



## EXAMINATIONS AND ASSESSMENT CHIEF DIRECTORATE

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# 2018 NSC CHIEF MARKER'S REPORT

<b>SUBJECT:</b>	<b>ECONOMICS</b>
<b>PAPER:</b>	<b>2</b>
<b>DURATION OF PAPER:</b>	<b>2 HOURS</b>
<b>DATES OF MARKING:</b>	<b>30/11/2018 – 14 /12/2018</b>

### SECTION 1: (General overview of Learner Performance in the question paper as a whole)

Number of candidates who wrote the NSC 2018 Economics P2 dropped from 22 615 to 17 279. This may be attributed to Multiple Examination Opportunities as per the majority of reasons given in the absent forms submitted.

The performance in the paper has improved compared to 2017, although there is need to improve the quality of results.

#### OVERALL ACHIEVEMENT RATES IN ECONOMICS PAPER 2

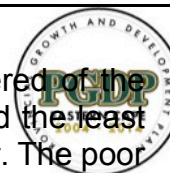
YEAR	No wrote	% not achieved (0-29%)	% achieved (30 – 39%)	% achieved (40% and above)
2018	17 289	40.1	23.9	36

#### SECTION A

This section has been performed very well, with an average of 62% according to the randomly 100 scripts recorded. Economic concepts were easily understandable by most learners as they managed to obtain maximum marks. This shows a great improvement in understanding the concepts in all concepts including 1.3 which was mostly under performed in previous examinations.

#### SECTION B

Most answered question is Question 3. Question 2 was the least answered of the choice questions. Candidates performed better in Q3, followed by Q2 and the least performed is Q4 which has a combination of the two modules for this paper. The poor choice of Question 2 is on the questions on graphs, learners have to answer on the question, 2.3 and 2.4. Candidates still struggle with responding to questions based on graphs. Higher order questions (2.5 -3.5-and 4.5) which are a norm in this paper cause



a challenge for candidates as they cannot apply their knowledge. These questions require insight which is a struggle for a lot of candidates. Most of the candidates do not write full sentences and lose marks on single word answers for these questions as they in higher order.

### SECTION C

Most answered question is Question 6 which is on Contemporary Economic Issues, with performance averaging at 45%. Candidates performed well in this question. Performance would have been better if it was not for marking guideline inconsistency in marking of essays, where in one examination a statement would be awarded 2 marks and in the next for the same statement, one mark is allocated (November 2015 and November 2018). This defeats the purpose of advising learners to use previous examination question papers to prepare for the examination.

Question 5 was poorly answered. Those who chose the essay did not perform well. Candidates are still struggling with questions that require graph analysis and interpretation.

Few candidates who still do not follow the structure of writing the essay.

The additional part which is of a high cognitive level is poorly answered as it requires insight.

### SECTION 2: Comment on candidates' performance in individual questions

(It is expected that a comment will be provided for each question ).

QUESTION 1
(a) General comment on the performance of learners in the specific question. Was the question well answered or poorly answered?
A compulsory question in the question paper. Well answered with a good performance.
1.1 Multiple choice question – very few learners left blank spaces. The removal of the answer sheet also removed confusion and incorrect numbering to the question. Very few learners provided more than one answer.
1.2 Match columns – A well performed question with excellent marks for most candidates. Very few learners still answer using the table format to answer the question.
1.3 Performance based on the randomly picked 100 scripts shows average of

59% which is a fair performance.

(b) Why the question was poorly answered? Also provide specific examples, indicate common errors committed by learners in this question, and any misconceptions.

1.1 Multiple choice question.

1.1.2 Learners failed to understand the question as it referred to a “**pure oligopoly**”

1.1.4 Most learners chose option A(monopolistic competitive), because the response is more of monopolistic competition than perfect market and this is evident from page 131 Enjoy Economics states which states that “the type of market we are discussing has **little in common** with the local flea market or fresh produce market”.

1.3.1 Candidates cannot differentiate between fixed and variable costs.

1.3.3 Candidates respond with **marginal cost** although the question clearly states **revenue**

1.3.4 Candidates cannot not differentiate between stagflation and hyperinflation. Candidates also struggle with correct spelling of stagflation, this is due to language barrier they experience

1.3.5 Candidates responded with natural resources instead of renewable resources.

All this points to lack of knowledge on economic concepts.

(c) Provide suggestions for improvement in relation to Teaching and Learning

- Candidates should write only the letter next to the correct number.
- They should be aware that no mark will be awarded for two answers provided , the first answer is taken even if is incorrect.
- Candidates should practice reading the whole question for proper understanding of the question.
- Candidates still do not understand and comprehend concepts. This should be incorporated as an everyday class activity. Playing around with 1.1 and 1.2 questions as part of revision, where learners are given the statements and answers removed.
- Choosing answer before looking at the options given makes candidates

not to perform well.

