



GAUTENG PROVINCE
EDUCATION
REPUBLIC OF SOUTH AFRICA

**GAUTENG DEPARTMENT OF EDUCATION
PROVINCIAL EXAMINATION
NOVEMBER 2018
GRADE 10**

ECONOMICS

PAPER 2

TIME: 2 hours

MARKS: 150

12 pages

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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 any 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 sub-sections 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 pocket 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 number (1.1.1 – 1.1.8) in the ANSWER BOOK, for example 1.1.9 D.

1.1.1 The total benefit or satisfaction that a consumer derives from the consumption of a good or a service is called ... utility.

- A marginal
- B variable
- C fixed
- D total

1.1.2 Consumers generally make ... decisions.

- A irrational
- B rational
- C identical
- D right

1.1.3 In a market economy, competition works like a(n) ... hand.

- A invisible
- B magical
- C circular
- D automatic

1.1.4 Government intervenes in the market when they ...

- A do not control the quantity of goods.
- B provide private goods.
- C allow monopolies to dominate the market.
- D control prices.

1.1.5 The supply-side approach focuses on the ... economy.

- A micro-
- B macro-
- C labour
- D international

1.1.6 The rights of workers is a domain of the ... Act.

- A Broad Based Black Economic Empowerment
- B Basic Conditions of Employment
- C Labour Relations
- D Skills Development

1.1.7 South Africa's first democratic elections took place in ...

- A 2004.
- B 1984.
- C 1994.
- D 2014.

1.1.8 Productivity of labour is the relationship between real output and the ... input used to produce it.

- A quantity
- B surplus
- C quality
- D nominal

(8 x 2) (16)

1.2 Choose a description from COLUMN B that matches an item in COLUMN A. Write only the letter (A – I) next to the question number (1.2.1 – 1.2.8) in the ANSWER BOOK.

COLUMN A	COLUMN B
1.2.1 Deregulation	A Markets that do not require any direct intervention or control from outside forces
1.2.2 Full employment	B Goods or services that have social benefits greater than the direct benefits derived by individual consumers of the goods
1.2.3 Bargaining councils	C Also known as taxes on production and imports
1.2.4 Capital goods	D Removal of unnecessary laws and ordinances, by-laws to make markets free to make business
1.2.5 Indirect taxes	E Also called producers' or intermediate goods
1.2.6 Merit goods	F Anyone who is willing to work has employment.
1.2.7 Self-regulation	G Established on a voluntary basis by the employers and unions
1.2.8 World Trade Organisation	H Accelerated and Shared Growth Initiative for South Africa
	I Facilitates global free trade

(8 x 1) (8)

1.3 Give ONE term for each of the following descriptions. Write only the term next to the question number (1.3.1 – 1.3.6) in the ANSWER BOOK.
Acronyms and abbreviations will NOT be accepted.

1.3.1 A financial grant or other resources to support the production of a good or service

1.3.2 The quantity of goods or services that consumers are willing and able to buy over a period of time

1.3.3 It is achieved when the productive and allocative efficiency coincide

1.3.4 Policies and practices aimed at redressing social, economic and educational imbalances of the past

1.3.5 The rights that may not be varied at all, neither by the employer nor the worker

1.3.6 The reduction of interest rates that causes consumers or producers to borrow more from the banks

(6 x 1) (6)

