

Grade 7 EMS Worksheet

Assessment Task: The Economic Cycle

Formal Assessment Task 1 (Individual activity)

Activity 1: Business activities in your community

Do a survey of the business activities in your community. List the following information in the table below:

a) List two primary sector business activities and indicate whether these form part of the informal or the formal business sector. If there is no primary sector business activity in your community, write down two examples you can think of, followed by the words 'for example'.
[2 marks]

b) List three secondary sector business activities and indicate whether these form part of the informal or the formal business sector. If there is no secondary sector business activity in your community, write down three examples you can think of, followed by the words 'for example'.
[3 marks]

c) List five tertiary sector business activities and indicate whether these form part of the informal or the formal business sector.
[5 marks]

	Primary sector	Secondary sector	Tertiary sector
Informal sector			
Formal sector			

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Activity 2: Economic activities and participants

Identify the economic activities and participants involved in producing mealie pap. Fill in the information on the worksheet below. The answers to the first step have been completed to assist you.

Worksheet: Economic activities and participants involved in producing mealie pap

Step 1: Producing maize (planting and harvesting)

a) Economic sector (primary, tertiary, secondary): Primary sector [1mark]

Reason for your answer: The primary sector of the economy harvests products from the earth. This includes the production of raw material and basic foods. Agriculture is therefore a primary sector activity.

[2 marks]

b) Give three examples of each of the factors of production involved in this step of production.

[4 x 3 = 12marks]

Raw materials: seed, fertiliser, water and land, which are all the inputs necessary to produce maize (any three) [3 marks]

Labour: farm workers, farmer and transport drivers who do the physical labour to produce the maize (any three) [3marks]

Capital: planter, tractor, harvester, irrigation equipment, dam and farm, without which production cannot take place (any three) [3 marks]

Entrepreneurship: farmer, silo owner, transporter and cooperative where grain is stored (any three) [3 marks]

c) Indicate how each of these economic participants is involved in the production of maize:
Household: The household creates the demand for the product. They also provide the labour to work on the farm to produce the maize.

Business enterprises: The farm is a business enterprise. The silo where the grain is stored is also a business enterprise and so is the transport business that transports the maize. There are also businesses who rent out harvesters during harvest time.

Government: Government can participate in the production of maize when they provide disaster relief to farmers, or when they make land available to previously disadvantaged people for agricultural purposes.

Step 2: Producing maize meal (milling and packaging)

a) Economic sector (primary, tertiary, secondary): [1 mark]

Reason for your answer: [2marks]

b) Give three examples of each of the factors of production involved in this step of production.

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	[4 x 3 = 12marks]
Raw materials	[3marks]
Labour:	[3 marks]
Capital:	[3 marks]
Entrepreneurship:	[3 marks]
c) Indicate how each of these economic participants is involved in the production of maize:	
Household:	
Business enterprises:	
Government:	[3 marks]
Step 3: Supplying maize meal to retailers	
a) Economic sector (primary, tertiary, secondary):	[1 mark]
Reason for your answer:	[2 marks]
b) Give three examples of each of the factors of production involved in this step of production.	
	[4 x 3 = 12 marks]
Raw materials:	[3marks]
Labour:	[3 marks]
Capital:	[3 marks]
Entrepreneurship:	[3 marks]
c) Indicate how each of these economic participants is involved in the production of maize:	
Household:	
Business enterprises:	
Government:	[3 marks]
Step 4: Selling maize meal to households	
a) Economic sector (primary, tertiary, secondary):	[1 mark]
Reason for your answer:	[2 marks]
b) Give three examples of each of the factors of production involved in this step of production.	
	[4 x 3 = 12 marks]
Raw materials:	[3 marks]
Labour:	[3 marks]
Capital:	[3 marks]
Entrepreneurship:	[3 marks]
c) Indicate how each of these economic participants is involved in the production of maize:	
Household:	
Business enterprises:	
Government:	[3 marks]
Step 5: Buying maize meal and making mealie pap for a household	
a) Economic sector (primary, tertiary, secondary):	[1 mark]
Reason for your answer:	[2 marks]

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b) Give three examples of each of the factors of production involved in this step of production:	[4 x 3 = 12 marks]
Raw materials:	[3 marks]
Labour:	[3 marks]
Capital:	[3 marks]
Entrepreneurship:	[3 marks]
c) Indicate how each of these economic participants is involved in the production of maize:	
Household:	
Business enterprises:	
Government:	[3 marks]

Activity 3: The economic cycle in our community

Draw a diagram and explain how the economic cycle operates in your community. You will be assessed with the rubric below.

