GAUTENG PROVINCE
EDUCATION
REPUBLIC OF SOUTH AFRICA

PROVINCIAL EXAMINATION

JUNE 2024

GRADE 10

ECONOMICS

PAPER 2

TIME: 1½ hours

MARKS: 100

10 pages

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INSTRUCTIONS AND INFORMATION

1. Answer THREE questions as follows in the ANSWER BOOK.

    - SECTION A: COMPULSORY
    - SECTION B: Answer ONE of the two 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. Read the questions carefully.

5. Start EACH question on a NEW page.

6. Leave 2 – 3 lines between subsections of questions.

7. 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.

8. Use only black or blue ink.

9. You may use a non-programmable pocket calculator.

10. Write neatly and legibly.

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SECTION A: COMPULSORY

QUESTION 1 **20 MARKS – 20 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 numbers (1.1.1 to 1.1.5) in the ANSWER BOOK, e.g. 1.1.6 D.

1.1.1 A monopoly is characterised by …

A differentiation of products.
B perfect information of products.
C homogenous products.
D unique products.

1.1.2 The usefulness of a good or service to satisfy a human need or want.

A Value
B Price
C Utility
D Satisfaction

1.1.3 A complementary product of bread is ...

A rice.
B pizza.
C butter.
D flour.

1.1.4 Which of the following is an example of an indirect tax?

A Companies' Tax.
B Value Added Tax.
C Income Tax.
D Government Tax.

1.1.5 When a minimum price is introduced in an economy, it usually results in …

A a surplus of the product.
B a higher demand for the product.
C a shortage of the product.
D lower prices than the market would provide. (5 x 2) (10)

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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 numbers (1.2.1 to 1.2.6) in the ANSWER BOOK, e.g. 1.2.7 H.

COLUMN A	COLUMN B
1.2.1 Supply	A The use of scientific knowledge for practical purposes.
1.2.2 Equilibrium	B The point where the quantity demanded is the same as the quantity supplied.
1.2.3 Opportunity cost	C The study of the behaviour of individual decision-making units.
1.2.4 Subsidies	D The value of the alternative that you did not choose and gave up when you had to make a choice.
1.2.5 Marginal utility	E Additional satisfaction gained from consuming one extra unit of a good.
1.2.6 Micro economics	F The quantity sold at a certain price within a certain period of time.
	G Payments made by government to promote the production or use of a product or service.

(6 x 1) (6)

1.3 Give ONE term for EACH of the following descriptions. Write only the term next to question numbers (1.3.1 to 1.3.4) in the ANSWER BOOK. Abbreviations, acronyms, and examples WILL NOT be accepted.

1.3.1 A no-fee paying school is part of this sector.

1.3.2 A market with many suppliers who sell homogenous goods.

1.3.3 Markets are not limited to a specific country.

1.3.4 All of the economy's resources are being used effectively. (4 x 1) (4)

TOTAL SECTION A: 20

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SECTION B

Answer any ONE of the TWO QUESTIONS in this section in the ANSWER BOOK.

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

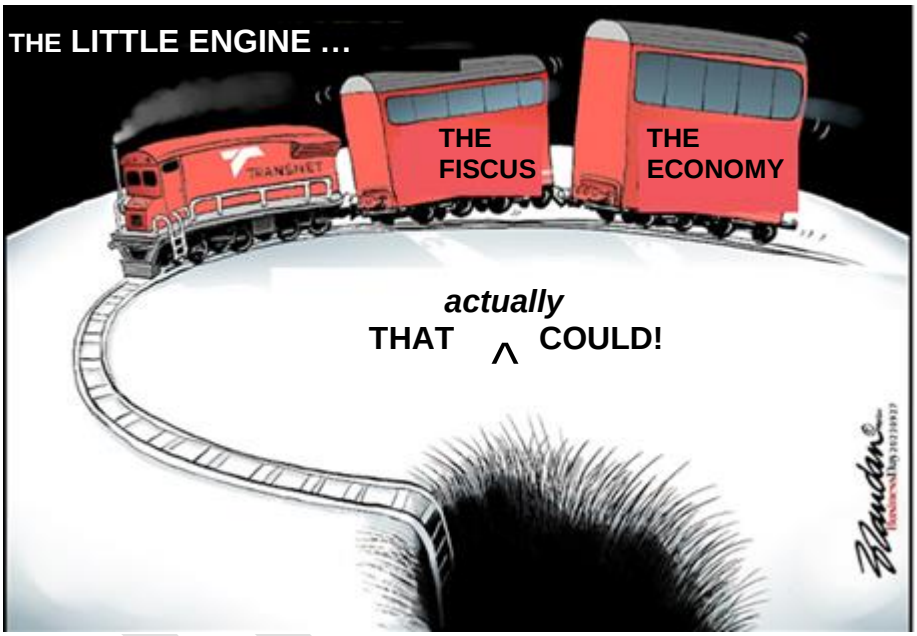
2.1 Answer the following questions.