TOTAL SECTION A: 30

SECTION B

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

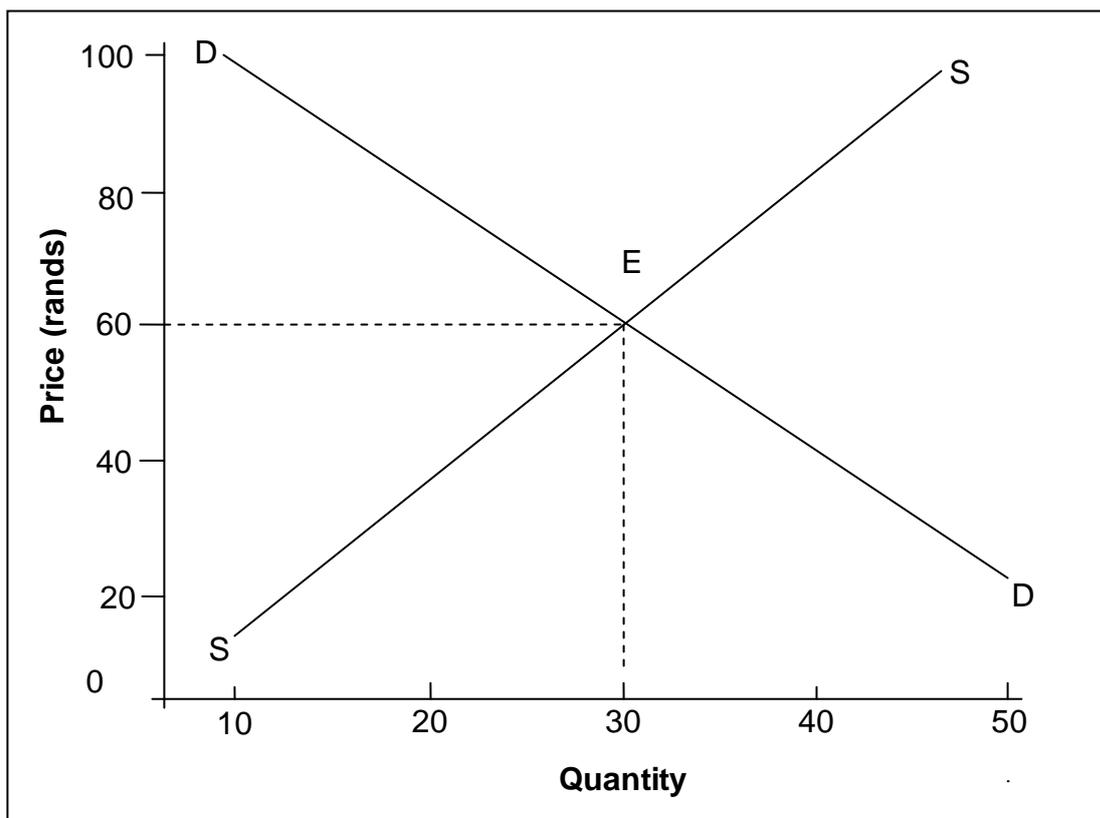
QUESTION 2: MICROECONOMICS**40 MARKS – 30 MINUTES**

2.1 Answer the following questions.

2.1.1 List TWO factors affecting supply. (2 x 1) (2)

2.1.2 What effect will an improvement in technology have on the position of the production possibility curve? (1 x 2) (2)

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



2.2.1 Identify one market force displayed by the above graph. (1)

2.2.2 What quantity will be sold in the above market? (1)

2.2.3 Briefly describe the concept *equilibrium price*. (2)

2.2.4 How does a perfect competitor decide on the price to sell their products? (2)

2.2.5 Distinguish between *change in quantity demanded* and *change in demand*. (4)

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

Number of apples consumed	Total Utility	Marginal Utility
1	A	40
2	80	B
3	120	40
4	150	30

- 2.3.1 Identify the marginal utility of the fourth apple. (1)
- 2.3.2 When will the above consumer experience diminishing marginal utility? (1)
- 2.3.3 Briefly describe the concept *diminishing marginal utility*. (2)
- 2.3.4 Why are consumers prepared to pay for a good or service? (2)
- 2.3.5 Calculate the values represented by A and B from the above table. (4)
- 2.4 Discuss any TWO characteristics of perfect markets. (2 x 4) (8)
- 2.5 With the aid of a graph discuss the consumer's indifference map for beef and chicken. (8)
- [40]**

