



Province of the  
**EASTERN CAPE**  
EDUCATION

**NATIONAL  
SENIOR CERTIFICATE**

**GRADE 12**

**SEPTEMBER 2016**

**CONSUMER STUDIES  
MEMORANDUM**

**MARKS: 200**

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This memorandum consists of 10 pages.

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**QUESTION 1: SHORT QUESTIONS**

- 1.1 1.1.1 D decrease of consumers' disposable income. Understanding Easy (1)
- 1.1.2 B Samp Understanding Moderate (1)
- 1.1.3 D legal stokvel. Understanding Difficult (1)
- 1.1.4 D Anaemia Understanding Easy (1)
- 1.1.5 D Tuberculosis Remembering Easy (1)
- 1.1.6 C starvation out of choice. Remembering Easy (1)
- 1.1.7 A Fudge, chocolate Remembering Easy (1)
- 1.1.8 C Retrospective fashion Remembering Easy (1)
- 1.1.9 B are grown without pesticides and are dyed with natural dyes. Remembering Easy (1)
- 1.1.10 D body corporate Understanding Easy (1)
- 1.1.11 D Home owners insurance Understanding Easy (1)
- 1.1.12 C Elton earns R3500 per month. Applying Easy (1)
- 1.1.13 A Front loader Understanding Moderate (1)
- 1.1.14 C mortgage bond. Understanding Moderate (1)
- 1.1.15 A Pay for water and electricity consumption Understanding Moderate (1)
- 1.1.16 D Five Remembering Easy (1)
- 1.1.17 C inspecting products to ensure that it meets the required standard set. Understanding Easy (1)
- 1.1.18 C ensure that there is enough stock in the storeroom. Understanding Easy (1)
- 1.1.19 B colourful see-through plastic. Understanding Easy (1)
- 1.1.20 A cash flow projection. Understanding Easy (1)
- 1.2 1.2.1 Air passenger tax (1)
- 1.2.2 Value Added Tax (VAT) (1)
- 1.2.3 Pay as you earn (PAYE) (1)
- 1.2.4 Capital gain tax (1)
- 1.2.5 Estate duty (1)
- Remembering, Easy
- 1.3 1.3.1 Brand pirated (1)
- 1.3.2 classic (1)
- 1.3.3 technological (1)
- 1.3.4 contemporary (1)
- 1.3.5 fads (1)
- Remembering, Difficult

1.4	1.4.1	B	Maintain a steady level of production and sales	
	1.4.2	F	Predicting future available cash	
	1.4.3	D	Ability to maintain a steady level of production and sales without exhausting available cash	
	1.4.4	A	Predicting number of products for future sales	
	1.4.5	G	Operating costs	
Understanding, Difficult				(5 x 1) (5)

- 1.5 From the list below, identify FIVE requirements for a bank to grant a home loan. Write only the letter (A–H) next to the question number (1.5) in the ANSWER BOOK.

- B Proof of income  
 D Copy of the offer to purchase  
 E Evaluation of spending and payment habit  
 F Proof of South African Identity Document  
 H A credit check  
 Understanding, Difficult

(5)

[40]

## QUESTION 2: THE CONSUMER

- 2.1 2.1.1 **A contract** is an agreement that is intended to create legal rights ✓ and duties between parties. ✓ (2)  
 Remembering, Easy Successful 169, Focus 155
- 2.1.2 **Cooling off period** is the amount of time the law gives a consumer who has signed a contract, to cancel ✓ without reason or financial implications/transactions that resulted from direct marketing/transactions that the consumer did not start. ✓ (2)  
 Remembering, Easy Successful 173, Focus 157
- 2.1.3 **Exemption clauses** are included in a contract that exonerate/clear a party from any liability ✓ should he or she fail to honour the agreement/when the agreed product does not serve the purpose for which it was acquired. ✓ (2)  
 Remembering, Easy Successful 173, Focus 156
- 2.2 **Explain how South African families can use water more responsibly in the garden.**
- Plant water wise plants and indigenous plants that require less water.
  - Use grey water from washing machines/basins/showers/baths to water the garden.
  - Use mulches to retain water in the soil.
  - Do not water the garden during the hottest part of the day as most of it will evaporate.
  - Water plants with a bucket and not a hose/sprinklers.
- Understanding, Easy Successful 199, Focus 181 (2)
- 2.3 2.3.1 **Identify the type of club referred to in this case study.** (1)  
 Stokvel ✓  
 Understanding, Easy Successful 177-178, Focus 161
- 2.3.2 **Explain how this club operates**
- Every member contributes R1 000 per month. ✓
  - This money will be saved in a bank at compound interest ✓
  - All members will receive their contributions and interest at the end of October ✓ (Any 3 x 1) (3)
- Applying, Easy Successful 177-178, Focus 161

#### 2.4 Compound interest

- With compound interest the members will receive interest on the original amount✓ plus the interest to date✓
- With simple interest the members will only receive interest on the original amount.