2.1.1 Name any TWO types of subsidies the government grants. (2 x 1) (2)

2.1.2 Why is it impossible for a single seller to influence the price of a product in a perfect market? (1 x 2) (2)

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

Market structures in South Africa



[Source: *https://www.businesslive.co.za/bd/opinion/2023-09-27-cartoon-transnet-engine-could-derail-sa/*]

2.2.1 Identify the imperfect market structure in which Transnet operates. (1)

2.2.2 Name ONE other company functioning in the above-mentioned market structure. (1)

2.2.3 Briefly explain the term *monopolistic competition*. (2)

2.2.4 What favourable conditions can businesses in the market shown in the cartoon above enjoy? (2)

2.2.5 How is a perfect market characterised based on the *nature of products* and *entry barriers*? (4)

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

Production units of tables and chairs

	Tables	Chairs
Production output (units)	30	0
	20	15
	10	30
	0	50

2.3.1 Identify the number of tables that can be produced when all resources are used to produce chairs. (1)

2.3.2 Name the type of efficiency if all resources are used optimally. (1)

2.3.3 Briefly explain the term *Pareto-inefficiency*. (2)

2.3.4 What is the purpose of the production possibility curve? (2)

2.3.5 Using the table in the case study above, calculate the opportunity cost if 20 tables are produced instead of 10 tables. (*Show all calculations)* (4)

2.4 Explain the *cost of production* and *number of suppliers* as factors that cause a change in quantity supplied. (8)

2.5 Analyse the internal reasons why a production possibility curve will shift outwards. (8)
[40]

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QUESTION 3: MICROECONOMICS **40 MARKS – 30 MINUTES**

3.1 Answer the following questions.

3.1.1 Name any TWO requirements for the establishment of a market. (2 x 1) (2)

3.1.2 Why does the government provide public goods? (1 x 2) (2)

3.2 Study the following table and answer the questions that follow.

Marginal utility of hamburgers eaten

Quantity of hamburgers	Marginal utility
0	0
1st	60
2nd	55
3rd	35
4th	20
5th	5
6th	0
7th	-5