QUESTION 3: SOCIO-ECONOMIC ISSUES

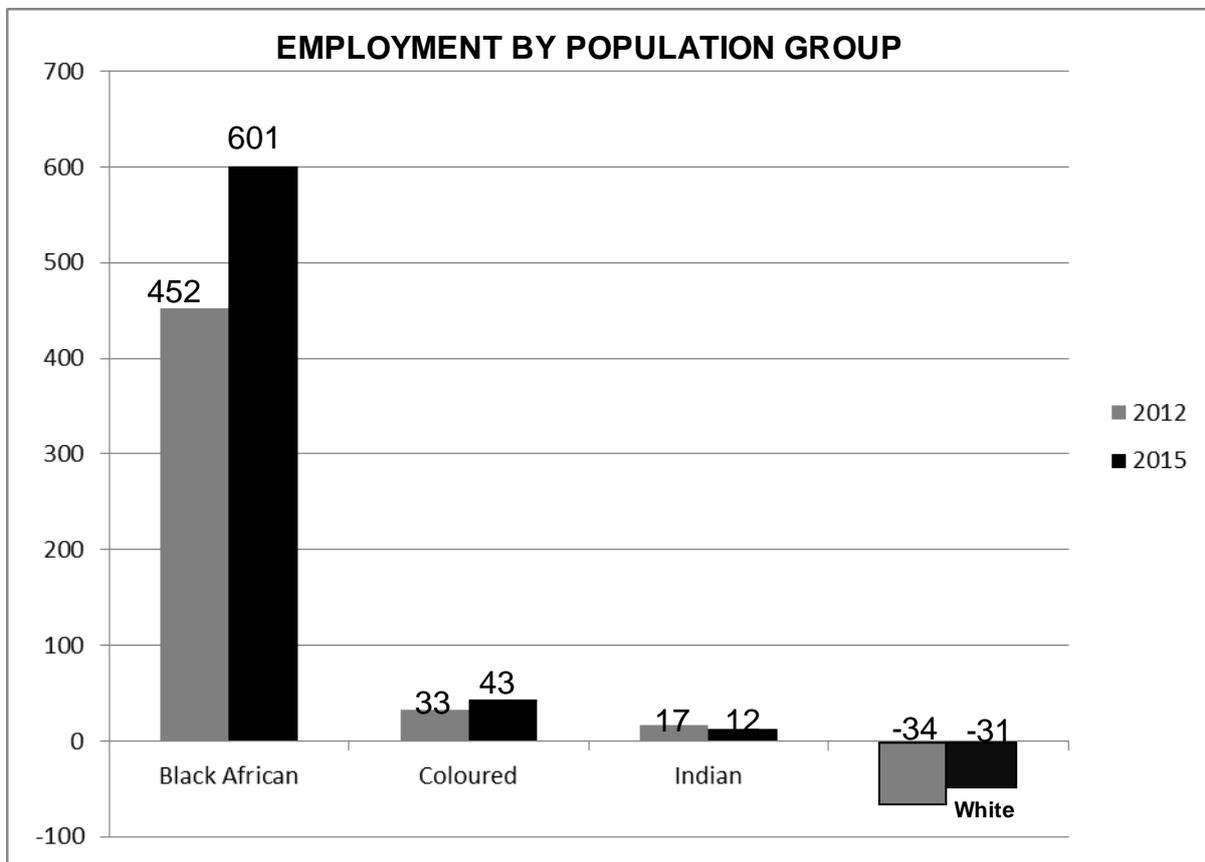
40 MARKS – 30 MINUTES

3.1 Answer the following questions.

3.1.1 Name any TWO characteristics of South Africa’s unemployment condition. (2 x 1) (2)

3.1.2 How does mechanisation affect the demand for labour? (1 x 2) (2)

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



[Source: Quarterly Labour Force Survey: Stats SA 2012- 2015]

3.2.1 Which population group has benefited the most from empowerment programmes up to 2015? (1)

3.2.2 Which institution publishes information related to the labour force in South Africa? (1)

3.2.3 Mention any TWO ways in which people could be marginalised. (2)

3.2.4 Briefly explain the term *economic marginalisation*. (2)

3.2.5 Discuss any TWO options that could be implemented to reduce economic marginalisation. (4)

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

Expanded Public Works Programme (EPWP)

The EPWP aims to create employment opportunities for the vulnerable and poor through labour-intensive programmes instituted by the government. They focus on the creation of infrastructure and physical services, for example, cleaning invader plants.

