



education

Department:
Education
North West Provincial Government
REPUBLIC OF SOUTH AFRICA

PROVINCIAL ASSESSMENT

GRADE 11

ECONOMICS P1

NOVEMBER 2024

MARKS: 150

TIME: 2 hours

This question paper consists of 13 pages.

INSTRUCTIONS AND INFORMATION

1. Answer FOUR questions as follows in the ANSWER BOOK:

SECTION A: COMPULSORY

SECTION B: Answer any TWO of the three questions.

SECTION C: Answer ONE of the two questions.

2. Answer only the required number of questions. Answers in excess of the required number will NOT be marked.
3. Number the answers correctly according to the numbering system used in this question paper.
4. Write the question number above each answer.
5. Read the questions carefully.
6. Start EACH question on a NEW page.
7. Leave 2–3 lines between subsections of questions.
8. Answer the questions in full sentences and ensure that the format, content and context of your responses comply with the cognitive requirements of the questions.
9. Use only black or blue ink.
10. You may use a non-programmable calculator.
11. Write neatly and legibly.

SECTION A (COMPULSORY)**QUESTION 1****30 MARKS – 20 MINUTES**

1.1 Various options are provided as possible answers to the following questions. Choose the answer and write only the letter (A–D) next to the question numbers (1.1.1 to 1.1.8) in the ANSWER BOOK, e.g. 1.1.9 D.

1.1.1 The quantity of goods and services that workers can buy with the amount of money they receive for their labour.

- A Nominal wage
- B Real income
- C Groceries
- D Real wages

1.1.2 The monetary value of all finished goods and services produced within the borders of a country in a specific period of time.

- A Gross domestic expenditure
- B Total income
- C Gross domestic income
- D Gross domestic product

1.1.3 Occurs when competition encourages producers to produce good quality products at lower cost.

- A Market efficiency
- B Allocative efficiency
- C Production
- D Productive inefficiency

1.1.4 Individuals and businesses own the majority of factors of production.

- A Market economy
- B South Africa's mixed economy
- C Public sector
- D Open economy

1.1.5 Economic activities that involve the extraction of raw materials from nature. It consists of industries that are based on the natural resources

- A Production
- B Farming
- C Primary sector
- D Secondary sector

1.1.6 The stock/value of assets accumulated overtime or owned by individuals, businesses and government.

- A Capital
- B Fixed assets
- C Wealth
- D Inventory

1.1.7 It is NOT one of the characteristics for developing countries.

- A High standard of living
- B Low productivity
- C Low per capita income
- D High dependency of the primary sector

1.1.8 The interest rate at which commercial banks are charged by the reserve bank when they borrow money.

- A Primary lending rate
- B Repurchase rate
- C Inflation rate
- D Growth rate

(8 x 2) (16)

- 1.2 Choose a description from COLUMN B that matches a term in COLUMN A. Write only the letters (A–I) next to the question numbers (1.2.1 to 1.2.8) in the ANSWER BOOK, e.g. 1.2.9 J.

COLUMN A	COLUMN B
1.2.1 Interest	A Activities such as excavations for building sand, open cast mining etc.
1.2.2 Expenditure method	B Practices of farming, cultivating of the soil for growing crops and the rearing of animals to provide food, wool and other products.
1.2.3 Capitalism	C It is intended to radically transform education and training in South Africa by improving both the quality and quantity of training.
1.2.4 Quarrying	D Focuses on government expenditure and taxation to stimulate or reduce aggregate demand.
1.2.5 Agriculture	E Economic development policy that aims to eliminate poverty and inequality by the year 2030.
1.2.6 Gini-coefficient	F The money spent by the all sectors of the economy added together.
1.2.7 NSDS	G It is the mathematical representation of inequality in a society.
1.2.8 Fiscal policy	H The amount the producer pays as a price for the loan received for buying capital goods.
	I The economic system that is based on private ownership and profit motive.