(Any 4 x 1) (4)

Understanding

Successful 185, Focus 167-168)

#### 2.5 Discuss how inflation has a negative impact on Heather's disposable income

- Heather's disposable income will be less due to inflation ✓
- Prices of goods and services increase ✓
- She will buy less goods ✓
- She spends more on petrol✓ which reduces her disposable income even more ✓

(Any 4 x 1) (4)

Applying, Moderate

Successful 185, Focus 167-168

[20]

### QUESTION 3: FOOD AND NUTRITION

#### 3.1 3.1.1 E-coli infection ✓

Remembering, Easy

Successful 106, Focus 90 (1)

#### 3.1.2 • Underdone/half-cooked patty

- Water in which lettuce and tomato was rinsed could have been contaminated. ✓
- Lettuce could have been contaminated by the faeces of domestic animals where it was growing ✓

(Any 2 x 1) (2)

Applying, Moderate

Successful 106, Focus 90

#### 3.1.3 Three symptoms

- Abdominal pain/cramps✓
- Diarrhoea/bloody diarrhoea/bloody stools✓
- Tiredness✓
- Nausea✓
- Vomiting✓
- Fever ✓

(Any 3 x 1) (3)

Remembering, Easy

Successful 106, Focus 90.

#### 3.2 3.2.1 Explain FOUR reasons why South African farmers may not be economically eager to produce organic fruit.

- Organic farming is more expensive than conventional farming✓
- The start-up cost is higher✓
- Labour is more intensive✓
- Yields are lower and the risk higher✓
- Fruit often have more blemishes which could impact the number of fruit suitable for selling negatively✓ decreasing profit✓
- The shelf life is shorter therefore fresh produce should sell quicker to prevent losses✓

(Any 4 x 1) (4)

Understanding, Difficult

Successful 126, Focus 104

3.2.2 **Negative impact**

- Exported organic food is transported by aeroplane which contributes to air pollution✓ and global warming. ✓
- Copper sulphate is a permitted organic pesticide, but is toxic to earth worms✓ fertilizing the soil and to fish. ✓
- Controlling weeds can lead to greater energy consumption. ✓ (Any 4 x 2) (4)

3.3 3.3.1 **Explain how gastroenteritis was transmitted to Bruce**

- The baker who prepared the cheesecake had gastroenteritis
  - The baker did not wash his/her hands before she started to work with the ingredients
  - The ingredients was contaminated
  - The water might have been contaminated
  - Dirty equipment was used. (Any 3 x 1) (3)
- Application S 91

3.3.2 **Treatment**

- Replace fluids and electrolytes (body salts) lost in loose stools.
  - Drink bottled or boiled water, fruit juices and sport drinks. Avoid water of uncertain quality and dairy products
  - Easily digested food such as rice, bananas and dry toast will help with rehydration because they will reduce fluid loss through faeces
  - Consult a doctor rather than attempt self-medication if the diarrhoea is severe or it does not improve within several days. (Any 3 x 1) (3)
- Application S 91

## 3.4 3.4.1

Milk allergy	Lactose intolerance
When the immune system wrongly thinks that the milk protein is harmful ✓ and react against it/build antibodies against it. ✓	When the body has too little or no lactase (enzyme) ✓ to digest lactose into glucose. ✓

(4)

\*Not in Table form: -1 mark

3.4.2 **Explain why the starter will be suitable for a person suffering from anaemia.**

- The starter contains liver/lettuce and whole-wheat bread that are sources of iron ✓ which assists in the formation of red blood cells. ✓
  - Liver contains vitamin B<sub>12</sub> that assists with the formation of red blood cells. ✓
  - Folic acid ✓ is also found in liver, lettuce and whole-wheat bread. ✓
  - Lettuce is a source of vitamin C✓ which promotes the absorption of iron. ✓ (Any 3 x 1) (3)
- Applying, Moderate Successful 91, Focus 79

3.4.3 **Discuss the suitability of the cheese cake for a person with diabetes**

- The cheese cake is not suitable for a diabetic. The sugar ✓ and starch ✓ in the tennis biscuits will increase the blood glucose level.
  - Too much fat in the cream✓ creamed cheese/margarine✓ which should be restricted ✓ as a person with diabetes is prone to heart disease. ✓ (5)
- Applying, Difficult Successful 80-88, Focus 72-73

