



LIMPOPO
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF EDUCATION

SEKHUKHUNE EAST DISTRICT

**NATIONAL
SENIOR CERTIFICATE**

GRADE 11

**ECONOMICS 2025
TASK 1
ASSIGNMENT
MACRO ECONOMICS**

QUESTION PAPER

**DATE : 06 MARCH 2025
MARKS : 50
DURATION : 60 MINUTES**

This question paper consists of 05 pages

INSTRUCTIONS AND INFORMATION

1. Answer all the questions
2. Number the answers correctly according to the numbering system used in the task.
3. Read the questions carefully.
4. 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.
5. Use only black or blue ink.
6. You may use a non-programmable calculator.
7. Write neatly and legibly.

QUESTION 1

- 1.1. Distinguish between basic prices and market prices used in the national accounts. (2x2) (4)
- 1.2 Study the table below and answer the questions that follow.

National income accounts of South Africa at current prices	
	2019
Compensation of employees	2 418 544
Net operating surplus	1 296 696
Consumption of fixed capital	713 078
A	4 428 317
Other taxes on production	105 061
Other subsidies on production	9 798
Gross value added at basic prices	4 523 580
Taxes on products	564 866
Subsidies on products	10 821
Gross domestic product at market prices	5 077 625

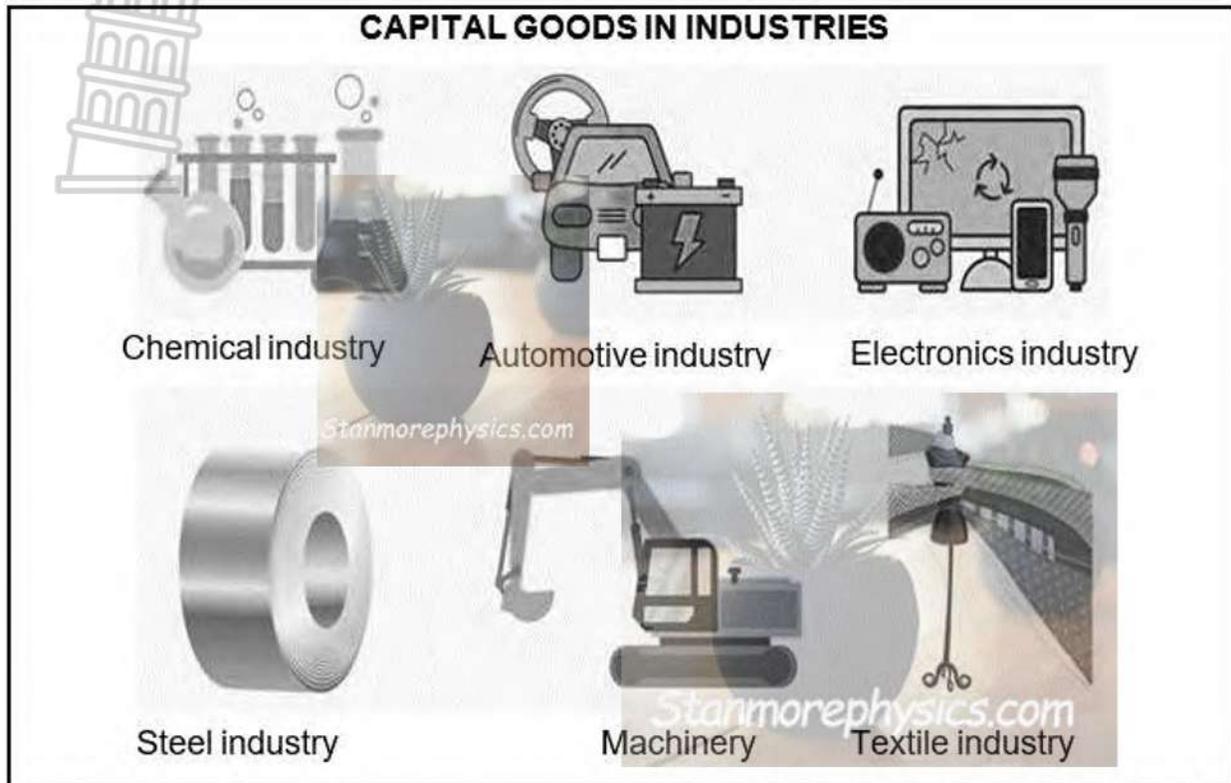
[Source: SARB September 2020 Quarterly Bulletin]