The EPWP is a governmental effort to create both short-term and ongoing work opportunities. The target for Phase One was to create one million opportunities. A total of 1.4 million work opportunities were created by the end of the first five years.

[Source: www.google.com]

- 3.3.1 For what does the abbreviation EPWP stand? (1)
- 3.3.2 How many job opportunities were created by the end of the first five years? (1)
- 3.3.3 Briefly describe the concept *labour-intensive industries*. (2)
- 3.3.4 How does the public works programme help to reduce the rate of unemployment in the country? (2)
- 3.3.5 Do you think the EPWP has been successful? Motivate your answer. (4)
- 3.4 Differentiate between *conciliation* and *mediation*. (4 x 2) (8)
- 3.5 Discuss majorification as one of the objectives of the Labour Relations Act. (8)
- [40]**

QUESTION 4: MICROECONOMICS AND SOCIO-ECONOMIC ISSUES

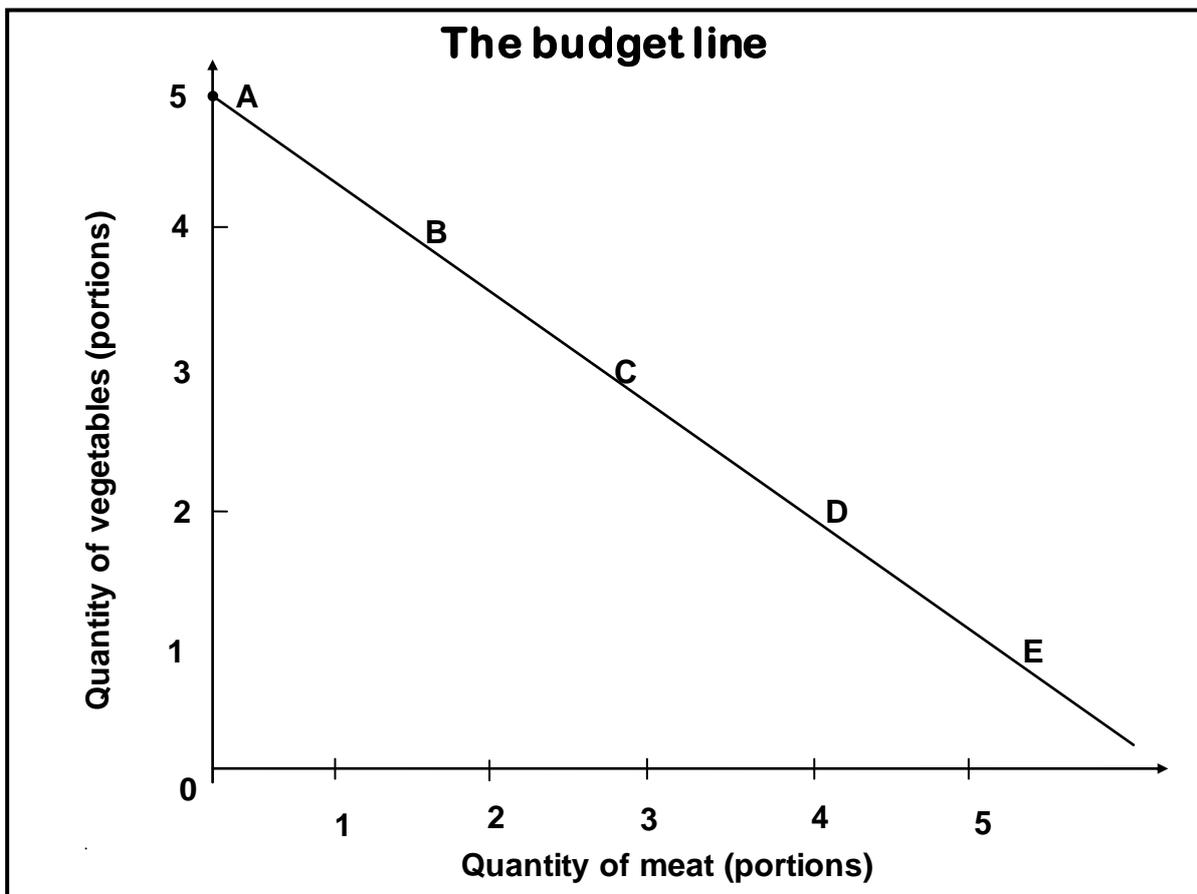
40 MARKS – 30 MINUTES

4.1 Answer the following questions.

4.1.1 Name any TWO internal factors that determine the position of the production possibility curve. (2 x 1) (2)

4.1.2 What will happen to the demand for cheese if producers invest more money in the advertisement of cheese? (1 x 2) (2)

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



4.2.1 Give the other name for a budget line. (1)

4.2.2 What happens to a consumer at point A on the graph? (1)

4.2.3 Briefly describe the term *optimum consumption point*. (2)

4.2.4 What will happen to the budget line when consumers' incomes increase? (2)

4.2.5 Redraw the above graph in your ANSWER BOOK and illustrate the optimum point and the unattainable point. (4)

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

- 1 My name is Namane. I am 35 years old and unmarried. I am not currently earning any money because my business has just failed as a result of international competition.
- 2 My name is Thandile and I live in Lesotho and I am 25 years old. I was a mine manager in Johannesburg but I recently lost my job because the mine has closed down.
- 3 My name is Nkosi and I am 43 years old and lost my job three months ago because technological advancement made my job redundant. I have not been able to find a new job.
- 4 I am Maggie and I am 67 years of age. I cannot find work. Wherever I go I am told that I am too old to work.

