

SENIOR SECONDARY IMPROVEMENT PROGRAMME 2013



GAUTENG PROVINCE

Department: Education

REPUBLIC OF SOUTH AFRICA

GRADE 12

ECONOMICS

LEARNER HOMEWORK SOLUTIONS

The SSIP is supported by



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LEARNER HOMEWORK SOLUTIONS

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SOLUTIONS TO HOMEWORK: SESSION 12
TOPIC 1: KINDS OF INFLATION
QUESTION 1:
17 minutes
(Taken from The Answer Series)

- 1.1 It is a continuous process. ✓✓
 It refers to a rise in prices in general. ✓✓
 It involves a considerable increase in prices. ✓✓
 It causes a decline in the purchasing power of money. ✓✓ (Any 3 x 2) (6)

- 1.2 Consumer inflation ✓✓
 Producer's inflation ✓✓
 All-inclusive inflation ✓✓
 Hyper inflation ✓✓
 Stagflation ✓✓
 Demand-pull inflation ✓✓
 Cost-push inflation ✓✓ (Any 3 x 2) (6)

- 1.3 Caused by an increase in the cost of production. ✓✓ Increased costs "push up" the price level. ✓✓

Affected by:

- Wages (increases in wages and salaries). ✓✓
- Increase in price of key imported inputs. ✓✓
- Exchange rate depreciation. ✓✓
- Increase in profit margins. ✓✓
- Decrease in productivity for the same remuneration. ✓✓
- Natural disasters. ✓✓

(16)

[28]

TOPIC 2: MEASURES TO COMBAT INFLATION**QUESTION 1:****17 minutes***(Taken from The Answer Series)*

1.1 Debtors✓✓
 Government✓✓
 Investments with flexible market value.✓✓ (6)

1.2 Increase in the money supply.✓✓
 Increase in the input costs.✓✓
 Market failure.✓✓
 Imported inflation.✓✓
 Weaker exchange rate.✓✓
 Decline in productivity.✓✓
 Trade unions.✓✓
 (Any 3 x 2) (6)

1.3 *Fiscal measures:*

- Increase direct taxes.✓✓
- Increase indirect taxes.✓✓
- Reduce government spending.✓✓
- Introduce measures to increase productivity, e.g. tax rebates.✓

Monetary measures:

- Increase interest rates of banks.✓✓
- Decrease money supply.✓✓
- Decrease availability of credit from banks.✓✓
- Decrease currency control.✓✓

(16)

[28]

SOLUTIONS TO HOMEWORK: SESSION 13
TOPIC 1: EFFECTS OF TOURISM
QUESTION 1:
20 minutes
(Taken from The Answer Series)

- 1.1 Factors responsible for the growth of *domestic tourism*: ✓✓
- South Africa has a wide range of tourist attractions.
 - Many South Africans cannot afford to travel abroad. ✓✓
 - Improved infrastructure.
- South Africa scores well in terms of *international tourism* competitiveness because of: ✓✓
 - The already well-established network of national parks and private nature reserves are in line with the demands of the increasingly environmentally sensitive visitor.
 - Some companies are already leaders in global best practice in eco-tourism, while others have created Disneyland-like attractions (e.g. Gold Reef City, Sun City). ✓✓
 - The recent successful political transformation in South Africa has opened the country's tourism potential to the rest of the world.
 - The fastest growing sector of tourism is *eco-tourism*. ✓✓ This includes nature photography, botanical studies, bird watching, snorkelling and hiking. ✓✓
 - *Community tourism* is becoming increasingly popular: ✓✓ tourists want first-hand experience of what it is like to live in townships and rural villages. ✓✓ (16)
- 1.2 *GDP* ✓✓
- Tourism impacts *directly* more on the services industry than on agriculture or manufacturing.
 - Although there is an upstream effect, e.g. foodstuffs provided to restaurants and manufacturing providing vehicles, this is the *indirect* effect. ✓✓
 - Estimates for 2005:
 - Direct impact: 3.5% of GDP
 - Indirect impact: 9% of GDP ✓✓
- Employment* ✓✓
- World Travel and Tourism Council (WTTC) figures for 2002:
 - Direct contribution: 3% of the economy's workforce (±492,000 jobs). ✓✓
 - Indirect contribution: 6.9% of the economy's workforce (±1.2 million jobs).
 - But tourism has been affected by a general overall reduction in employment due to:
 - Stricter labour laws that make employers wary of employing new staff because it is difficult to shed unneeded workers later. ✓✓
 - A general worldwide trend towards substituting capital for labour where possible.

Poverty✓✓

- Advantages:
 - Tourism includes many services which are labour intensive and so create employment.
 - Tourism can be seen as an investment by foreigners. ✓✓
 - Owing to BEE and other support schemes, the poorer sectors of society are being increasingly included in the national economy.
- Disadvantages:
 - If tourism is not controlled it can lead to displacement and loss of natural resources.
 - A massive influx can lead to overcrowding and price increases. ✓✓
 - Tourism can lead to socio-economic problems, e.g. prostitution.
 - Establishing resorts, etc under foreign ownership can harm local tourist operators.

