

9SP2.4 Demonstrate an understanding of the role of probability in society.

Probability in Society

Probability refers to the likelihood that an event will occur. The media can use probability to make a report or claim in a way that may distort the actual meaning of the data. In other words, the interpretation of the report can be misleading.

Example

The following heading was printed in a local newspaper: "In the year 2009, the Jamieson real estate board reported that 1 out of every 4 single family dwellings had increase in price."

What assumptions can be made by reading the headline of the given media report?

Solution

The media report can cause someone to assume that the cost of purchasing a home in Jamieson is rising. This could cause panic or fear. If buyers think the prices of the houses are rising, they may be inclined to go out and buy a house quickly before the prices of the houses increase any further. It could also cause buyers to rethink their decision on purchasing a home as they think the prices are going up, and they may decide to rent instead.