(8 x 1) (8)

1.3 Give ONE term for each of the following descriptions. Write only the term next to the question numbers (1.3.1 to 1.3.6) in the ANSWER BOOK. Abbreviations, examples and acronyms will NOT be accepted.

1.3.1 The total incomes of permanent residents in a country over a specific period and include the incomes of citizens of the country who are based in other countries.

1.3.2 A situation where the private sector and the government work together for profits and community development.

1.3.3 The sector of the economy that provides services and involves the flow of goods and services from producers to the consumers.

1.3.4 The movement of information through various ways such as cell phones, telephones, postal services, fax, internet, newspapers, radio, television, social media, etc.

1.3.5 It is the return of land to those that lost it due to discriminatory laws in the past.

1.3.6 The removal of unnecessary laws and regulations to encourage production and economic development.

(6 x 1) (6)

TOTAL SECTION A: 30

SECTION B

Answer any TWO of the three questions in this section in the ANSWER BOOK.

QUESTION 2: MACROECONOMICS**40 MARKS – 30 MINUTES**

2.1 Answer the following questions.

2.1.1 Name any TWO examples of taxes on products. (2 x 1) (2)

2.1.2 How does the primary sector earn foreign exchange for the South African economy? (1 x 2) (2)

2.2 Study the cartoon below and answer the questions that follow.



[Source: www.bing.com/images/search?socialism]

2.2.1 Identify the type of economic system in the cartoon above. (1)

2.2.2 Name ONE characteristic of a market economy. (1)

2.2.3 Briefly describe the term *economic system*. (2)

2.2.4 Explain collective economic goals as a characteristic of a centrally planned economy. (2)

2.2.5 How does lack of freedom of choice negatively affect households as consumers of goods and services? (2 x 2) (4)

2.3 Study the extract below and answer the questions that follow.

‘BIG CHANGES COMING TO ELECTRICITY PRICES IN SOUTH AFRICA.’

Ramokgopa wants to tackle the challenge of “energy poverty” in South Africa, which he says occurs when a country’s residents have access to electricity but can’t afford to pay for it.

“They must choose whether to reload the units on prepaid, buy bread, or pay school fees. Those are difficult choices,” said Ramokgopa.

Following outrage over the municipal electricity tariff adjustments that took effect on 1 July 2024, the minister said high municipal tariffs are because of foreseen underinvestment in electrical distribution infrastructure.

[Source: www.bing.com/news/search]

- 2.3.1 Identify the type of infrastructure in the extract above. (1)
- 2.3.2 Name the state-owned enterprise that is the main supplier of electricity in South Africa. (1)
- 2.3.3 Briefly describe the term *infrastructure*. (2)
- 2.3.4 How does the high increase in electricity tariffs impact on the tertiary sector? (2)
- 2.3.5 Explain the benefits of investment in electrical distribution infrastructure on businesses. (2 x 2) (4)
- 2.4 Discuss efficiency and greater economic growth as advantages of a market economy. (4 x 2) (8)
- 2.5 Analyse the South African government’s use of subsidies on products to improve gross domestic expenditure. (4 x 2) (8)
- [40]**

