

# Everyday life challenges HSC chemistry students

Teachers comment on yesterday's exams:

**Kevin Molyneux,**  
Head teacher, science  
Cabramatta High School  
Chemistry

The exam overall covered the syllabus well. The core section gave reasonable coverage of the four core areas, with Equilibrium perhaps rather low compared to the other three. The questions throughout the paper were asked in a straightforward way and therefore should have been accessible to students and should not have involved too much reading. In some questions, as is often the case, students needed to be aware that questions could be asked in the context of everyday life. The paper should certainly reward students who have done their work and knew the subject matter, and the time allowed should have been sufficient to finish.

**Jayne McMaster**  
Head teacher, industrial arts  
Leichhardt High School  
Design and Technology,  
2 unit/3 unit  
Section 1 was multiple choice

and tested students' understanding of design and its application to a broad range of situations. Section 2 was quite different this year. Students were required to apply their understanding to a fictitious company in the question. In the past they have written about the companies that they have studied. Section 3 holds no surprises. It is a reasonably standard paper except for section 2.

## TODAY'S EXAMS

### MORNING

Business Studies 2 unit/3 unit

### AFTERNOON

Ancient History 2 unit/3 unit  
2 unit (Personalities and Their Times)

**Anne Smith**  
Director of science,  
Sydney Grammar  
3/4 unit Science

On the whole it was a long paper. There were two electives that were straightforward – atomic structure and the periodic table, and oscillation and

waves. There has been considerable discussion about the physics in medicine elective. The first part of the question could be interpreted in different ways and students who had studied PET scans may have found the question confusing. It is not a good question because they should be unambiguous. The syllabus is quite general in areas of this elective but very specific knowledge was required by the questions.

**Daniel Wilson**  
Head teacher industrial arts,  
Seven Hills High School  
Industrial Technology

Section 1, multiple choice, was better than last year. It had a better range of questions and the level of the questions was more appropriate for students who study industrial technology. Section 2 was similar to 1997 in that it took a broad interpretation of the syllabus. There were some questions that required a basic understanding of the industrial aspects but others required in-depth knowledge. The question on WorkCover and the use of the Internet would certainly throw a lot of students.



Now you see me, now you don't... this time-exposure photograph shows Elizabeth Koeppen, from New York's Parsons Dance Company, going through precise, athletic motions in the company's signature work *Caught* – a gravity-defying solo in which stroboscopic lighting captures the dancer in mid-air with each rapid-fire illumination. Parsons Dance Company performs at the Opera House until December 19. Photograph by SAHLAN HAYES

# Access denied to Treasury's GST research

By PAUL CLEARY  
Economics Correspondent

The Treasury has completed a detailed assessment of the economic and employment impact of the GST, yet the Government refused to make these estimates public in its tax package and suggested the work had not been done.

A second freedom of information (FOI) search by the *Herald* reveals that a further 11 documents within Treasury contain the results of its detailed economic modelling on the economic and employment impact of the tax package.

Treasury added in its response that Cabinet was briefed on the results of the modelling. Treasury has refused to release these documents under section 36 (1), which exempts documents that are part of the "deliberative process" of a minister.

A summary of the search identifies 11 "electronic spreadsheets" which contain the results of Treasury's "Interface" economic model. Eighteen doc-

uments were identified by the search, including discussion papers on the GST's economic impact and transitional effects.

Yet page 156 of the tax package says the economic benefits of major tax changes are "difficult to measure".

Instead of revealing the Treasury estimates, the Government cited a study by the Melbourne Institute which said indirect tax reform could boost economic growth by 3.75 per cent, and another by Salomon Stockbrokers predicting growth of 2 per cent.

The Government then argued that the gains "will be substantial". The tax package says: "These improvements will be reflected in higher economic growth as a result of stronger... investment which, together with the lowering of industry costs, will yield better export outcomes."

"The combination of higher growth and improved work incentives will deliver more jobs and lower unemployment."

But the Government made

these assertions without the backing of any analysis by the Treasury.

The Government alluded to a possible negative transitional impact from the introduction of the GST, but again did not put figures on it. It suggested that the introduction could have a dampening impact on the economy because it stressed that economic activity would be "dominated by the stimulus inherent in the fiscal package". However, one document in the FOI search is a "briefing on transitional impacts".

The search requested all modelling and analysis on employment and income effects, income distribution and work incentives, and workforce participation (especially for married women).

"These documents were either prepared for and submitted to Cabinet or a committee of Cabinet, and the disclosure of which would involve the disclosure of Cabinet deliberations and decisions," Treasury said in its response to the request.

# Costello wins round one, but there's a long way to go

## COMMENT

PAUL CLEARY

Treasurer Peter Costello can claim a round one win with the release of secret Treasury documents yesterday, but this will not stop demands for a complete reworking of his flawed compensation model.

The Treasury papers do not show the dramatic cost of living increases identified by the Melbourne Institute study, but this is because Treasury has plugged in more favourable assumptions.

The new analysis looks at different spending patterns by using the Household Expenditure Survey (HES), but unlike the Melbourne Institute's analysis of the tax package it does not assess for different saving ratios.

This is a crucial difference because many low-income earners spend more than their income. The Institute found the cost of the GST was twice the Government's figures for the bottom 20 per cent.

