



**KWAZULU-NATAL PROVINCE**

**EDUCATION**  
REPUBLIC OF SOUTH AFRICA

**NATIONAL SENIOR  
CERTIFICATE**

**GRADE 11**

**ECONOMICS**

**APRIL 2021**

**COMMON TEST**

**MARKS : 100**

**TIME : 1 ½ Hour**

**This question paper consists of 10 pages.**

**INSTRUCTIONS AND INFORMATION**

1. Answer THREE questions as follows:
  - SECTION A: COMPULSORY
  - SECTION B: Answer any ONE question from this section.
  - SECTION C: Answer any ONE of the two questions.
2. Read the questions carefully and start EACH question on a new page.
3. Number the answers correctly according to the numbering system used in this question paper.
4. Write the number of each question above each answer.
5. Leave at least ONE line between subsections of each question.
6. Answer questions in full sentences and ensure that the format, content and context of your responses comply with the cognitive requirements of the questions.
7. Answer ONLY the required number of questions. Answers in excess of the required number will NOT be marked.
8. Use ONLY blue or black ink.
9. Non-programmable pocket calculators may be used.
10. Write legibly and present your work neatly.

**SECTION A****QUESTION 1      COMPULSORY**

- 1.1 Various options are provided as possible answers to the following questions. Choose the correct answer and write **ONLY** the letter (A – D) next to the question number (1.1.1 – 1.1.5) in the **ANSWER BOOK**. e.g 1.1.6 D
- 1.1.1. A factor of production that cannot be separated from its owner is ...
- A. land
  - B. labour
  - C. technology
  - D. capital
- 1.1.2. Goods that are used to manufacture other goods and to provide services are called ... goods
- A. final
  - B. economic
  - C. intermediate
  - D. luxury
- 1.1.3. An economic system that uses the forces of demand and supply to allocate resources is called ... economy
- A. free market
  - B. centrally planned
  - C. informal
  - D. mixed
- 1.1.4. Construction is classified under ... sector
- A. primary
  - B. services
  - C. tertiary
  - D. secondary
- 1.1.5. A method of measuring gross domestic product that adds up the total remuneration for all the factors of production is called ... method
- A. expenditure
  - B. production
  - C. nominal
  - D. Income

(2X5) (10)

- 1.2 Choose a description from **COLUMN B** that matches the item in **COLUMN A**. Write only the letter (A-G) next to the question number (1.2.1.-1.2.6.) in the **ANSWER BOOK**.

COLUMN A	COLUMN B
1.2.1. Capital deepening	A. The value of final goods at prices paid by consumers.
1.2.2. Market price	B. Account for the largest part of total expenditure in the economy
1.2.3. Mixed economy	C. Stock of a country's production resources is above the size of labour force.
1.2.4. Exploitative operations	D. The main contributor in the secondary sector.
1.2.5. Households	E. A system that uses both the market forces and central planning to allocate resources.
1.2.6. Manufacturing	F. Economic activities that can't return to nature what they have taken from it.  G. Depreciate and need to be replaced over time.

(1X6) (6)

- 1.3 Give **ONE** term for each of the following descriptions. Write only the term next to the question number (1.3.1.-1.3.4.) in the **ANSWER BOOK**. **Acronyms and abbreviations will NOT be accepted.**

- 1.3.1 People who are excluded from mainstream economic activities and are seen as worse off when compared to others.
- 1.3.2 The use of tax to provide public goods and services.
- 1.3.3 An economic system in which factors of production are viewed as communal property.
- 1.3.4. The economic activities that deals with provision of services. e.g banking.

