



**PROGRAM** : **NATIONAL DIPLOMA**  
***TOWN AND REGIONAL PLANNING***

**SUBJECT** : **ECONOMICS FOR PLANNERS III**

**CODE** : **DPTA311**

**DATE** : EXAMINATION MAIN PAPER  
31 MAY 2019

**DURATION** : 3 HOURS

**WEIGHT** : 50:50

**TOTAL MARKS** : 100

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**MODERATOR** : DR CHARLES NTUI

**NUMBER OF PAGES** : 7 (Seven)

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**INSTRUCTIONS** : This paper is divided into two parts (A) and (B). Part A is a multiple-choice questions. Part B is essay questions. Candidates are expected to answer all the questions in both Part A and B.

**REQUIRED** : Use ruler, pencil, calculator and graphs where necessary.

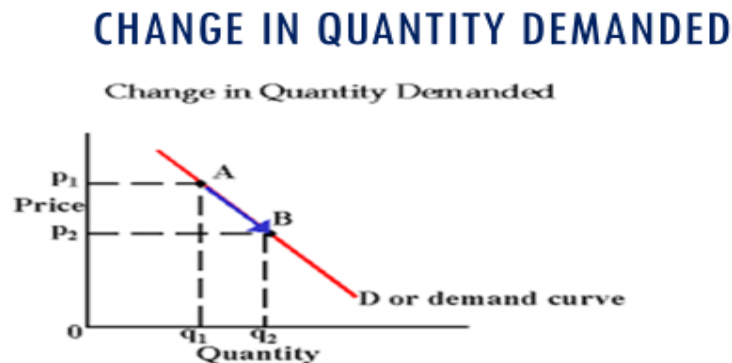
## Section A (20 Marks – Answer all Questions)

- 1 Select among the list below NONE State Owned Entities (SOEs):
  - (a) MTN, SASOL, VODACOM
  - (b) ESKOM
  - (c) PRASA, TRANSNET, SAA
  - (d) TELKOM
  - (e) None of the above
- 2 Equilibrium in Economics is a situation when:
  - (a) Supply is above the Demand
  - (b) Demand is in Excess of Supply
  - (c) Demand and Supply are both increasing
  - (d) Demand and Supply are equal and the same
  - (e) All of the above
- 3 Private Limited Liability Company (PTY) as a Business Organization:
  - (a) Liability of members are limited to the investment
  - (b) There are shareholders
  - (c) It can raise capital quickly and fast
  - (d) They file Annual Returns
  - (e) All of the above
- 4 Which of this is a function of money
  - (a) It is and serve as a medium of exchange
  - (b) It only serve as cheque book
  - (c) It helps to provide goods and services only
  - (d) It is an aspect that support trade and industry only
  - (e) None of the above
- 5 Unemployment can be defined in Economics as
  - (a) All the people who are looking for job
  - (b) Those who need job but are not willing to apply for it
  - (c) People who are able, qualified and prepared to work but cannot find job
  - (d) Students who graduated and are out of school
  - (e) All of the above.
- 6 The School of thought or Philosophers that believed in “Socialism” is
  - (a) Marginalist School of thought
  - (b) Institutional School of thought
  - (c) Marxist School of thought
  - (d) Keynesian School of thought

- (e) Classical School of thought
- 7 Which of the following is not a factor that influences Demand?
- (a) Death Rate
  - (b) Population
  - (c) Supply of sugar
  - (d) Macro Economics Principles
  - (e) How rich a country is
- 8 The reward for Labour as a Factor of Production is
- (a) Profit
  - (b) Rent
  - (c) Wages and Salaries
  - (d) Interest that it yields to owners
  - (e) A & B
- 9 One of the examples of Direct Tax in South Africa is called
- (a) Income tax.
  - (b) Corporate tax
  - (c) Fines and Levies
  - (d) Import Tax
  - (e) All of the above
- 10 GDP is defined as?
- (a) All goods and services supplied to other countries in a given period usually a year
  - (b) All goods and services produced by all the people in South Africa
  - (c) All final goods and services produced in a given country at a particular period usually a year
  - (d) All foreign goods supplied to South Africa from other countries in a year calculated by Statistics South Africa.
  - (e) B and D
- 11 What is Production Possibilities Curve?
- (a) The best combination of resources to achieve optimal output
  - (b) The Law of Supply and Demand
  - (c) Production at X is both attainable
  - (d) Decreasing Opportunity Cost
  - (e) Opportunity Cost that considers all factors.

- 12 In a Private Limited Liability Company (Pty) profit is described as
- (a) Gain that need to be spent
  - (b) Dividend
  - (c) Excess Supply that can be distributed
  - (d) Interest
  - (e) Loss not well calculated
- 13  $GDP = C + I + G (X - M)$  What is the value of the GDP if  $C=60,000$ ;  $G=54,000$ ;  $I=150,000$ ;  $X=20,000$  and  $M=30,000$
- (a) R2,640,000,000.00
  - (b) R2,740,000,000.00
  - (c) R265,000,000.00
  - (d) -R2, 640,000,000.00
  - (e) -R2,740,000,000.00
- 14 The type of Unemployment in South Africa that affects Town and Regional Planners is
- (a) Structural
  - (b) Frictional
  - (c) Cyclical
  - (d) Seasonal
  - (e) All of the above
- 15 One of the major sources of Government revenue is through
- (a) Reserve Bank
  - (b) Selling of RDP Houses
  - (c) Taxation
  - (d) Increase in Inflation
  - (e) None of the above
- 16 The rate of Unemployment is expressed as
- (a) The number of the unemployed as a percentage of labour force
  - (b) The total number of the unemployed alone
  - (c) The labour force as a percentage of the unemployed
  - (d) The total number of school leavers not getting job
  - (e) All of the above

17 Interpret the correct meaning of the graph below?



- (a) P1 to P2 is a decrease in Price
- (b) Q2 to Q1 is a decrease in Quantity
- (c) Q1 to Q2 is an increase in the Price
- (d) A & B only
- (e) All of the above

18 Economics can be defined as

- (a) Cooperatives strive to provide services and not profit
- (b) It is the use of resources in a careless way
- (c) It is the problem of Demand and Supply ONLY
- (d) The Social Science that is concerned with the use of scarce resources to satisfy human wants that are unlimited.
- (e) The problem of Opportunity Cost ONLY.

19 National Income Accounting is one of the barometers that is used to calculate

- (a) The increase in demand in the country
- (b) The general economic activity and prosperity
- (c) The total population of the country
- (d) Aggregate level of production and distribution
- (e) B and D

20 Supply is a situation where

- (a) As the price of a good or service increases, the supplier will be willing to supply less into the market, ceteris paribus

- (b) As the price rises the quantity demanded will fall
- (c) The Demand and the Supply interlock
- (d) There is a direct relationship between the price and the quantity supplied
- (e) None of the above

## **SECTION B (80 Marks - Answer all Questions)**

1. With the aid of an annotated diagram, describe the term Supply in Economics. [12 Marks]
2. Explain the Meaning of the Subject Economics and why is the subject of particular interest to the Town and Regional Planners [12 Marks]
3. What is Unemployment? Discuss the solutions to the problem of Unemployment in South Africa [16 Marks]
4. Write an Essay about the Mixed Economic System by Maynard Keynes [20 Marks]
5. What is GDP? Explain thoroughly the Benefits associated with GDP Accounting in South Africa as compared to other countries [20 Marks]

**TOTAL MARKS**

**[100]**