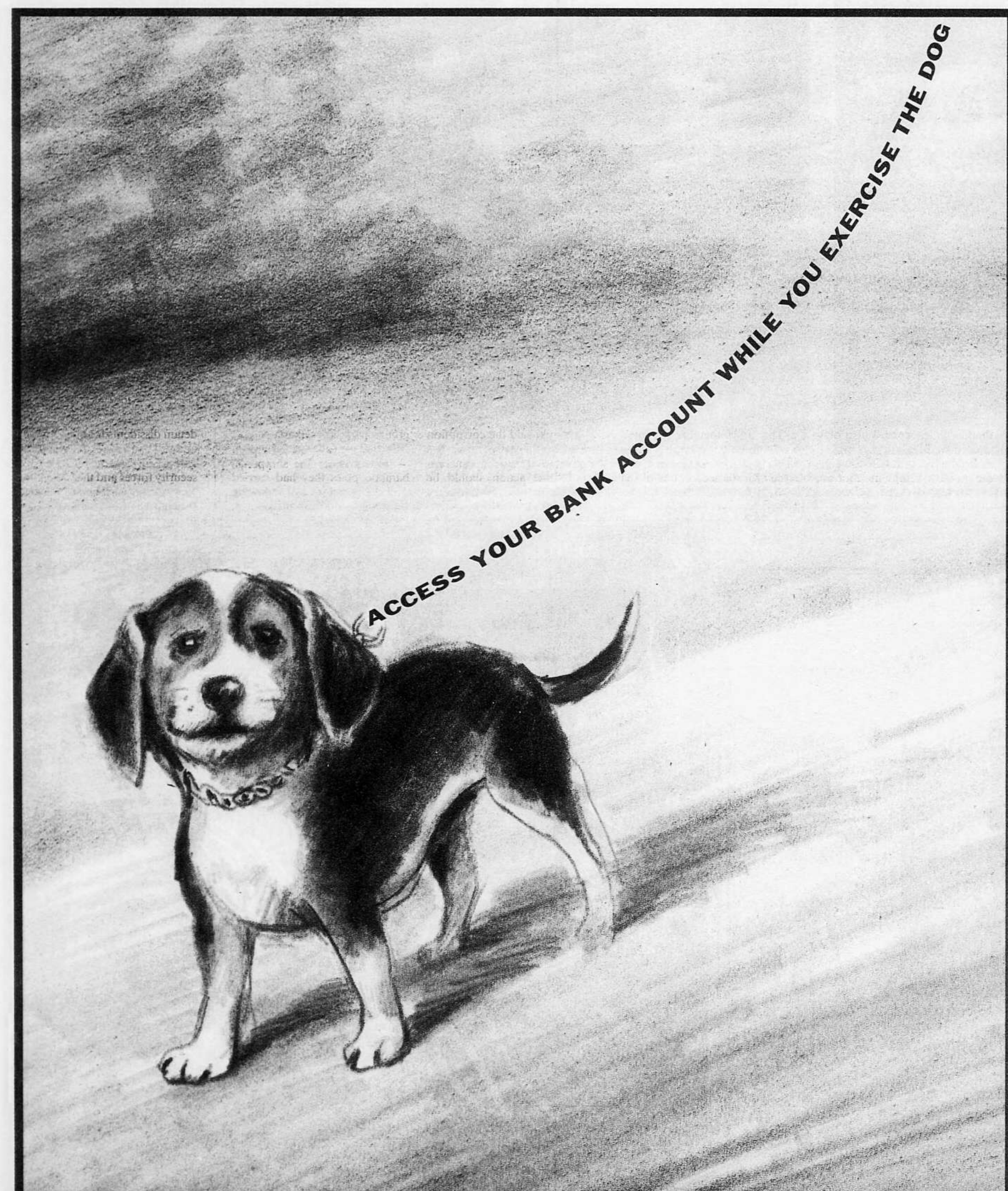
In contrast, the Government assumes in the tax package that the rich and poor have identical spending and saving patterns, which is a completely unrealistic.

This nonsense explains why an analysis of the Government's compensation by Professor Peter McDonald showed that the difference for families with children, and those without, was an extra 30c a week per child.

However, the head of Treasury's Retirement Income Modelling Unit, Mr Phil Gallagher writes: "The HES

expenditure data does allow us to estimate price effects which are statistically reliable and which show clearly that the retired and pensioners have compensation needs beyond the average of all households."

Mr Costello claimed wrongly in Parliament yesterday that Labor had in 1985 proposed a compensation model the same as his. In fact Treasury overcame the problems of the HES by developing a "hybrid" model. This was done to ensure that people on "very low incomes are not disadvantaged because they dissave or because they consume relatively heavily those goods that would be subject to increased taxation under a consumption tax".



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## Do right thing, Hyundai told

From Page 1  
received 500 calls an hour since 8 pm on Tuesday.

"Of those calls... only 1,100... were for cars that were actually affected within that two-year period."

Hyundai, he said, was critical of the role played by the Australian Automobile Association, which brought the issue to the attention of the Government.

"All the AAA has done is effectively mount a scare campaign," Mr Lyons said. "They are demanding a recall and they don't have the information. FORS is the one doing the investigation. FORS is the one that's been to Korea. We're co-operating with FORS. They're the regulatory authority, not the AAA."

The AAA estimates the cost of repairs to each car at \$1,200.