(1X4) (4)

**TOTAL SECTION A: [20]**

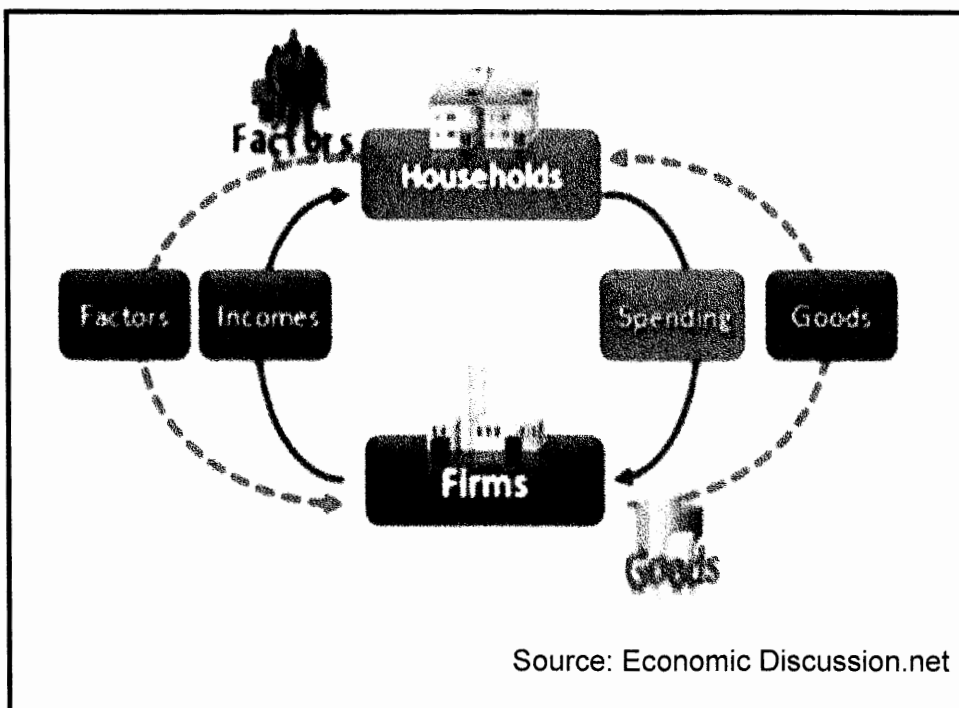
**SECTION B****Answer any ONE question in this section****QUESTION 2****40 MARKS – 30 MINUTES****2.1 Answer the following questions.**

2.1.1 Mention any TWO types of indirect taxes.

(1 x 2) (2)

2.1.2 Why is it important to use added value method when calculating gross domestic product (GDP) figures?

(2 x 1) (2)

**2.2 Study the diagram below and answer the questions.**

2.2.1 Identify the market that is involved in trading with labour in the diagram above.

(1)

2.2.2 Which participant offers final goods and services for sale?

(1)

2.2.3 Briefly describe the term *circular flow*.

(2)

2.2.4 Why are savings regarded as leakages in the economy?

(2)

2.2.5 How does foreign sector interact with the South African economy? (2 x 2) (4)

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

THE INCOME METHOD		
Value added (GVA)	2017	2018
Compensation of employees	875 162	874 395
Net operating surplus	638 782	(A)
Consumption of fixed capital	236 380	197 910
<b>Gross value added at factor cost</b>	<b>1 750 324</b>	<b>1 748 800</b>

Source: Statistics South Africa, 2019

- 2.3.1 Identify the item that represents remuneration for labour in the table. (1)
- 2.3.2 Determine the difference between gross value added for 2017 and 2018. (1)
- 2.3.3 Describe the term *gross domestic product*. (2)
- 2.3.4 What is the importance of consumption of fixed capital on the national accounts. (2)
- 2.3.5 Calculate net operating surplus (A) for 2018 from the table above.  
Show ALL calculations. (2 x 2) (4)
- 2.4 Differentiate between *injections* and *leakages* in the circular flow. (8)
- 2.5 How important is the capital formation for the South African economy? (8)
- [40]**

