

Year 11 Business and Enterprise

Current Business Issues Report

Weighting: 25% (Folio)

Due Date: Wednesday 15 June [start of lesson]

Purpose

To demonstrate your:

- understanding of the nature, role, and structure of business and enterprise;
- ability to apply relevant business ideas and concepts;
- ability to assess current trends and opportunities.

Method

You will prepare a report (see format suggested) in which you **analyse** a current issue and how it is impacting on business and society.

Task

Outline a current (March-May 2016) business issue and analyse its impact on one or more key stakeholders.

You may choose the changing of the price paid to farmers for milk, or one of your own choosing.

You should have at least 4 sources of information. They could be print media, video, radio interview, transcript, press release, official website of company. They need to be clearly referenced within the text, and full details in a bibliography.

Suggested report format

Title page

- Ensure that you include your name and issue on the title page

Table of contents

- Don't forget to include page numbers on EVERY page of your report (except the title page)

List of figures (if any)

Body of report

- Introduction
 - Outline the issue and how it applies to a particular business or industry.
 - Identify all stakeholders, and which ones your report will focus on.
- Main body
 - Identify the impact the issue is having on the business and the wider society.
 - Describe the impact of this issue on individuals.
 - Who benefits and who suffers as a result of this issue?
 - Is government intervention necessary? Explain your viewpoint.
 - Discuss the likely outcome/long-term consequence of the issue.
- Conclusion
 - Sum up your main points AND
 - Provide a recommendation on how to 'fix' the issue or problem.

Bibliography

- Make sure that you have correctly sourced and dated all the resources you use.

Appendices (if any)

Note: This is not an exhaustive or exclusive list – depending on your issue some of these may not be relevant, or other questions/aspects will need to be addressed

Dairy Farming Crisis – Case Study

The milk price paid to farmers has been in the news in the last month. Milk producers Fonterra and Murray Goulburn announced they were dropping the price they would pay farmers for milk. Worse, it was to be retrospective back to July 2015. This has meant that hundreds of farmers in south eastern Australia were suddenly hundreds of thousands of dollars in debt for milk that was supplied over the last ten months, and yet suddenly they were told the 2015-16 price was being adjusted downwards and the money the farmers thought they had earned would not be paid or had to be paid back.

There are multiple issues which arise out of this.

Consider the perspective of different **stakeholders**: one or more could be examined in depth:

- Murray Goulburn is a '**co-operative**' (the farmers are also the shareholders) and so even last July were paying higher than market rates
- Demand for milk from **China** decreased more than expected
- The **management** of Murray Goulburn was slow to react to external influences, and was keen for expansion and change (internal)
- **Public** outrage (**media** outrage?) is on the side of farmers
- **Farmers** face losing their business, their stock, their houses ... even contemplating suicide.
- The **ACCC** is investigating whether the businesses acted with '**unconscionable conduct**'
- **Coles** (which started the so-called 'milk wars' driving milk down to \$1 a litre) has now come out with plans to produce a new brand of milk with a levy paid into a dairy farmers' fund. Are they helping or cashing in?
- [And in the midst of an election campaign, the government should not be implementing much in the way of new initiatives, and especially don't want to bring in a 'milk tax'! – but this is more politics than business]

Resources:

29 April 2016

Murray Goulburn cut milk price paid to farmers

<http://www.abc.net.au/news/2016-04-28/murray-goulburn-price-cuts-farmer/7364584>

6 May 2016

Dairy industry in despair as Murray Goulburn milk price leaves farmers 'owing' hundreds of thousands

<http://www.abc.net.au/news/2016-05-06/milk-price-cut-leaves-farmers-'owing'-hundreds-of-thousands/7386664>

14 May 2016

ACCC examining Fonterra, Murray Goulburn milk price cuts

<http://www.smh.com.au/business/accc-examining-fonterra-murray-goulburn-milk-price-cuts-20160514-gov8qf.html>

15 May 2016

Murray Goulburn milk farce: why weren't the farmers told?