- 1.2.1 Provide the missing term for **A**. (1)
- 1.2.2 Name ONE example of taxes on production. (1)
- 1.2.3 Briefly describe the term *Gross domestic product*? (2)
- 1.2.4 What is the advantage of subsidies on production to the businesses? (2)
- 1.2.5 Calculate net operating surplus as a percentage of GDP. Show ALL calculations. (4)
- 1.3 Discuss the importance of export in the economy. (8)
- 1.4 How can the final consumption expenditure by government improve the standard of living? (8)

[30]

QUESTION 2

2.1 Study the pictures below and answer the questions that follows:



[Source: <https://totempool.com>]

- 2.1.1 Identify one example of a capital good. (1)
- 2.1.2 Name the reward an owner of capital receives for making capital available. (1)
- 2.1.3 Briefly describe the term *capital widening*. (2)
- 2.1.4 Explain the importance of capital goods for industries. (2)
- 2.1.5 How does the risk of investment influence the interest rate on capital? (2x2) (4)

[10]

QUESTION 3

3.1.2

(2 x 2) (4)

3.1 Study the extract below and answer the questions that follow:

If there is no shop in a rural area, the state will tell one of the inhabitants to start a spaza shop. By doing this, the state will decide what, how, and when to produce in order to uplift the society.

[Own source]

- 3.1.1 What type of economic system is referred to in the above extract? (1)
- 3.1.2. Who allocates the resources in the above extract? (1)
- 3.1.3. Briefly describe the term *economic system*. (2)
- 3.1.4 Explain how service delivery can be improved in South Africa. (2)
- 3.1.5. Why is South Africa regarded as a mixed economy? (4)

[10]**GRAND TOTAL: 50**



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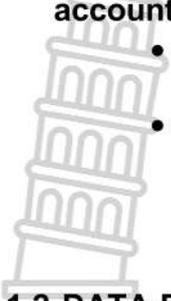
GRADE 11

**ECONOMICS 2025
TASK 1
ASSIGNMENT
MARKING GUIDELINES**

MARKS: 50

This making guidelines consists of 04 page

1.1 Distinguish between basic prices and market prices used in the national accounts.



- **Basic prices** represent the production costs of the firm. GDP is calculated according to the production method. ✓✓
- **Market prices** are the prices actually paid by the consumers for goods and services. GDP is calculated according to the expenditure method. ✓✓

(Accept any other correct relevant response)

(4)

1.2 DATA-RESPONSE

1.2.1 Provide the missing term for A.

- Gross value at basic prices. ✓

(1)

1.2.2 Name ONE example of taxes on production.

- payroll tax ✓
- taxes on land/ buildings ✓

(1)

1.2.3 Briefly describe the term *gross domestic product*?

- Gross domestic product refers total market value of all final goods and services produced within the borders of a country for a specific period. ✓✓

(Accept any other correct relevant response).

(2)

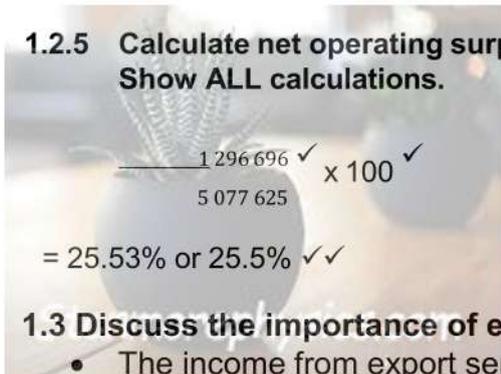
1.2.4 What is the advantage of subsidies on production to the businesses?