- 4.3.1 What problem is encountered by all the people in the above cases? (1)
 - 4.3.2 What kind of unemployment is reflected by the statement in case 3? (1)
 - 4.3.3 What is the acceptable age for employment in South Africa? (2)
 - 4.3.4 Briefly describe the term *globalisation*. (2)
 - 4.3.5 Differentiate between the *unemployment rate* and the *labour absorption rate*. (2 x 2) (4)
 - 4.4 Briefly describe the powers of the Labour Court in South Africa. (4 x 2) (8)
 - 4.5 Analyse any TWO conditions with which goods and services should comply in order to be suitable to trade worldwide. (8)
- [40]**

TOTAL SECTION B: 80

SECTION C

Answer any ONE of the two questions in this section in the ANSWER BOOK.

STRUCTURE OF ESSAY	MARK ALLOCATION
<p>Introduction The introduction is a lower order response.</p> <ul style="list-style-type: none"> • A good starting point would be to determine 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 saying in the introduction what you are going to discuss in the body. 	Max. 2
<p>Body Main part: Discuss in detail / In-depth discussion / Examine / Critically discuss / Analyse / Compare / Evaluate / Distinguish / Differentiate / Explain</p> <p>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</p>	<p>Max. 26</p> <p>Max. 10</p>
<p>Conclusion Any higher order conclusion should include:</p> <ul style="list-style-type: none"> • A brief summary of what has been discussed without repeating facts already mentioned • An opinion or value-judgement on the facts discussed • Additional supporting information to strengthen the discussion / analysis • A contradictory viewpoint with motivation, if required • Recommendations 	Max. 2
TOTAL:	40

QUESTION 5: MICROECONOMICS

40 MARKS – 40 MINUTES

- Discuss in detail, FOUR of the most important characteristics by which markets can be identified. (26 marks)
- Draw a well-labelled graph indicating market equilibrium, market shortage and market surplus. (10 marks) **[40]**

QUESTION 6: SOCIO-ECONOMIC ISSUES

40 MARKS – 40 MINUTES

- Discuss in detail, the factors that lead to labour market failure. (26 marks)
- Evaluate the demand-side approach by the government to create employment. (10 marks) **[40]**

TOTAL SECTION B: 40

TOTAL: 150

END