Teacher assessment rubric

Criteria					Marks
Information included in diagram: economic cycle in your community: market participants [Marks out of 5]	The diagram includes all five economic participants. [5 marks]	The diagram includes four economic participants. [4 marks]	The diagram includes three economic participants. [3 marks]	The diagram includes one or two economic participants. [1 or 2 marks]	
Information included in diagram: economic cycle in your community. How participation takes place: Households provide labour [1 mark] Households pay taxes [1 mark] Businesses pay taxes [1 mark] Businesses pay salaries	The diagram includes five correct facts about how participants participate in the market. [5 marks]	The diagram includes four correct facts about how participants participate in the market. [4 marks]	The diagram includes three correct facts about how participants participate in the market. [3 marks]	The diagram includes one or two correct facts about how participants participate in the market. [1-2 marks]	

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and wages [1 mark] Money flows from households to businesses and vice versa [1 mark] [Marks out of 5]					
Appearance of diagram [Marks out of 5]	Excellent diagram that is easy to follow and understand. All labels are clear and correctly placed. [5 marks]	Very good diagram that can be followed and understood. Most, but not all, labels are clear and placed correctly. [4 marks]	Satisfactory diagram that is somewhat difficult to follow and understand. Some labels are correctly placed. [3 marks]	Poor diagram. The labels are not clear and the diagram is difficult to follow logically. [1-2 marks]	
Total marks out of 15:					

Level 4: 15–11 marks (70–100%) – Outstanding

Level 3: 8–10 marks (50–69%) – Achieved

Level 2: 5–7 marks (35–49%) – Partially achieved

Level 1: 1–4 marks (1–34%) – Not achieved

Activity 4: Class test

1. Indicate whether the following statements are true or false: [10 marks]
 - a) A group of people living together that generates an income and participates in the economy is called an entity.
 - b) Our needs and wants create a demand for goods and services.
 - c) A household can consist only of a father, mother and their children.
 - d) Government provides free clothes and shoes to all its citizens.
 - e) The economic problem refers to satisfying unlimited needs and wants with limited resources.
 - f) The physical environment refers to the legal framework under which a government functions.
 - g) Under the apartheid government, many South Africans did not enjoy equal rights.
 - h) A business that takes raw material and manufactures a product that is sold forms part of the secondary business sector.
 - i) Formal businesses are registered with CIPRO; an example of a formal business is a sole trader.
 - j) A formal business consisting of members with limited liability in which the business is a separate legal entity is called a close corporation.

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2. Fill in the missing word:

[8 marks]

Economic goods are _____ and therefore they are not free. There are two types of economic goods: _____ goods and _____ goods. _____ goods are the goods producers need to produce a product. _____ goods are the goods that producers produce and consumers use. Capital goods form part of the _____ of production: raw materials, _____, capital (money, equipment, buildings, land) and _____.

3. Choose the correct answer:

[2 marks]

The informal sector usually exists in (developing/developed) countries.

Informal businesses are (illegal/legal) businesses that are not registered with CIPRO (Companies and Intellectual Properties Registration Office).