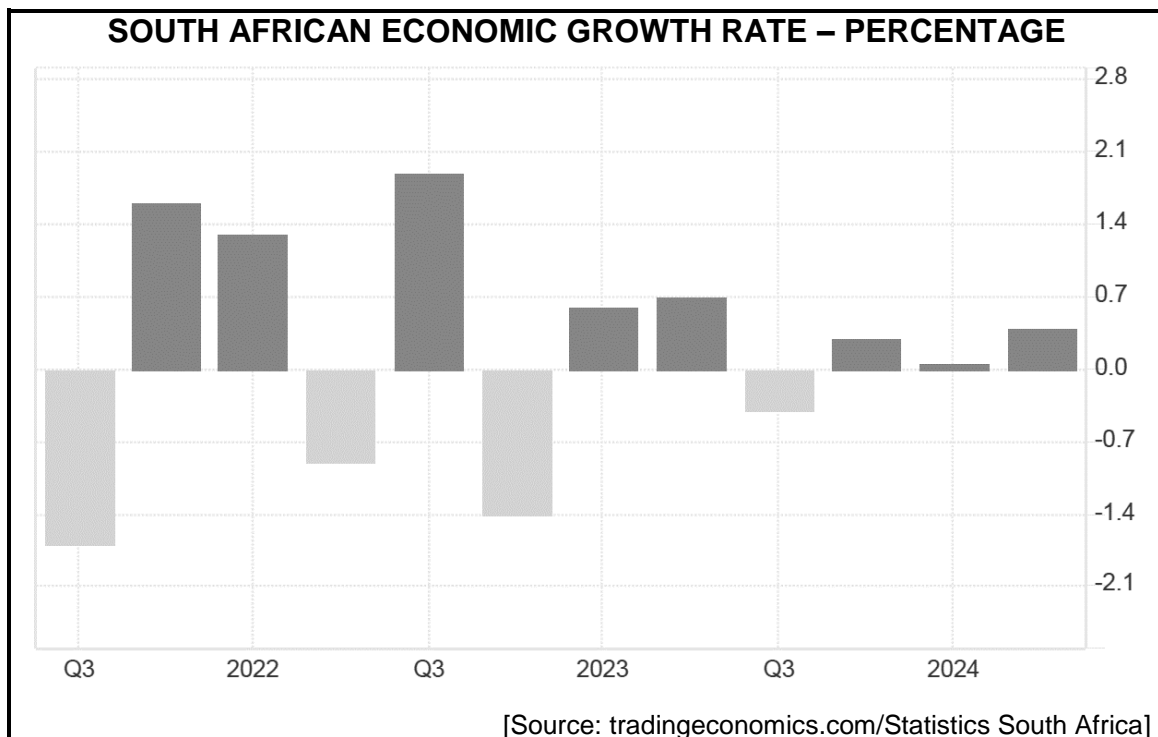
QUESTION 3: ECONOMIC PURSUITS**40 MARKS – 30 MINUTES**

