



BOHLABELA DISTRICT

GRADE 11

ECONOMICS
CLASS TEST NO 1
2026

TIME: 1 HOUR
MARKS: 100

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This question paper consists of 6 pages including the cover page.

SECTION A**QUESTION 1: (FACTORS OF PRODUCTION)****20 MARKS – 30 MINUTES**

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), e.g. 1.1.6 B

1.1.1 The three Rs that can help to conserve natural resources for long-term use are:

- A Reduce, reuse, redistribution
- B Reduce, regenerate, reuse
- C Reduce, recycle, reuse
- D Reduce, regenerate, redistribution

1.1.2 If an individual refuse to take high paying job in another place or town because of family ties, this is a barrier to ... mobility?

- A geographical
- B vertical
- C occupational
- D technological

1.1.3 Which one of the following is a common cause of economical marginalisation?

- A Literacy
- B Over-representation
- C Under-representation
- D Illiteracy

1.1.4 Machinery, equipment and tools are examples of ... goods.

- A intermediate
- B public
- C capital
- D free

1.1.5 A person who has the ambition and ability to open and successfully run a business enterprise is called a/an ...

- A employee.
- B entrepreneur.
- C business man.
- D industrious man.

(5 x 2) (10)

- 1.2 Choose the correct description from COLUMN B that matches an item in COLUMN A. Write only the letter (A-F) next to the question number (1.2.1 - 1.2.6), e.g. 1.2.7 G

COLUMN A		COLUMN B	
1.2.1	Division of labour	A	The payment for the entrepreneurship
1.2.2	Labour	B	Public meeting whereby government officials listen to people's concerns and ideas regarding local development
1.2.3	Capital deepening	C	The human physical or mental effort needed in the production process
1.2.4	Wages & salaries	D	The assignment of different parts of a manufacturing process or task to different people in order to improve efficiency
1.2.5	Community forum	E	The remuneration that workers receive for their labour
		F	the rate of increase in capital goods is higher than the rate of increase in workers

(5 x 1) (5)

1.3 CONCEPTS

- 1.3.1 The remuneration that workers receive for their labour
- 1.3.2 The percentage of the economically active population (EAP) that is currently employed.
- 1.3.3 The quantity of goods and services that a worker can buy with his nominal wage.
- 1.3.4 The payment for the use of someone's capital.
- 1.3.5 When the stock of capital grows at faster rate than the labour force.

(5 x 1) (5)

TOTAL SECTION A: 20

SECTION B

QUESTION 2: (FACTORS OF PRODUCTION)

40 MARKS – 30 MINUTES

2.1 Answer the following questions.


2.1.1 Name any TWO factors that influence the rate of interest paid on capital. (2 x 1) (2)

2.1.2 How does inflation (price increase) affects the real wage? (1 x 2) (2)


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

FACTORS OF PRODUCTION


PICTURE A




PICTURE B



PICTURE C



PICTURE D



[<https://www.bing.com/images>]

2.2.1 Identify the picture that represents a capital good from the above picture. (1)

2.2.2 Name any ONE category of *labour*. (1)

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

2.2.4 How can the quality of the labour force be improved? (2)

2.2.5 Why is the entrepreneur regarded as a risk taker? (2 x 2) (4)

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

Economically Marginalised Group (EAP)

The economically marginalized group often faces a range of challenges that hinder their participation in society such as economic exclusion limited access to resources, and systemic discrimination.

The impact of marginalization on these groups can be profound, affecting their health, education, and overall quality of life. Understanding the dynamics of marginalization is crucial for developing effective strategies to address these issues and promote social equity.

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

- 2.3.1 Identify any ONE challenge experienced by the economically marginalized group from the extract above? (1)
- 2.3.2 Name any ONE example of an economically marginalized group. (1)
- 2.3.3 Briefly describe the term *procurement*. (2)
- 2.3.4 Why is Broad-Based Black Economic Empowerment (BBBEE) important to the economically marginalised group? (2)
- 2.3.5 How does the government contribute towards the upliftment of the lives of the economically marginalized group? (2 x 2) (4)
- 2.4 Briefly discuss the importance of labour as a factor of production to in the country. (4 x 2) (8)
- 2.5 How does entrepreneurship contribute to the economic development of the country? (4 x 2) (8)

TOTAL SECTION B: 40

SECTION C

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 define the main concept related to the question topic. • Do not include any part of the question in your introduction. • Do not include any part of the introduction in your body. • Avoid saying 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/ Analyse/ Compare/ Evaluate/ Distinguish/Differentiate/ Explain.	Max. 26
Additional part: 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/ How/ Suggest.	Max. 10
Conclusion Any high-order conclusion should include: <ul style="list-style-type: none"> • A brief summary of what has been discussed without repeating facts already mentioned. • Any opinion or value judgment 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 3: (FACTORS OF PRODUCTION)**40 MARKS – 30 MINUTES**

- Discuss in detail the characteristics of natural resources as a factor of production. (26)
- Why are natural resources regarded as important to the economy of South Africa? (10)

TOTAL SECTION C: 40**TOTAL SECTION B: {100}**



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GRADE 11

ECONOMICS

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CLASS TEST NO 1
MARKING GUIDELINE

2026

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MARKS: 100

This MARKING GUIDELINE consists of 7 pages including the cover page.