<http://www.smh.com.au/business/murray-goulburn-milk-farce-why-werent-the-farmers-told-20160513-gouoqq.html>

But wait, what was this on **20 April**?

Global Food: MG boss says higher milk price can be sustained

<http://www.theaustralian.com.au/business/in-depth/global-food-forum/global-food-mg-boss-says-higher-milk-price-can-be-sustained/news-story/b4e56b49844138e7a65659abb2458020>

17 May 2016

Waleed Aly sums it up in seven minutes on The Project.

<http://tenplay.com.au/channel-ten/the-project/extra/season-7/milked-dry>

	Knowledge and Understanding	Analysis	Communication
A	<p>In-depth understanding of the nature, role, and structure of business and enterprise.</p> <p>Thorough knowledge of the functions, processes, and operations of business and enterprise.</p> <p>Clear, focused, and well-informed understanding of the factors involved in current trends, changes, opportunities, and issues affecting business and enterprise.</p>	<p>Astute and well-informed analysis of the economic, social, environmental, and ethical implications and consequences of business and enterprise practices in different contexts.</p>	<p>Clear and coherent communication of information and ideas about business and enterprise to suit the purpose and audience.</p> <p>Consistent and clear use of conventions, vocabulary, and terminology appropriate to business and enterprise.</p> <p>Consistent and appropriate acknowledgment of a range of sources.</p>
B	<p>Well-informed understanding of the nature, role, and structure of business and enterprise.</p> <p>Detailed knowledge of the functions, processes, and operations of business and enterprise.</p> <p>Well-informed understanding of the factors involved in current trends, changes, opportunities, and issues affecting business and enterprise.</p>	<p>Well-considered and informed analysis of the economic, social, environmental, and ethical implications and consequences of business and enterprise practices in different contexts.</p>	<p>Clear communication of information and ideas about business and enterprise to suit the purpose and audience.</p> <p>Mostly clear use of conventions, vocabulary, and terminology appropriate to business and enterprise.</p> <p>Mostly consistent and appropriate acknowledgment of a range of sources.</p>
C	<p>Informed understanding of the nature, role, and structure of business and enterprise.</p> <p>Knowledge of the essential functions, processes, and operations of business and enterprise.</p> <p>Informed understanding of the factors involved in current trends, changes, opportunities, and issues affecting business and enterprise.</p>	<p>Informed analysis of the economic, social, environmental, and ethical implications and consequences of business and enterprise practices in different contexts.</p>	<p>Competent communication of information and ideas about business and enterprise to suit the purpose and audience.</p> <p>Use of conventions, vocabulary, and terminology generally appropriate to business and enterprise.</p> <p>Mostly appropriate acknowledgment of different sources.</p>
D	<p>Some awareness of the nature, role, and structure of business and enterprise.</p> <p>Identification of aspects of the essential functions, processes, and operations of business and enterprise.</p> <p>Awareness of some factors involved in current trends and issues affecting business and enterprise.</p>	<p>Description of some basic economic, social, environmental, and/or ethical implications and consequences of business and/or enterprise practices in one or more contexts.</p>	<p>Communication of some basic information and ideas about business and enterprise to suit the purpose and audience.</p> <p>Some inconsistent use of basic conventions, vocabulary, and terminology appropriate to business and enterprise.</p> <p>Some inconsistent acknowledgment of sources.</p>
E	<p>Emerging awareness of the nature, role, or structure of business and enterprise.</p> <p>Identification of one or more aspects of the essential functions, processes, and operations of business and enterprise.</p> <p>Limited awareness of one or two factors involved in current trends and issues affecting business and enterprise.</p>	<p>Limited description of one or more basic economic, social, environmental, or ethical implications or consequences of business or enterprise practices in a familiar context.</p>	<p>Limited communication of one or two basic ideas about business and enterprise to suit the purpose and audience.</p> <p>Emerging use of basic vocabulary and terminology with some relevance to business and enterprise.</p> <p>Limited acknowledgment of sources.</p>