Externalities✓✓

- Affected: Mainly individuals✓✓
 Government and collective welfare
 - Type of effects: Economic effects✓✓
 Social effects
 Environmental effects
- (4 x 4) (16)
[32]

TOPIC 2: BENEFITS OF TOURISM / EFFECTS OF TOURISM**QUESTION 1:****14 minutes***(Taken from The Answer Series)*

- 1.1 Robben Island✓✓
Drakensberg✓✓
Congo Caves✓✓ (6)

1.2 *Households*✓✓

- Households benefit through:
 - Income as salaried employees or owners of businesses. ✓✓
 - Improved infrastructure. ✓✓
 - Skills: tourism requires skills which require education and training. ✓✓

Businesses✓✓

- The most important sectors of the tourism industry are:
 - The tourism development sector (e.g. SATour). ✓✓
 - The travel sector. ✓✓
 - The travel organisers (e.g. travel agents and tour guides). ✓✓
 - The destination sector- the places to which tourists travel. ✓✓
 - The accommodation sector. ✓✓
 - The industrial and commercial sector (e.g. restaurants, shops). ✓✓
 - The attraction sector – tourist entertainment and places to visit. ✓✓

(2 x 8) (16)
[22]

SOLUTIONS TO HOMEWORK: SESSION 14
TOPIC 1: THE STATE OF THE ENVIRONMENT
QUESTION 1: 15 minutes
(Taken from The Answer Series)

1.1.1 True ✓✓

1.1.2 True ✓✓

(4)

 1.2 Conservation: the sustainable use and management of natural resources. ✓✓
 Preservation: Preserving the general environment and keeping it as habitable as possible for people and animals. ✓✓

(4)

1.3 Air pollution ✓✓

- The accumulation in the atmosphere of substances that, in sufficient concentrations, endanger human health or produce other measured effects on living matter and other materials. ✓✓
- E.g. noise pollution, tobacco smoke, exhausts fumes, combustion of coal, acid rain. ✓✓
- Negative consequences include: increasing ill health, green house gases, global warming, and ozone depletion. ✓✓

Water pollution ✓✓

- The introduction into fresh or ocean waters chemical, physical or biological materials that degrade the quality of the water and affect the organisms living there. ✓✓
- E.g. industrial affluent, agricultural and mining waste, sewage disposal and household waste. ✓✓

(16)

[24]
TOPIC 2: MEASURES TO ENSURE SUSTAINABILITY
QUESTION 1: 15 minutes
(Taken from The Answer Series)

1.1.1 False ✓✓

1.1.2 True ✓✓

1.1.3 True ✓✓

1.1.4 False ✓✓

(8)

1.2 World Wildlife Fund ✓✓

Green Trust ✓✓

Earthlife Africa ✓✓

(6)

1.3 recycling ✓✓

using public transport ✓✓

conserving electricity ✓✓

(6)

[20]

SOLUTIONS TO HOMEWORK: SESSION 15
TOPIC: CONSOLIDATION

QUESTION 1: 22 minutes

(Taken from The Answer Series)

1.1 Choose the correct answer in brackets:

1.1.1 Hyperinflation ✓✓

1.1.2 CPIX ✓✓

1.1.3 CPIX ✓✓

1.1.4 Debtors ✓✓

1.1.5 Flexible ✓✓

1.1.6 Governor of the SARB ✓✓

1.1.7 Repurchasing rate ✓✓

1.1.8 9% ✓✓

1.1.9 Cost-push ✓✓

1.1.10 Process ✓✓

(10 x 2) (20)

1.2 True or False

1.2.1 False ✓✓

1.2.2 True ✓✓

1.2.3 True ✓✓

1.2.4 True ✓✓

1.2.5 False ✓✓

1.2.6 False ✓✓

1.2.7 True ✓✓

1.2.8 False ✓✓

(8 x 2) (16)

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SOLUTIONS TO HOMEWORK: SESSION 16**TOPIC: CONSOLIDATION****QUESTION 1:****18 minutes***Taken from DOE Nov 2008*

- 1.1 money market / money ✓
- 1.2 deregulation ✓✓
- 1.3 social security grants ✓✓
- 1.4 central bank ✓✓
- 1.5 foreign exchange market / foreign exchange ✓✓

Taken from DOE Nov 2009

- 1.6 Medium-Term Expenditure Framework ✓✓
- 1.7 Petrol ✓✓
- 1.8 Skills Support Programme ✓
- 1.9 Stats SA ✓✓
- 1.10 Global warming ✓✓

Taken from DOE Nov 2010

- 1.11 Gross Domestic Product (GDP) ✓✓
- 1.12 Depression ✓✓
- 1.13 Unregulated market ✓✓
- 1.14 Black Economic Empowerment (BEE) ✓✓
- 1.15 A good infrastructure ✓✓

Taken from DOE Nov 2011

- 1.16 dumping ✓✓
- 1.17 demerit goods ✓✓
- 1.18 disequilibrium ✓✓
- 1.19 economic indicator ✓✓
- 1.20 conservation ✓✓

(20 x 2) [40]