3.1 Answer the following questions.

3.1.1 Name any TWO sources of wealth. (2 x 1) (2)

3.1.2 How does community skills development affect the society's standard of living? (1 x 2) (2)

3.2 Study the graph below and answer the questions that follow.



3.2.1 Identify the year and quarter with the highest growth rate from the graph above. (1)

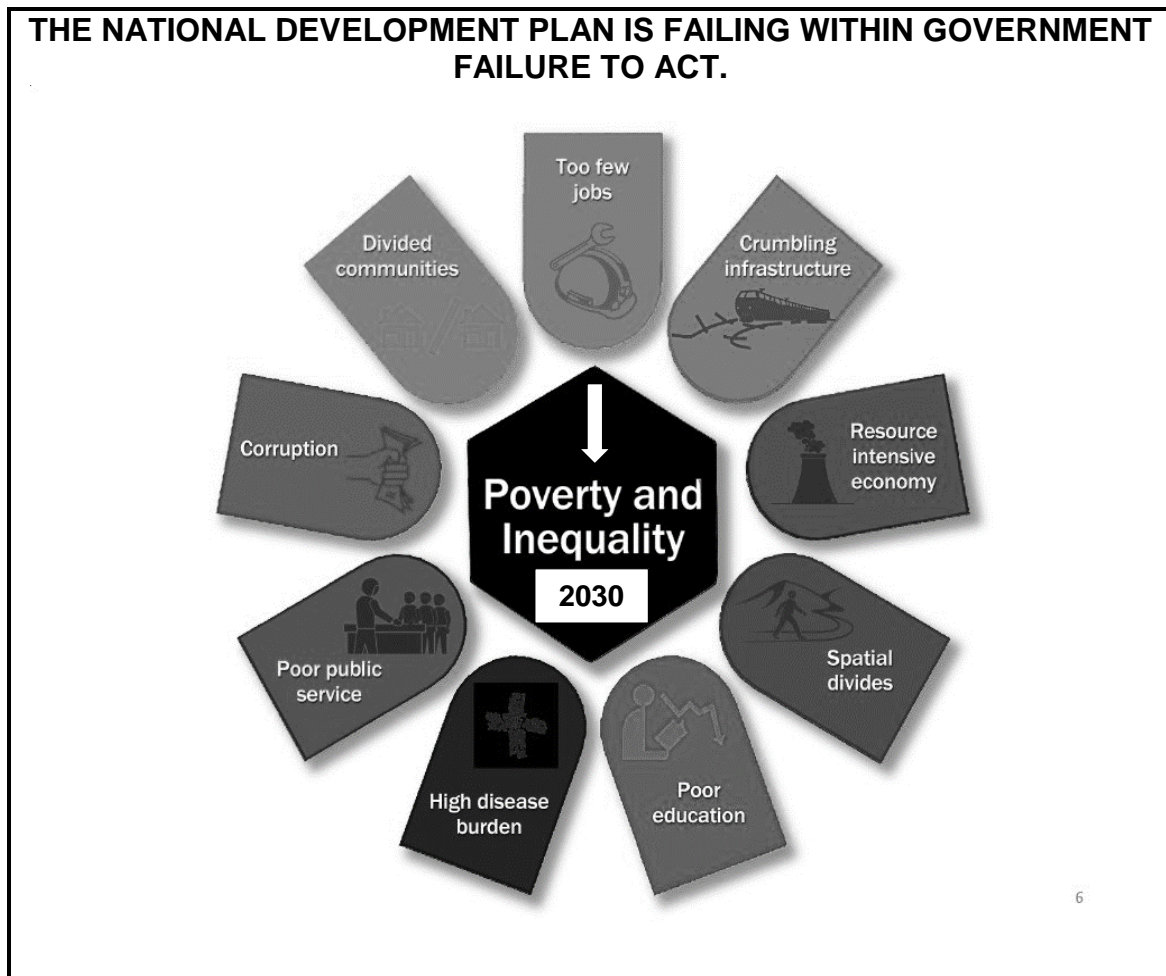
3.2.2 Give ONE example of a constraint to economic growth. (1)

3.2.3 Briefly describe the term *real gross domestic product*. (2)

3.2.4 How can innovation and technological improvements lead to economic growth? (2)

3.2.5 How does youth unemployment negatively impact on economic growth? (2 x 2) (4)

3.3 Study the information below and answer the questions that follow.



[Source: <https://www.googleimages.com/>]

- 3.3.1 Identify a South African policy for economic growth and development. (1)
- 3.3.2 Name ONE conceptual pillar of the National Skills Development Strategy (1)
- 3.3.3 Briefly describe the term *poverty*. (2)
- 3.3.4 Explain the role of the state in the implementation of the National Development Plan (NDP). (2)
- 3.3.5 How does the NDP contribute positively to South Africa? (2 x 2) (4)
- 3.4 Discuss the importance of indigenous knowledge systems in economic development. (4 x 2) (8)
- 3.5 Evaluate South Africa's economic growth performance. (4 x 2) (8)
- [40]**

QUESTION 4: MACROECONOMICS AND ECONOMIC PURSUIT**40 MARKS – 30 MINUTES**

4.1 Answer the following questions.

4.1.1 Name any TWO disadvantages of a mixed economy. (2 x 1) (2)

4.1.2 How can foreign direct investment (FDI) be used to increase economic development? (1 x 2) (2)

4.2 Study the table below and answer the questions that follow.

NATIONAL ACCOUNT AGGREGATES	R million
1. Compensation of employees	3 274 980
2. Net operating surplus	2 186 244
3. Consumption of fixed capital	998 472
Gross value added at Factor cost	6 459 696
4. Taxes on production	119 589
5. Subsidies on Production	24 036
Gross value added at Basic Prices	B
6. Taxes on products	696 351
7. Subsidies on Products	19 446
Gross Domestic Product at Market Prices (GDP)	7 232 154