4. Explain what demand is.

[1 mark]

5. Explain what supply is.

[1 mark]

6. Explain what capital goods are and give an example.

[2 marks]

7. Explain what consumer goods are and give an example.

[2 marks]

8. Explain how prices influence demand and supply.

[4 marks]

9. Explain why demand and supply determine prices.

[4 marks]

10. Give three rights of employees.

[3 marks]

11. Give three responsibilities of Government.

[3 marks]

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Suggested Solutions

Question number	Possible marks	Solution																
1	10	Learners survey their community and list information:																
		<table border="1"> <thead> <tr> <th></th> <th>Primary sector</th> <th>Secondary sector</th> <th>Tertiary sector</th> </tr> </thead> <tbody> <tr> <td>Informal sector</td> <td>For example: informal mining (prospecting); subsistence farming; wood cutting</td> <td>Any informal manufacturing or production that takes place, for example: housewives baking for the home industry; people who fit cupboards</td> <td>Informal service industry, for example: hairdressers working from home; gardeners working for themselves; domestic workers; cleaners; backyard mechanics; spaza shops</td> </tr> <tr> <td>Formal sector</td> <td>For example: commercial farming, mining companies, logging companies</td> <td>Any formal manufacturing or production that takes place, for example: factories, millers, construction developers, automotive manufacturers</td> <td>Formal service industry (including all retail stores), for example: garages offering repairs, spray painting, panel beating, etc.; beauty or hairdressing salons; spas and gyms; plumbers; supermarkets; hardware stores</td> </tr> <tr> <td></td> <td>[2 marks]</td> <td>[3 marks]</td> <td>[5 marks]</td> </tr> </tbody> </table>		Primary sector	Secondary sector	Tertiary sector	Informal sector	For example: informal mining (prospecting); subsistence farming; wood cutting	Any informal manufacturing or production that takes place, for example: housewives baking for the home industry; people who fit cupboards	Informal service industry, for example: hairdressers working from home; gardeners working for themselves; domestic workers; cleaners; backyard mechanics; spaza shops	Formal sector	For example: commercial farming, mining companies, logging companies	Any formal manufacturing or production that takes place, for example: factories, millers, construction developers, automotive manufacturers	Formal service industry (including all retail stores), for example: garages offering repairs, spray painting, panel beating, etc.; beauty or hairdressing salons; spas and gyms; plumbers; supermarkets; hardware stores		[2 marks]	[3 marks]	[5 marks]
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	[2 marks]	[3 marks]	[5 marks]															
2	90	<p>Step 1: Producing maize (planting and harvesting)</p> <p>a) Economic sector (primary, tertiary, secondary): Primary sector [1 mark] Reason for your answer: The primary sector of the economy harvests products from the earth. This includes the production of raw material and basic foods. Agriculture is therefore a primary sector activity. [2 marks]</p>																

