHSS trend continued, roughly how many release requests would you expect in 2025-26? Explain your reasoning.
 - (e) In three or four sentences, give your view on whether the government should make it easier to use super to buy a first home. Name one benefit and one cost, and use at least two figures from this section as evidence.
-

Answers

Q1. (a) 9.5%. (b) 12%. (c) 2 percentage points (10.0% to 12.0%). **Q2.** (a) \$192. (b) \$9,984. **Q3.** (a) \$1,200.90 per fortnight. (b) About \$600.45 per week. **Q4.** (a) \$15,000 (the yearly cap). (b) \$27,000, which is within the \$50,000 total cap. **Q5.** (a) 70.7%. (b) $159.8 + 66.3 = 226.1$. **Q6.** (a) \$4,437.9 billion. (b) \$2,083.5 billion. (c) About 3 times. **Q7.** Financial: income on top of the Age Pension (more than the \$1,200.90 fortnight safety net), money for housing, health care and helping family. Human: security, choice and less worry. **Q8.** Seniors' spending is rising (\$65.3b to \$77.0b) as the population ages; with their own super, retirees rely less on the pension, so the safety net stays affordable for those who need it and Budget money can go to other services. **Q9.** Benefits: deposit sooner / buy sooner; smaller home loan and less interest. Costs: the \$18,000 gives up years of compounding (see the \$20,000 → about \$183,000 example); less retirement income later. **Q10.** Answers will vary; facts must come from moneysmart.gov.au under the five headings. **Q11.** (a) Steady rise, 4,200 to 18,300. (b) Steady rise, \$65.3b to \$77.0b. (c) e.g. high house prices and rent push first-home buyers to save through super; an ageing population pushes pension spending up. (d) About 19,500–20,000 (the last year rose by about 1,500). (e) Any reasoned view with one benefit, one cost and two figures used as evidence.

Fully-worked solutions

Q1. (a) The graph shows 9.5% from 1 July 2014, so the 2015 rate is 9.5%. (b) From 1 July 2025 the rate is 12%, so the 2026 rate is 12%. (c) On 1 July 2021 the rate became 10.0% and on 1 July 2025 it became 12.0%, a rise of $12.0 - 10.0 = 2$ percentage points.

Q2. (a) $12\% \text{ of } \$1,600 = 0.12 \times 1,600 = \$192$ per week. (b) $\$192 \times 52 = \$9,984$ per year.

Q3. (a) $\$1,100.30 + \$86.50 + \$14.10 = \$1,200.90$ per fortnight. (b) $\$1,200.90 \div 2 \approx \$600.45$ per week.

Q4. (a) The yearly cap is \$15,000, so the most in year two is \$15,000. (b) $12,000 + 15,000 = \$27,000$, which is under the \$50,000 total cap, so both years' contributions count.

Q5. (a) Employers paid 70.7% of all contributions. (b) $\$159.8\text{b} + \$66.3\text{b} = \$226.1\text{b}$, matching the stated total.

Q6. (a) \$4,437.9 billion (about \$4.4 trillion). (b) $3,141.1 - 1,057.6 = \$2,083.5$ billion. (c) $3,141.1 \div 1,057.6 \approx 2.97$, so about 3 times larger.

Q7. Financial wellbeing: (1) super gives retirees income on top of the Age Pension, so they live on more than the maximum \$1,200.90 a fortnight safety net; (2) it can fund housing, health care and help for family. Human wellbeing: a secure income gives choice, independence and less stress about money.

Q8. The graph shows seniors' spending rising from \$65.3b to \$77.0b in five years because the population is ageing. If most retirees also have super income, fewer of them need the full pension, so this spending grows more slowly than it otherwise would. The government can therefore keep paying the safety net for those who need it most, and spend the rest of the Budget on services such as schools and hospitals that lift Australian living standards.

Q9. Benefits: (1) \$18,000 (plus earnings) becomes a deposit now, so Mia can buy sooner and stop renting sooner; (2) a bigger deposit means a smaller home loan and less interest over the loan's life. Costs: (1) the released money stops compounding — the example graph shows \$20,000 at 22 would have become about \$183,000 by 60, so \$18,000 released at 26 gives up decades of growth; (2) less super at retirement means less income later, leaning more on the pension.

Q10. Student answers from moneysmart.gov.au. Examples of the kind of fact expected: choosing a fund — compare fees and long-run returns, and small fee differences matter a lot over time; types of funds — industry funds, retail funds and public sector funds exist; self-managed super — an SMSF means you run your own super and carry the legal duties of doing so; tax and super — contributions are taxed at 15% in the fund, usually less than your tax on wages; scams — offers to release super early outside the legal rules are illegal and are scams.

Q11. (a) Release requests rose every year, from 4,200 in 2018–19 to 18,300 in 2024–25 — more than four times as many. (b) Support for Seniors spending rises every year, from \$65.3b (2025–26) to \$77.0b (2029–30), an increase of \$11.7b. (c) FHSS: high house prices and rents push first-home buyers to save a deposit through super, and word of the

scheme spreads. Seniors' spending: the population is ageing, so more people qualify for the pension each year. (d) Requests rose by about 1,500 from 2023-24 to 2024-25, so a simple continuation gives roughly 19,500-20,000 requests in 2025-26. (e) Example view: "The government should keep the FHSS scheme but not widen it much. A benefit is that 18,300 people used it in 2024-25 to save a deposit (average about \$19,900), which helps them buy sooner. A cost is the compounding given up — the example graph shows \$20,000 taken out at 22 is about \$160,000 smaller at 60 — and easier access could push house prices up, helping buyers today but hurting buyers tomorrow." Any position is acceptable if it names one benefit and one cost and uses at least two figures from the section as evidence.