SECTION A**QUESTION 1: FACTORS OF PRODUCTION****1.1 MULTIPLE CHOICE ITEM**

- 1.1.1 C / Reduce, recycle, reuse ✓✓
- 1.1.2 A / Geographical ✓✓
- 1.1.3 D / Literacy ✓✓
- 1.1.4 C / physical ✓✓
- 1.1.5 B / entrepreneur ✓✓

(5 x 2) (10)

1.2 MATCH ITEM

- 1.2.1 E / The assignment of different parts of the manufacturing process or task to different people in order to improve efficiency ✓
- 1.2.2 C / Public meeting where government officials listen to people's concerns and ideas regarding local development ✓
- 1.2.3 F / The resources (inputs) that are used to produce goods and services ✓
- 1.2.4 B / Remuneration for the entrepreneur ✓
- 1.2.5 D / The human physical and mental effort needed in the production process ✓

(5 x 1) (5)

1.3 CONCEPTS

- 1.3.1 Financial/monetary capital ✓
- 1.3.2 Employment rate ✓
- 1.3.3 Nominal wage ✓
- 1.3.4 Interest rate ✓
- 1.3.5 Capital deepening ✓

(5 x 1) (5)

TOTAL SECTION A: 20

SECTION B

QUESTION 2: FACTORS OF PRODUCTION

2.1 Answer the following questions.

2.1.1 Name any TWO factors that influence the rate of interest paid on capital.

- Supply of funds ✓
 - Period/duration of the loan ✓
 - Risk of investment ✓
- (Accept any other correct relevant response) (2 x 1) (2)

2.1.2 How does inflation (price increase) affects the real wage?

When prices increase, the number of goods that can be bought with the same nominal income will decrease. ✓✓ (1 x 2) (2)

2.2 DATA RESPONSE

2.2.1 Identify the picture that represents capital goods from the above pictures.

Picture B ✓ (1)

2.2.2 Name any ONE category of labour.

- Skilled labour ✓
 - Semi-skilled labour ✓
 - Unskilled labour ✓
- (1)

2.2.3 Briefly describe the term *economic rent*

The remuneration of a natural resource that is scarce. ✓✓ (2)
(Accept any other correct relevant response)

2.2.4 How can the quality of the labour force be improved?

Through the provision of education and training, the health of the work force is also important. ✓✓ (2)

2.2.5 Why is the entrepreneur regarded as a risk-taker?



- The entrepreneur takes risk by investing their money in a business without guarantee that it will be successful. ✓✓
 - They have the ability to cope with uncertainty and stress that comes with taking risks. ✓✓ (2 x 2) (4)
- (Accept any other correct relevant response)

2.3 DATA RESPONSE

2.3.1 Identify any ONE challenge experiment by the economically marginalized group from the extract above?



- Economic exclusion ✓
- Limited access to resources ✓
- Systemic discrimination ✓ (1)

2.3.2 Name any ONE example of an economically marginalized group.

- Uneducated people ✓
- Rural people ✓
- Disabled people ✓
- Refugees ✓
- School leaving youth ✓ (1)

2.3.3 Briefly describe the term procurement.

The process whereby government buy goods and services it needs to function. ✓✓ (2)
(Accept any other correct relevant response)

2.3.4 Why is Broad-Based Black Economic Empowerment (BBBEE) important to the economically marginalised group?

It helps by ensuring that the number of the previously disadvantaged people (economically marginalised group) in economic participation is increasing. ✓✓ (2)

2.3.5 How does the government contribute towards the upliftment of the lives of the economically marginalized group?

- The government has formulated legislations (laws) that can lead to empowerment of the marginalised groups. ✓✓
- Where possible the government prioritises the purchasing of goods from the previously disadvantaged people such as blacks, women, disabled. ✓✓ (4)

2.4 Briefly discuss the importance of labour as a factor of production to in the country.

- Production cannot take place without labour, as all forms of production need labour to take place. ✓✓
- Wages and salaries earned for providing labour help to buy goods and services needed by households
- Labour that is of higher quality (skill) leads to improved productivity leading to higher economic growth.
- Salaries and wages of workers' form the largest portion of the total income of any country.
- The number of women who are employed has been increasing over the years thereby expanding the contribution of labour as a factor of production.