3.4.4 **Analyse the cheese cake for a person suffering from osteoporosis.**

This cheese cake is suitable for a person with osteoporosis. ✓ It consists of food rich in calcium such as cream cheese/condensed milk that will strengthen the bones. ✓ Margarine is a good source vitamin D and phosphorus that assist the absorption of calcium. ✓ Water could be fluoridated that makes the bones strong. ✓ Too much protein in the cheese cake/cream/cream cheese/condensed milk. ✓ The body releases acids into the bloodstream when digesting proteins ✓ and draws calcium from the bones to neutralise the acids ✓ which makes the bones weak. ✓

Analysing, Difficult

Successful 89-90, Focus 75-76 (8)  
[40]

**QUESTION 4: CLOTHING**

4.1 4.1.1 **Style:** is the specific characteristic that makes one product or item different from another product of the same type. (2)

4.1.2 **Fashion trends:** The direction in which fashion moves.  
Remembering, Easy

(2)  
Focus 48

4.2 **Clothing – purchasing patterns**  
**Inflation**

When inflation ✓ rises, the price ✓ of goods and services also rises. ✓ The consumer has less to spend on clothing.

Remembering, Moderate

Successful 53, Focus 49 (4)

4.3 **Brand piracy has a definitive impact on the sales of legally protected brand names. Justify this statement.**

- The image of this brand name could be harmed and it could lead to less sales.
- Consumers may lose faith in brands.
- The original manufacturers lose income.
- It prevents the registered trademark owners.

Remembering, Moderate

(4)

4.4 **Cotton is a very popular fabric for clothing, but it is not eco-friendly. Discuss the impact that cotton production have on the natural environment.**

Cotton are produced from crops that require pesticides ✓ or chemicals to grow. The use more energy ✓ and more water to be produced and creates more waste. ✓ Cotton also has a high carbon footprint. ✓

Application, easy

Focus 59 (4)

4.5 **Evaluate the suitability of this outfit for a formal occasion.**

- Not suitable
- It is suitable for an informal occasion
- The outfit is too open

(4)

[20]

**QUESTION 5: HOUSING**

- 5.1 5.1.1 **Initiation fee:** the once-off fee the bank charges✓ for preparing and processing the loan application. (2)  
Remembering, Easy Successful 145, Oxford
- 5.1.2 **Occupational rent** is paid to the seller, when the buyer occupies the property ✓ before the bond is registered. ✓ (2)  
Remembering, Moderate Successful 146, Focus 120
- 5.2
- | <b>Full-title ownership</b>                                                                                                         | <b>Sectional-title ownership</b>                                                                                                                |
|-------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| is a form of tenure in which the buyer is legal owner of the entire property✓ consisting of the land and the structure built on it✓ | is a form of tenure in which the buyer is legal owner of section of a housing complex✓ and have shares in the undivided plot on which it stand✓ |
- (4)
- \*Not in Table form: -1 mark Remembering, Easy
- 5.3 5.3.1 Full-title ownership (1)  
Remembering, Easy Successful 139-140, Focus 121-122
- 5.3.2 Advantages (5)  
  - The buyer is the legal owner of the entire property. ✓
  - The property can be left in the will for your children. ✓
  - Changes can be made to his or her property. ✓
  - The owner has a sense of security and independence✓
  - The property can be used as security and independence. ✓
  - The property can be used as security for a bank loan. ✓
  - It is a sound investment because the value of the property increases over time. ✓
  - You can see the furnished house before you buy. ✓
  - The property can be sold to make a profit. ✓
  - A business can be run from the home. ✓
(Any 5 x 1)
- 5.4 Bond/mortgage protection/home owner's comprehensive insurance (2)  
Understanding, Easy Successful 145, Focus 128
- 5.5 5.5.1 Lease contract ✓ (2)
- 5.5.2 A lease is a written document that states the rental conditions✓ and the rights and responsibilities of both the tenant and landlord✓  
A lease is a rent agreement between the property owner and the tenant in which the tenant✓ commits him-or-herself to renting the property for a minimum period at a fixed rental amount ✓ (Any 2 x 1)  
Understanding, Easy Successful 137, Focus 118 (2)

## 5.6 Freezer

5.6.1 Height, adjustable racks ✓  
Applying, Moderate Successful 159, Focus 145 (2)

5.6.2

- Energy rating A ✓
- Sound warning when door is open ✓
- Even distribution of air and electricity ✓
- Optimal temperature control ✓
- Automatic door close function ✓

Applying, Difficult Successful 159, Focus 145 (5)