## QUESTION 3

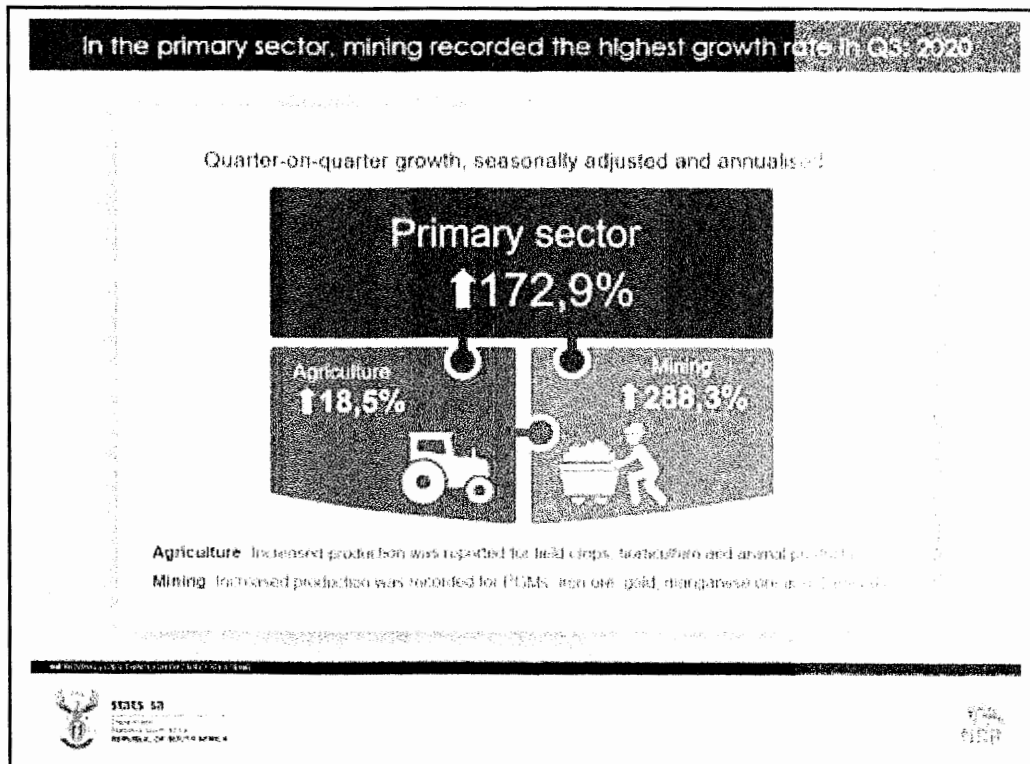
40 MARKS – 30 MINUTES

## 3.1 Answer the following questions.

3.1.1. Name any TWO examples of renewable resource. (1x2)(2)

3.1.2. What impact does the lack of communication infrastructure have on the economy? (2x1)(2)

## 3.2. Study the picture below and answer the questions that follow.



3.2.1 Which period of the year is covered in the picture above? (1)

3.2.2 Identify the South African mineral which is the largest contributor in export from the source above? (1)

3.2.3 Briefly describe the term *primary sector*. (2)

3.2.4 What is the possible reason for the increase in production during Q3 of year 2020? (2)

3.2.5 Why is the primary sector more dependent on the other two sectors? (4)

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

**Eskom CEO plans operations overhaul with slower breakup mulled**

In a plan unveiled in October, Public Enterprises Minister Pravin Gordhan set out a series of steps to restore stability to Eskom, including exposing it to greater competition, lowering fuel costs, increasing renewable-energy output and selling non-core assets.

Gordhan also called for the utility to be split into three units — power transmission, generation and distribution — with the first of those divisions to be spun off by March. That step would ease the way for private generators to supply the national grid.

- 3.3.1 Name any one source of energy. (1)
- 3.3.2 In which sector of the economy does Eskom belong? (1)
- 3.3.3 Briefly describe the term *infrastructure*. (2)
- 3.3.4 Why is there a need for Eskom to have competition? (2)
- 3.3.5 How does the shortage of energy in South Africa affect the economy? (4)
- [10]**
- 3.4 Discuss the composition of transport infrastructure in South Africa. (8)
- 3.5 How does the tertiary sector contribute to modern economies? (8)
- [40]**
- TOTAL SECTION B: [40]**



**SECTION C**

Only **ONE** question should be answered from this questions:

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

**QUESTION 4****40 MARKS – 40 MINUTES**

- Discuss characteristics of the natural resources as a factor of production. (26)
- How can South Africa benefit from processing its natural resources into finished goods before exporting them? (10)

**[40]**

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

Discuss the mixed economy under the following headings:

- Characteristics
- Advantages
- Disadvantages (26)
  
- How does the government intervene to regulate a mixed economy? (10)

**[40]****SECTION C: [40]****GRAND TOTAL: [100]**