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## QUESTION 2

(a) General comment on the performance of learners in the specific question. Was the question well answered or poorly answered?

The question was not popular with candidates as with previous years.

The performance was not good and averaged 21% as per 100 scripts randomly selected and recorded.

(d) Why the question was poorly answered? Also provide specific examples, indicate common errors committed by learners in this question, and any misconceptions.

2.1.1 Some candidates failed to give examples of natural monopolies and gave barriers to entry instead. Most could not give the two examples and gave only Eskom as an answer.

2.1.2 Most candidates could not give the main purpose of markets. This a middle to high order question. This can be attributed to lack of understanding of concepts and integration of previous grades work as this forms part of grade 9 work.

2.2.1 – 2.2.2 Candidates did not know the role of the institutions. They confused the roles with the aims. For 2.2.2 they gave 'administration of the Act' taken from the extract as an answer as the role of the Competition Appeal Court which was not relevant.

2.2.5 Candidates responded by giving the aims of the competition policy instead of discussing the success of the competition policy of South Africa, may be candidates could have performed better if the question was phrased as " evaluate the success so as to allow them to give both positive and negative responses.

2.3.1 – 2.3.2 Learners failed to identify the selling price and the loss – minimizing point from the graph. They could not explain why the equilibrium position in the graph represents a short run.

2.3.5 They failed to calculate the loss for the business as they could not identify Total Revenue and Total Costs. Very few were able to get the full 4 marks for

the question.

2.4 Learners were unable to draw the correct graph to explain the shut – down point for the individual firm in a perfect market. Many copied the Monopoly graph in 2.3 and included a horizontal demand curve. Others failed to draw the AVC curve to correctly indicate the shutdown point. They also lost marks for not correctly labelling the curves. They incorrectly drew and labelled the AC as the AVC. With the explanation, many lost marks as they could not express themselves or referring to an incorrect graph. Those who managed to get part of the marks gave general explanation not related to the graph. Others did not even draw the graph.

2.5 Many candidates explained what collusion is. Those who attempted the question only gave either the positive or negative instead of both as required by the question. This is a higher-order question which required application within a certain context. Candidates lost marks by merely listing. Many failed the question.

(e) Provide suggestions for improvement in relation to Teaching and Learning

Linking classroom learning with real world examples.(using newspaper clips, internet)

Teaching of concepts should be inter-phased (GET – FET integration)

New changes should be made known to all concerned and communicated in time. The examination guideline should be amended to include the new changes in the data response questions.

Role of the three institutions be made clear during teaching through the use of daily exercises in class.

When teaching economic profit and profit maximization, reference to be made to economic loss and loss minimizing. Include calculations and use of correct formula.

Learners must understand Topic 6 ( Cost and Revenue curves)in Grade 11 and be revised in Grade 12

Continuously assess the drawing and interpretation of graphs using data response questions in order to improve understanding and performance.

Learners need to be aware of the requirements of a higher-order question.

Assessments based on these questions should be such that learners clearly understand the mark allocation.

<b>QUESTION 3</b>
(a) General comment on the performance of learners in the specific question. Was the question well answered or poorly answered?
Most answered question in Section B with poor performance on higher order questions.

(b) Why the question was poorly answered? Also provide specific examples, indicate common errors committed by learners in this question, and any misconceptions.
3.1.1 Most learners failed to give the examples of consumer inflation. Learners gave responses like food and petrol. This was due to the use of examples instead of types in the question.
3.1.2 Most candidates confused preservation, conservation and environmental sustainability.
3.2 learners could not give a reason for the decrease in the inflation rate. Many responses given were employment / unemployment as the reason. They could not explain how price stability affects the economy positively with some explaining negative impact
3.3 Candidates have no clue to what environmental problems are. They gave vague responses to 3.3.2, some referring to human illnesses. They were not able to identify the type of pollution with some referring to business pollution. Learners did not understand what food security is even though it was further explained in brackets. They failed to link environmental subsidies to ensuring sustainable development, they referred to subsidies given to producers to lower the cost of production in general.
3.5 Most could not respond correctly to the question. Those who tried answering gave examples on the international agreements. Most seemed to have no understanding of the concept of climate change.

(c) Provide suggestions for improvement in relation to Teaching and Learning
Syllabus coverage on Environmental Sustainability to be covered early and allow enough time for revision.
More activities on the concepts to enhance understanding
These topics relate to newspaper articles and statistics. Teachers are encouraged to make reference to this data when teaching the topics. Data response questions should not merely require learners to copy answers from the given data, but allow learners to be able to apply content in context.

<b>QUESTION 4</b>
(a) General comment on the performance of learners in the specific question. Was the question well answered or poorly answered?
The question was poorly answered by most learners.