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	<p>b) Give three examples of each of the factors of production involved in this step of production: [3 x 4 marks]</p> <p>Raw materials: seed, fertiliser, water and land, which are all the inputs necessary to produce maize (any three) [3 marks]</p> <p>Labour: farm workers, farmer and transport drivers who do the physical labour to produce the maize (any three) [3 marks]</p> <p>Capital: planter, tractor, harvester, irrigation equipment, dam and farm, without which production cannot take place (any three) [3 marks]</p> <p>Entrepreneurship: farmer, silo owner, transporter and cooperative where grain is stored (any three) [3 marks]</p> <p>c) Indicate how each of these economic participants is involved in the production of maize: [3 marks]</p> <p>Household: The household creates the demand for the product. They also provide the labour to work on the farm to produce the maize.</p> <p>Business enterprises: The farm is a business enterprise. The silo where the grain is stored is also a business enterprise and so is the transport business that transports the maize. There are also businesses who rent out harvesters during harvest time.</p> <p>Government: Government can participate in the production of maize when it provides disaster relief to farmers, or when it makes land available to previously disadvantaged people for agricultural purposes.</p> <p>Step 2: Producing maize meal (milling and packaging)</p> <p>a) Economic sector (primary, tertiary, secondary): Secondary sector [1 mark]</p> <p>Reason for your answer: The millers process the maize until it is maize meal and they package it so that it can be sold. [2 marks]</p> <p>b) Give three examples of each of the factors of production involved in this step of production: [3 x 4 marks]</p> <p>Raw materials: maize, bags, fumigants and preservatives that are used to produce maize meal (any three)</p> <p>Labour: workers at milling company, marketers, buyers and office personnel who are necessary to bring about the production process of the maize meal (any three) [3 marks]</p> <p>Capital: silos for storage, mills to mill the maize, machinery and equipment to process and package the final product (any three) [3 marks]</p> <p>Entrepreneurship: the miller, transport company, company who sells the bags and other equipment used by the miller (any three) [3 marks]</p> <p>c) Indicate how each of these economic participants is involved in the production of maize: [3 marks]</p> <p>Household: The household provides the factors of production and creates a demand in the market for the product.</p> <p>Business enterprises: The milling company and packaging company are involved, because without them the consumers would get the raw material and have to grind it themselves.</p> <p>Government: Government sets standards and writes legislation that regulates the processing and selling of the maize.</p>
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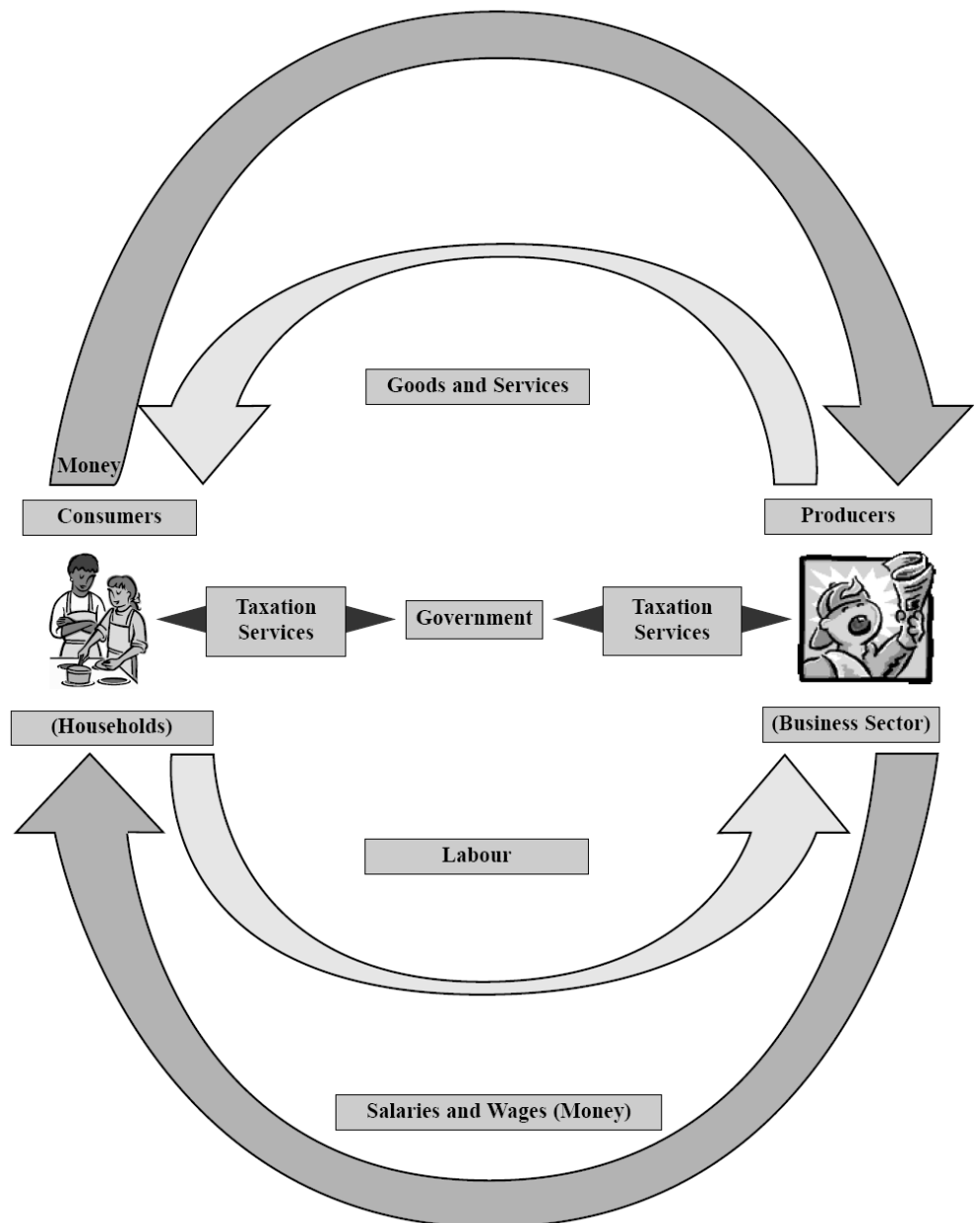