3.2.1 Which hamburger gives the greatest satisfaction? (1)

3.2.2 When will the consumer in the situation above experience diminishing marginal utility? (1)

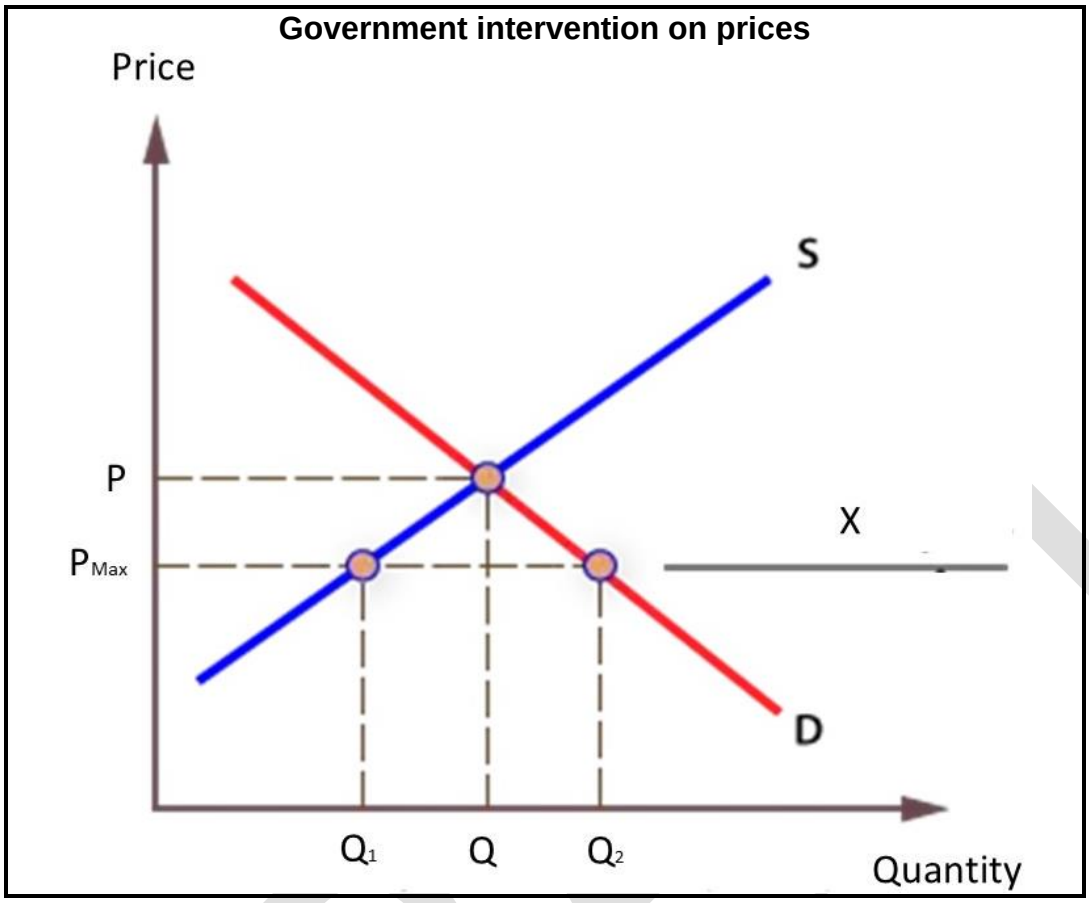
3.2.3 Briefly explain the term *marginal utility curve*. (2)

3.2.4 What is the relationship between utility and the demand for a product? (2)

3.2.5 Use the information from the above table to draw a clearly labelled marginal utility graph. (4)

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



Source: *https://www.economicsonline.co.uk/definitions/maximum_price.html/*]

3.3.1 Identify the concept indicated by the letter "X". (1)

3.3.2 Who sets maximum prices in South Africa? (1)

3.3.3 Briefly explain the term *minimum price*. (2)

3.3.4 Why would the government impose a price lower than the market price? (2)

3.3.5 How would a reduction in taxation benefit the economy? (4)

3.4 Differentiate between complementary and substitute goods. (8)

3.5 How has the implementation of minimum wages advantaged the workers in South Africa? (8)

[40]

TOTAL SECTION B: 40

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SECTION C

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

Your answer will be assessed as follows:

STRUCTURE OF ESSAY	MARK ALLOCATION
Introduction The introduction is a lower-order response. • 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
Body: **Main part:** Discuss in detail/In depth discussion/Examine/Critically discuss/Analyse/Compare/Evaluate/Distinguish/Explain/Assess/Debate	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/Use the information and argue/Debate/Evaluate	Max. 10
Conclusion Any relevant higher order conclusion that should include: • A brief summary of what has been discussed/analysed without repeating facts already mentioned in the body • An 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**

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QUESTION 4: MICROECONOMICS **40 MARKS – 40 MINUTES**

- Discuss, in detail, price formation under the following headings:
  - Equilibrium point, price, and quantity
  - Change in demand
  - Change in quantity (26 marks)
- Evaluate the role technology plays in supply, demand and the price of goods and services. (10 marks) **[40]**

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

- Discuss in detail the methods government use to intervene in the economy. (26 marks)
- Evaluate why government needs to intervene in the economy. (10 marks) **[40]**

TOTAL SECTION C: 40

TOTAL: 100

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END