- Subsidies on production lowers the cost of production of the businesses. ✓✓

(Accept any other correct relevant response).

(2)

1.2.5 Calculate net operating surplus as a percentage of GDP. Show ALL calculations.



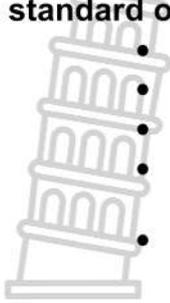
(4)

1.3 Discuss the importance of export in the economy

- The income from export serve as an injection that increase the national income ✓✓
- Export earn foreign exchange for a country as a domestic output are sold to other countries ✓✓
- There is an increase in the production of goods to cater for the internal markets. ✓✓
- Job creation is ensured in the manufacturing sector. ✓✓
- Government revenue will increase from taxes on manufacture's profit. ✓✓ (8)

Accept any correct response

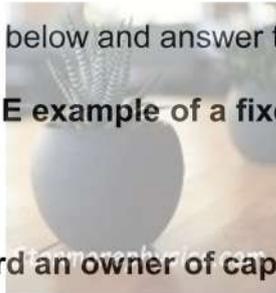
1.4 How can the final consumption expenditure by government improve the standard of living?



- Issuing of social grants closes the gap between the rich and the poor. ✓✓
- Construction of infrastructure leads to employment opportunities. ✓✓
- Provision of free education improves literacy and numeracy rate. ✓✓
- Provision of quality health services increases life expectancy and reduced dearth rates. ✓✓
- (Accept any other correct relevant answer) (8)

QUESTION 2

2.1 Study the pictures below and answer the questions that follow.



2.1.1 Identify any ONE example of a fixed capital good.

- Equipment ✓
- Machinery ✓
- Vehicle ✓

(1)

2.1.2 Name the reward an owner of capital receives for making capital available.

- Interest ✓

(1)

2.1.3 Briefly describe the term capital widening.

- Capital widening is the situation where the stock of capital is increased to accommodate an increasing labour force. ✓✓

(2)

(Accept any other relevant response)

2.1.4 Explain the importance of capital goods for industries.

- Capital goods increase production capacity in industries. ✓✓
- The durability of capital goods reduces cost of factors of production over a period. ✓✓

(Accept any other correct relevant response.)

(2)

2.1.5 How does the risk of investment influence the interest rate on capital?

- The higher the risk associated with the investment, the higher the interest rate on capital. ✓✓
- The lower the risk associated with the investment, the lower the interest rate on capital. ✓✓
- If a person regards the risk of lending funds to a firm as very high, the person will only lend the funds to the firm if the interest rate compensates for the risk. ✓✓

(Accept any other correct relevant response.)

(2 x 2)

(4)

Question 3



3.1 DATA-RESPONSE

311 **What type of economic system is referred to in the above extract?**
• Centrally planned economy ✓ (1)

312 **Who allocates the resources in the above extract?**
• Government/State/Public sector ✓ (1)

313 **Briefly describe the term *economic system*.**

It is the method used by countries to allocate their resources. ✓✓
(Accept any other correct, relevant response) (2)

314 **Explain how service delivery can be improved in South Africa.**

- By making government officials and employees accountable for the use of state funds. ✓✓
 - By appointing competent leaders and managers in government departments and businesses. ✓✓
- (Accept any other correct, relevant response) (2)

315 **Why is South Africa regarded as a mixed economy?**

- The government plays a role in providing collective goods and services and in regulating the market. ✓✓
- South Africa has a dual economy with a highly developed financial and industrial economy. ✓✓
- Consumers have the freedom to decide how to spend their income and what to consume. ✓✓
- The Government uses sufficient monetary and fiscal policy to ensure maximum economic growth and continuous stability of prices. ✓✓
- The government's involvement in the markets entails intervention to control prices to protect consumers and workers. ✓✓

(Accept any other correct, relevant response)

(2 x 2) (4)