5.6.3 Self-defrost/No frost option  
Applying, Difficult Successful 159, Focus 145 (1)

5.7

- Ralton will pay a deposit. ✓
- The remaining balance is paid in instalments. ✓
- Ralton can use the freezer while paying instalments ✓
- Ralton gets a guarantee. If the freezer breaks within the guarantee period the seller will repair the freezer. ✓

Applying, Moderate Successful 162, Focus 148 (4)

5.8

- Ralton will pay fixed rental amount monthly. ✓
- The property has a braai area/swimming pool to entertain friends and family. ✓
- It's a three-bedroomed house/enough space for friends and family to sleep over. ✓
- Ralton can run his taxi business from the property with the landlord's permission. ✓
- The property has a big backyard to extent the house later if Ralton decide to buy.
- The property has electric fencing/alarm system ✓ for the safety of Ralton and his taxis. ✓
- The landlord is responsible for security and paying the rates and taxes (Any 8 x 1) (8)

Evaluation, Moderate Successful 137, Focus 118

**[40]**



**QUESTION 6: ENTREPRENEURSHIP****6.1 6.1.1 Target Market**

A target market is a specific group of people ✓ with common needs and interest who may want to purchase a product. ✓

(2)

**6.1.2 Target market**

- Community ✓
- Married couples ✓
- Teenagers ✓

Understanding, Easy

(Any 2 x 1)

(2)

Scenario

**6.2 Stock control**

- Stock control helps to minimise the cost of storing the final product. ✓
- Ensures that enough raw materials are available for production. ✓
- Ensures that the right quality raw materials are purchased ✓ for the product.
- Wastage of raw materials/final product is reduced. ✓
- Money invested in stock is limited. ✓

Remembering, Moderate

(Any 4 x 1)

(4)

Successful 23, Focus 19

**6.3 Product specifications (advantages)**

- Product specifications ensures that customers' needs are met. ✓
- The product will always be the same in quality/appearance, size, and weight/colour/style. ✓
- Zelda will not lose profit because of failure. ✓

Remember, Moderate

(Any 4 x 1)

(4)

Successful 21, Focus 16

**6.4 Training of workers**

- Training of workers will improve the quality of work
- Lead to reduced wastage of atchar/ingredients
- Improve the workers' morale/feel more confident/job satisfaction
- Help to reduce maintenance and repair costs of sewing machine/food processor.

Understanding, Moderate

(Any 2 x 1)

(2)

Successful 26, Focus 25

- 6.5**
- Zelda will not have to purchase unnecessary stock that cannot be found. ✓ (thread/fabric/ingredients) because she has effective storage procedures
  - Fish moths/ mildew will not destroy the fabric. ✓
  - Zelda will not lose any money/profit ✓ due to ineffective storage procedures.
  - There will be no wastage/spoilage of raw atchar ingredients/raw materials. ✓
  - Atchar ingredients can be preserved. ✓
- Applying, Difficult

(Any 2 x 1)

(2)

Successful 27, Focus 22

- 6.6 6.6.1 • Through flyers ✓  
• Telling friends and family ✓  
Applying, Moderate Scenario (2)
- 6.6.2 • Zelda only uses coloured, recycled paper for the flyers. ✓  
• She uses peanut butter bottles✓ collected from family and friends.  
• She applies the reuse✓, recycle✓ and reduce principle of sustainable production and consumption effectively. ✓  
• She creates less waste to dispose of ✓ therefore helps to reduce the negative impact on the environment/carbon footprint. (4)  
Applying, Difficult Successful 26, Focus 26-27
- 6.7 • Zelda makes sure that her customers' needs are met. ✓  
• Zelda makes them feel important. She gets regular feedback✓ on the atchar and repaired clothes and use this to improve her atchar and services. ✓  
• She gives them clear information about the products and services. ✓  
• Listen to customer complaints and try to solve them. ✓  
• Return calls if she promised to do so. ✓  
• She trains her family and friends that come into contact with her customers on good customer relations. ✓ (8)  
Applying, Moderate Successful 25, Focus 25
- 6.8 6.8.1 Selling price per bottle atchar  
 $R12,40 + R7,36 = R19,76✓$   
 $R19,76 \times \frac{65}{100} = R12,84✓$   
 $R19,76 + R12,19 = R32,60✓$   
R32,00/R33 (4)
- 6.8.2  $R32,60 \times 15✓ = R489 ✓$   
 $-R19,76 \times 15 = R296,40 ✓$   
R192,60 ✓  
OR  
 $R32 \times 15 ✓ = R480$   
 $-R19,76 \times 15 = R296,40$   
R184,80 (6)  
Applying, Difficult Successful 38-39, Focus 36-37
- [40]**
- TOTAL: 200**