

## Introduction

The Northern Ireland Assembly Education Service website provides information and resources for pupils studying CCEA GCSE Economics.

Developed in partnership with CCEA, **Years 11-12 > Spending Wisely** targets:

### CCEA GCSE Economics

#### Basic Economic Ideas – Basic Economic Problem

Pupils should be able to:

- understand the basic economic problem and the need for choice; and
- explain the concept of opportunity cost and apply it in various situations.

#### Managing the Economy – Government Economic Objectives

Pupils should be able to:

- explain the government's key economic objectives, including market efficiency and fairness, environmental concerns, economic growth, job creation and price stability; and
- consider the moral, ethical, social and legislative issues involved in deciding on policy priorities and resolving policy conflicts.

**Budget: How would you save £1343m?**

You are the Finance Minister. In the current economic climate, cuts totalling £1343m are expected to be made. Difficult decisions lie ahead. Where will you suggest making cuts in funding? Use the sliders to decide the percentage cut you are willing to make to each service in order to reach your target. Calculate how much money will be saved from the cuts and the new budget for each area.

1. Choose a Department.
2. Use the slider to cut a percentage from their budget.
3. Calculate how much money will be saved. If you need help use the Calculator or the Information button.
4. Calculate the Department's new budget. Click the check button to find out if your calculations are correct.

Use the Budget Tool

## Online Activity

Spending Wisely is a budget calculator tool. Your pupils take on the role of the Finance Minister with responsibility for saving £1343m. They are presented with the current budgets for a number of key services. Using the tool they must actively decide the percentage cut to each service and calculate their new budget. The final screen compares the pupils' budget making decisions to the real decisions made by the Northern Ireland Assembly. The comparison tables and graph can be printed for further consideration in class.

## How to Use the Multimedia

Use this resource to put your pupils in the position of the Finance Minister. Have them consider the issues involved in deciding on policy by comparing their decisions with those made at the Assembly.

To use the budget tool, the pupils should:

- drag the slider to decide the percentage cut to each service;
- use the onscreen calculator to work out the saved amount then calculate the new budget; and
- click the 'check' button to ensure the answers are correct.

A running total of the amount saved is shown at the bottom of the screen. The pupils should aim to make this as close to £1343m as possible.

When the budget for each service has been calculated correctly, the pupils click on:

- the 'next >' button to move to the results screen;
- the '< back' button to return to the calculator and adjust their budget; and
- the 'print' button to print a copy of the comparison tables and graph.

## Web Resources

You will find additional information on the budget making process at the Assembly on the Spending Wisely web page:

**Years 11-12 > Spending Wisely**