(Accept any other correct relevant response) (4 x 2) (8)

2.5 How does entrepreneurship contribute to the economic development in the country?

- Ensures that production takes place by combining all other factors of production, they ensure that goods that are used to satisfy human wants and needs are produced. ✓✓
- Big and small businesses create jobs for labour, which is an important factor of production. ✓✓
- Entrepreneurship can be a source of self – employment thereby taking away the reliance on someone to create jobs. ✓✓
- Entrepreneurs ensure that factors of production are used efficiently in producing goods and services. If they do not ensure efficiency they will suffer losses. ✓✓
- Entrepreneurs often make profits which part of it they often save, resulting in the available funds for firms to buy capital goods. ✓✓ (4 x 2) (8)

(Accept any other correct relevant response)

TOTAL SECTION B: 40

SECTION C

QUESTION 3: FACTORS OF PRODUCTION

- Discuss in detail the characteristics of natural resources as a factor production. (26)
- Why are natural resources regarded as important to the economy South Africa? (10)

INTRODUCTION

Natural resources are resources (inputs) that occur in a natural state and are used in the production process. ✓✓

(Accept any other correct relevant introduction) (Max.2)

BODY

MAIN PART

Natural resources are a gift of nature ✓

- Natural resources are provided by nature and no human can make them. ✓✓
- They are sometimes called land because they are found on land (earth). ✓✓
- In order to use them in economic activities they need to be excavated them (minerals), grow them (plants) and harvest them (water). ✓✓

The supply of natural resources is limited ✓

- The quantity of natural resources is fixed to what nature provided. ✓✓
- It is mainly impossible to increase the supply of majority of natural resources. ✓✓
- They are usually scarce than their human demand for them, therefore they can be exhausted. ✓✓
- Some natural resources can be increased but this happen over a long period of time. ✓✓ e.g. trees take many years to grow into forest Uneven distribution. ✓

Natural resources are unevenly distributed across the earth. ✓

- Some countries have more of natural resources than others. ✓✓
- South Africa has a wider supply of variety of minerals while it does not have other resources such as oil. The quality of natural resources can also differ from one region to another. ✓✓

Natural resources need to be processed ✓

- Majority of natural resources cannot be used in their natural state. ✓✓
 - Producers need to use labour and capital to process natural resources. ✓✓
 - This means natural resources are used as raw material in production. ✓✓
- Therefore, countries with skilled labour and good capital are able to change natural resources in to finished goods more efficiently. ✓✓

They are either renewable or non-renewable ✓

- Renewable natural resources are those which can be replaced when exhausted. ✓✓
- For example, trees can be grown to replace forest lost due to deforestation. ✓

- Non- Renewable natural resources are not replaceable when exhausted (depleted) ✓✓ e.g. minerals ✓
(Accept any other correct relevant response) (Max.26)

ADDITIONAL PART:

- Natural resources are used as raw materials which are processed in to finished products. ✓✓
- The production of goods cannot take place without natural resources, ✓✓ For example, to produce television 35 different minerals are required as raw material ✓
- Electricity which is produced from natural resources such as coal is needed in order for any production to take place. ✓✓
- Many job opportunities are created when natural resources are extracted or processed into finished good, ✓✓ For example, to mine gold labourers are needed and to change the gold into jewellery other people such as jewellery designers are employed ✓
- In South Africa, mining and agriculture often employ both unskilled and semi-skilled labour which creates jobs for more people. ✓✓
- Skilled labour is employed in the fields of geology, engineering and surveying which are important for extraction of minerals. ✓✓
- The country earns foreign exchange when natural resources are exported. ✓✓
- South Africa exports variety of its minerals such as gold, diamond etc, and this contributes positively to the country' national income. ✓✓
- Primary sector is concerned with exploitation and extraction of natural resources and is regarded as the backbone of production. ✓✓
- Production in the secondary sector depends largely on the success of the primary sector. ✓✓
- Natural resources improve people's lives by providing beautiful sceneries e.g. forests (God's window), natural parks (Kruger park) etc. ✓✓
- As people take holidays, their stresses melts away as the natural resources such oceans allow them to engage in activities which often leads to relaxation. ✓✓
(Accept any other correct relevant response)
(Allocate a maximum of 4 marks for a mere listing of facts) (Max.10)

CONCLUSION

Efficient use of land, labour, capital, and entrepreneurship drives sustainable economic growth and prosperity. ✓✓

(Accept any other correct relevant conclusion) (Max.2) [40]

TOTAL SECTION C: 40

TOTAL SECTION B: {100}