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	<p>Step 3: Supplying maize meal to retailers</p> <p>a) Economic sector (primary, tertiary, secondary): Tertiary sector [1 mark] Reason for your answer: The maize meal is transported to retailers. Transport is one of the services in the tertiary sector together with service provision and retailing. [2 marks]</p> <p>b) Give three examples of each of the factors of production involved in this step of production: [3 x 4 marks] Raw materials: fuel to transport the maize meal to the retailers, maize meal, oil, tyres (any three) [3 marks] Labour: truck drivers, buyers, people who work for retailer, store men/ store women, admin personnel (any three) [3 marks] Capital: transport vehicles, storage place, cooling trucks [3 marks] Entrepreneurship: retailer, miller, transport owner [3 marks]</p> <p>c) Indicate how each of these economic participants is involved in the production of maize: [3 marks] Household: Households provide the factors of production and create a demand for the product from the retailer. Business enterprises: The miller, transport owner and retailer are all business enterprises in the supply chain of the product. Government: Government writes laws and regulations that regulate health and safety in the supply of goods to retailers. It also intervenes to ensure healthy competition between competitors.</p> <p>Step 4: Selling maize meal to households</p> <p>a) Economic sector (primary, tertiary, secondary): Tertiary sector Reason for your answer: Retailers form part of the services industry [2 marks]</p> <p>b) Give three examples of each of the factors of production involved in this step of production: [3 x 4 marks] Raw materials: maize meal, packaging [3 marks] Labour: packers, cleaners, cashiers, shop manager, administrative personnel who run the shop (any three) [3 marks] Capital: cash registers, shelving and shop premises from which to sell the product (any three) [3 marks] Entrepreneurship: the retailer who owns the shop, the transporter and the people who do the shop fittings are all entrepreneurs. [3 marks]</p> <p>c) Indicate how each of these economic participants is involved in the production of maize: [3 marks] Household: The household provides the factors of production and creates a demand for the product. Business enterprises: The retailer is a business enterprise. Government: Government is involved by charging retailers business taxes and by exempting mealie meal from VAT.</p>
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		<p>Step 5: Buying maize meal for a household and making mealie pap</p> <p>a) Economic sector (primary, tertiary, secondary): Tertiary sector Reason for your answer: The household member buys the maize meal and provides a service to her family by making the maize meal. [2 marks]</p> <p>b) Give three examples of each of the factors of production involved in this step of production: [3 x 4 marks] Raw materials: maize meal, water, salt, electricity (any three) [3 marks] Labour: the household members do the work of buying the maize meal, making the pap and washing the dishes. [3 marks] Capital: stove, cooking utensils, electrical grid [3 marks] Entrepreneurship: the people who sell the stove and cooking utensils. The electricity provider is also an entrepreneur. [3 marks]</p> <p>c) Indicate how each of these economic participants is involved in the production of maize: [3 marks] Household: The household buys the product from the retailer. Business enterprises: The retailer is a business enterprise. Government: Government provides the basic services such as water and electricity to make the mealie pap.</p> <p style="text-align: right;">[Total: 40]</p>
3	15	Learner's diagram contains these facts:

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4

40

1. Indicate whether the following statements are true or false: [10 marks]
 - a) False
 - b) True
 - c) False
 - d) False
 - e) True
 - f) False
 - g) True
 - h) True
 - i) False
 - j) True
2. Fill in the missing word:

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	<p>Economic goods are <u>produced</u> and therefore they are not free. There are two types of economic goods: <u>consumer</u> goods and <u>capital</u> goods. <u>Capital</u> goods are the goods producers need in order to produce a product. <u>Consumer</u> goods are the goods that producers produce and consumers use. Capital goods form part of the <u>factors</u> of production: raw materials, <u>labour</u>, capital (money, equipment, buildings, land) and <u>entrepreneurship</u>.</p> <p>3. Choose the correct answer: [2 marks] The informal sector usually exists in (developing) countries. Informal businesses are (legal) businesses that are not registered with CIPRO (Companies and Intellectual Properties Registration Office).</p> <p>4. Demand is the desire (need or want) that is created in an economy for a specific product or service. [1 mark]</p> <p>5. Supply means to provide in or satisfy the demand that is created in the market. [1 mark]</p> <p>6. Capital goods form part of the factors of production, such as labour, capital, raw materials, etc. [2 marks]</p> <p>7. Consumer goods are the goods that producers produce and consumers use, such as dairy products, furniture, etc. [2 marks]</p> <p>8. If the price of a product goes too high, the demand for the product would drop, because people won't be able to buy it, and the supply would decrease. If the price is reduced, the demand would increase again, because then consumers would be able to afford the product and the supply would increase. [4 marks]</p> <p>9. The higher the supply of a product, the more likely it is that the price of the product would drop, especially if there is more than one supplier. The higher the demand for a product, the more likely it is that the price would increase, especially if there is only one supplier. [4 marks]</p> <p>10. Employees have the following rights:</p> <ul style="list-style-type: none"> • To be paid fair wages for work performed • To have a safe and secure workplace • To be treated in terms of the contract of service agreed upon • Not to be discriminated against on whatever grounds • To receive proper training • To belong to a trade union • To receive a duty sheet or job description [Any three] <p>11. Government has the following responsibilities:</p> <ul style="list-style-type: none"> • To make sound economic decisions • To ensure that its laws and taxes do not disadvantage the citizens of the country • To ensure that it does not impose unfair taxes • To protect its citizens against exploitation by business • To prevent exploitation of resources by legislation [Any three]
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Appendix of Assessment Tools

Teacher assessment rubric

Criteria					Marks
Information included in diagram: economic cycle in your community: market participants [Marks out of 5]	The diagram includes all five economic participants. [5 marks]	The diagram includes four economic participants. [4 marks]	The diagram includes three economic participants. [3 marks]	The diagram includes one or two economic participants. [1 or 2 marks]	
Information included in diagram: economic cycle in your community. How participation takes place: Households provide labour [1 mark] Households pay taxes [1 mark] Businesses pay taxes [1 mark] Businesses pay salaries and wages [1 mark] Money flows from households to businesses and vice versa [1 mark] [Marks out of 5]	The diagram includes five correct facts about how participants participate in the market. [5 marks]	The diagram includes four correct facts about how participants participate in the market. [4 marks]	The diagram includes three correct facts about how participants participate in the market. [3 marks]	The diagram includes one or two correct facts about how participants participate in the market. [1-2 marks]	
Appearance of diagram [Marks out of 5]	Excellent diagram that is easy to follow and understand. All labels are clear and correctly placed. [5 marks]	Very good diagram that can be followed and understood. Most, but not all, labels are clear and placed correctly. [4 marks]	Satisfactory diagram that is somewhat difficult to follow and understand. Some labels are correctly placed. [3 marks]	Poor diagram. The labels are not clear and the diagram is difficult to follow logically. [1-2 marks]	
Total marks out of 15:					

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- Level 4: 15–11 marks (70–100%) – Outstanding**
- Level 3: 8–10 marks (50–69%) – Achieved**
- Level 2: 5–7 marks (35–49%) – Partially achieved**
- Level 1: 1–4 marks (1–34%) – Not achieved**