[Source: Quarterly Bulletin, SARB, March 2024]

4.2.1 Identify the term that refers to the depreciation value of fixed assets from the table above. (1)

4.2.2 Name ONE other method used to calculate the national account aggregate. (1)

4.2.3 Briefly describe the term *factor cost*. (2)

4.2.4 Explain the impact of taxes on production on market prices for consumers. (2)

4.2.5 Calculate the gross value added at basic prices (**B**). Show ALL calculations. (4)

4.3 Study the extract below and answer the questions that follow.

Will a tax on the rich solve the problem of extreme inequality in South Africa?

South Africa is widely recognised as the most unequal society in the world, with a startling 71% of the country's wealth concentrated in the hands of a mere 10% elite. As we grapple with this harsh reality, we find ourselves in a landscape marred by systemic failures, where electricity and water shortages persist, and the promises of economic justice seem like distant illusions.

While introducing a wealth tax could theoretically reduce inequality, the practical realities in South Africa present significant obstacles. Corruption, inefficiency and little political will undermine meaningful reform efforts.

[<https://mg.co.za/thought-leader/Aug2024>]

- 4.3.1 Identify a method of income redistribution in the information above. (1)
- 4.3.2 Give ONE example of the South African government's cash benefits to its poor members of society. (1)
- 4.3.3 Briefly describe the term *progressive personal income tax*. (2)
- 4.3.4 Explain how minimum wage is used as a method to redistribute income and wealth. (2)
- 4.3.5 Draw a well labelled graph to show the typical distribution of a country's income. (4)
- 4.4 Differentiate between economic growth and economic development. (4 x 2) (8)
- 4.5 How does the availability of rail transport benefit poor South African commuters? (4 x 2) (8)

[40]

TOTAL SECTION B: 80

SECTION C

Answer any ONE of the two questions in this section

Your answer will be assessed as follows:

STRUCTURE OF ESSAY	MARK ALLOCATION
Introduction The introduction is a lower-order response. <ul style="list-style-type: none"> • A good starting point would be to describe the main concept related to the question topic. • Do NOT include any part of the question in your introduction. • Do NOT repeat any part of the introduction in the body. • Avoid mentioning in the introduction what you are going to discuss in the body 	Max 2
Body: Main part: Discuss in detail/In-depth discussion/Examine/Critically discuss/Compare/Distinguish/Differentiate/Explain/Draw a graph and explain/Complete the given graph/Assess/Debate A maximum of 8 marks may be allocated for headings/examples. Additional part: Give own opinion/ Critically discuss/ Evaluate/ Critically evaluate/ Draw a graph and explain/ / Calculate/ Deduce/ Compare/ Explain Distinguish / Interpret/ Briefly debate/ How/ Suggest	Max 26 Max 10
Conclusion Any Higher or conclusion include: <ul style="list-style-type: none"> • A brief summary of what has been discussed without repeating facts already mentioned in the body • Any opinion or value judgement on the facts discussed • Additional support information to strengthen the discussion/analysis • A contradictory viewpoint with motivation, if required • Recommendations 	Max 2
TOTAL	40

QUESTION 5: MACROECONOMICS**40 MARKS – 40 MINUTES**

- Discuss in detail natural resources as a factor of production. (26 marks)
- How successful has the government been in protecting the country's natural resources? (10 marks)

[40]**QUESTION 5: ECONOMIC PURSUITS****40 MARKS – 40 MINUTES**

- Discuss in detail the functions of the South African Reserve Bank as a central bank. (26 marks)
- How successful has the South African Reserve Bank been in keeping inflation within its target range? (10 marks)

[40]

TOTAL SECTION C: 40
GRAND TOTAL: 150