(b) Why the question was poorly answered? Also provide specific examples, indicate common errors committed by learners in this question, and any misconceptions.
4.1.1 Learners failed to give correct examples of hazardous waste. Responses included litter and paper. They do not understand the composition of what constitutes hazardous waste.
4.12 Candidates compared merit and demerit goods instead of answering the question. They could not differentiate between merit and demerit goods.
4.2 .1 Candidates were not able to use the data as a clue to respond to the questions. Responses included “Rainbow Chicken and County Fair” instead of referring to chicken sold in a fast food restaurant . Responses for 4.2.3 and 4.2.4 were similar and learners confused them and could not provide proper responses hence they did not score marks. 4.25 responses included increase in costs which result in economic profit disappearing and explaining about the characteristics of monopolistic competitor.
4.3.1 Some did not understand what rhino poaching is. Interpretation of the bar graph was difficult for some as they could not identify the year when rhino poaching was at its worst and could not determine the reason for rhino poaching.
4.3.3 Concept of biodiversity was confused with preservation, conservation and environmental sustainability such that candidates provided same responses.
4.3.5 Most learners were confused by the question as their responses were



vague. Responses included benefit of money when they kill the rhinos and the clean environment. Most could only get 50% of the marks.

4.4. Most failed to draw the correct graph, labelling was also incorrectly done. Candidates included cost curves in the graph which were also incorrectly labelled. In most cases they would have only one graph, usually of the individual firm. Some even copied the one in 2.3.

4.5 Most gave explanation on demand – pull and cost- push instead of explaining how households contribute to a lower inflation rate.

(c) Provide suggestions for improvement in relation to Teaching and Learning

Educators should enhance the learning of concepts and ensure that syllabus is completed in time to allow for revision.

Expose learners to different questions on the same topic and guide them on the interpretation of questions.

#### QUESTION 5

(a) General comment on the performance of learners in the specific question. Was the question well answered or poorly answered?

Very poorly answered and those few who chose the question, did not perform well.

(b) Why the question was poorly answered? Also provide specific examples, indicate common errors committed by learners in this question, and any misconceptions.

#### INTRODUCTION

Most gave the relevant introduction but there are some who confused market failure with public sector failure and therefore lost marks.

#### MAIN PART

The drawing of the graphs posed a major challenge to candidates. It is very evident that they do not understand the concept of maximum prices, producer subsidies and minimum wages. Some candidates drew a graph shown in the additional part. Others indicated the maximum price above equilibrium instead of

below. With producer subsidies they could not show the increase in supply. Incorrect labelling of the curves and not labelling at all. Interpretation of graphs is also a major challenge. Some wrote the equilibrium positions of a perfect market. They also discussed the causes of market failure.

#### ADDITIONAL PART

Many candidates misinterpreted the question. Most reproduced the graph, and gave an explanation of what a negative externality is with examples.

(c) Provide suggestions for improvement in relation to Teaching and Learning

Get learners to practice the drawing of graphs and assessing for accuracy in labelling them, emphasis on differences on minimum wages, maximum prices and minimum prices. The effects of producer subsidies and taxation on supply and prices. This should be thought thoroughly in grade 10 and revised intensively in grade 12.

#### QUESTION 6

(a) General comment on the performance of learners in the specific question. Was the question well answered or poorly answered?

A well answered question by the majority of learners. Most earned very good marks though some were disadvantaged by how the ticks were awarded in the marking guideline.

(b) Why the question was poorly answered? Also provide specific examples, indicate common errors committed by learners in this question, and any misconceptions.

#### INTRODUCTION

Though most could give the correct introduction, there were instances where they gave incomplete introduction. Some just wrote that tourism is movement of people, while some referred to people who leave the country.

#### MAIN PART

Learners could not give full explanation to get the full marks. Example, 'tourism is labour intensive' was regarded as one mark and was regarded as an incomplete sentence

ADDITIONAL PART

Most did not understand the question and only gave examples of heritage sites and tourist attraction areas. They also repeated what was already discussed in the body, especially the provision of employment.

CONCLUSION.

Repetition of the main part of the essay.

(c) Provide suggestions for improvement in relation to Teaching and Learning

The Examination guidelines to be amended so as to cater for the new changes in the data response questions.

Consistency in the marking of essays, what constitutes one mark or two marks.

(d) Describe any other specific observations relating to responses of learners and comments that are useful to teachers, subject advisors, teacher development etc.

Planning to give each topic enough time for syllabus coverage.

Amendments to the exam guideline to incorporate new changes as they arise and this to be made available to educators in ample time to use in preparing the learners.

Standardization of mark allocation in the marking of essays.

What is taught in class should be linked with real life situations to enable learners to respond to higher order questions.

Regular assessments to familiarize learners with different types of questions.

Topics taught in Grade 10 and 11 that link with Grade 12 should be taught to prepare them – syllabus coverage in all grades should be monitored.





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