



STUDENT EDUCATION NUMBER

GOVERNMENT OF SAMOA

Samoa National Junior Secondary Certificate

ECONOMICS

2024

QUESTION and ANSWER BOOKLET

Time allowed: 3 Hours & 10 minutes

INSTRUCTIONS

1. You have 10 minutes to read **before** you start the exam.
2. Write your **Student Education Number (SEN)** in the space provided on the top right-hand corner of this page.
3. **Answer ALL QUESTIONS.** Write your answers in the spaces provided in this booklet.
4. If you need more paper to write your answers, ask the Supervisor. Write your SEN on all extra sheets used and clearly number the questions. Attach the extra sheets to the appropriate places in this booklet.

STRANDS		Page	Time (min)	Weighting
STRAND 1	PRODUCTION	2-8	54	30
STRAND 2	CONSUMPTION	9-14	54	30
STRAND 3	MARKET	15-21	72	40
TOTAL			180	100

Check that this booklet contains pages 2 - 22 in the correct order and none of these pages are blank.

HAND THIS BOOKLET TO THE SUPERVISOR AT THE END OF THE EXAMINATION.

Clubs and societies are examples of community organizations that help fulfill our non-economic needs.

1. Identify an example of a non-economic need which can be catered for in a club.

SL 1

Table 1 below seeks to identify the different types of business ownership, financial and management structure in the Private sector.

2. Complete Table 1 below with the most appropriate features that describe the differences in business ownership, financial and management structure. Some examples have been done for you.

Table 1: Features of the Private Business Organisation

Producer ownership type	Number of owners	Source of Finance	Management	Liability
Sole trader: (Example)	One	Owners contribution or from past savings or from inheritance	Owner makes all the decisions about the day-to-day running of the business	Unlimited Liability
Company				

SL 2

3. Use your knowledge of economic systems and features of Samoa's economy to discuss reasons that support the type of economic system currently adopted by Samoa.

Include the following in your discussion:

- Define economic system.
- What type of economic system does Samoa have?
- Explain how the Samoan economy has changed from a Traditional economy to the current one.

[illegible]

4. Explain the difference between incorporated and unincorporated community organisations.

SL 3

Table 2 below aims to compare several features between a community organisation and a Partnership type of ownership.

5. Use your knowledge of community organisations and partnership type ownership to complete the blanks in table below.

Table 2: Comparison between a Community organization and Partnership.

	Community Organisation: Example: Youth for Christ (YFC)	Partnership: Example: T&T Motors
Purpose/Aim		Provides panel beating and mechanical services for profit.
Decision-making	Chairman/President Board Members	
Liability		Unlimited liability as owner of the shop is fully responsible for the debts of the business.

SL 3

6. Define **business management**.

SL 1

Betham Brothers Enterprise Ltd (BBE) is one of Samoa's longest serving shipping agents and a true example of a partnership type of organization.

7. Describe the style of management that is used by BBE.

SL 2

Use your knowledge as a customer of SSAB and the information provided below to help you answer Questions 8 to 13.

Samoa Stationeries & Books Ltd (SSAB) is one of the rapid growing companies in Samoa and has grown from one branch established in 2008 in the outskirts of town to seven branches worldwide (5 local and 2 international). SSAB initially started off selling only stationeries and books, but it has now expanded its range to include computers, electronics, imaging equipment, office and home furniture, hospital supplies, white ware, kitchen and home appliances etc., becoming Samoa's one stop shop for all its needs.



8. Describe **ONE** strategy that is used by SSAB to maximize its profits.

SL 2

9. Identify an example of innovation conducted by SSAB that contributed to its success.

SL 1

10. Describe the relationship between business management and innovation at SSAB.

SL 2

11. Use your knowledge and theory to explain another possible goal of SSAB, other than maximizing profits.

SL 3

12. Explain **ONE** factor that might lead SSAB to fail in its operations.

SL 3

13. Explain how SSAB contributes to economic growth through innovation.

SL 3

There is always an opportunity cost involved in every decision we make even for the incredibly rich people. For example: the opportunity cost of a student staying up late watching his or her favourite movie is the lost time study.

14. Identify the opportunity cost of Helen's decision to buy fish and chips.

SL 1

Values are the core beliefs and principles that form the basis of our decisions. Different people have different values, and every individual has a set of values that determine their actions. Recall the seven steps involved in the decision-making process (Goals, Obstacles. Options, Cost & Benefits of options, Ranking and Evaluation of options).

15. Suppose your goal is to become a lawyer in the next 10 years. Describe **ONE** obstacle that could possibly hinder the achievement of your goal.

SL 2

16. Explain the difference between income and loan using relevant examples.

SL 3

17. Differentiate between the following economic and non-economic factors (social factors) that are affecting consumers' decisions by grouping the terms under their most appropriate heading.

Income taxes	Taste & Preferences
Economic Factors	Non-economic factors (social factors)

SL 3

18. **Remittance is one of Samoa's major sources of income (revenue).**

Describe an activity that is supported by remittances received by families in Samoa.

SL 2

19. **Table 3** seeks to identify features that differentiate earned and unearned income. Use your knowledge and the information provided to complete the table.

Table 3: Types and sources of Income

Source of Income	Definition	Type of Income	Example
Income from Welfare benefits			
Income from Wages/Salaries			

SL 3

Study the information provided and use it to answer Questions 20 to 23.

Mark is a senior accountant at the Ministry of Education and Culture (MEC) earning a fortnightly salary of SAT\$1,500. He is married with four teenage children all attending the National University of Samoa. He is also taking care of his wife's parents.

Mark's weekly expenses are as follows:

Food	\$150
Fa'alavelave	\$100
Church Donation	\$50
Bills (water & electricity)	\$100
Children & Parents	\$100
Loan repayment	\$50
Petrol	\$50

20. Describe the meaning of non-essential spending using examples from Marks' Budget.

SL 2

21. Describe the outcome of Mark's weekly budget.

SL 2

22. Briefly describe why it is important for Mark to include savings in his budget.

SL 2

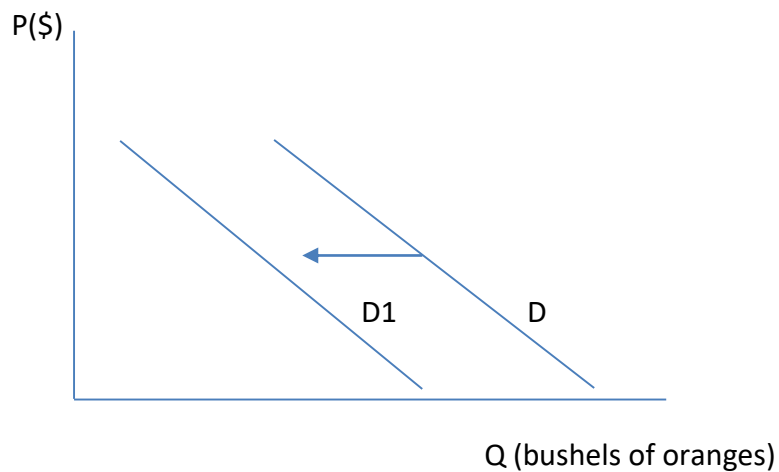
23. Use Mark's fortnightly income of \$1,500, to construct a new weekly budget to show how you think the money could be best spent to achieve a **surplus budget**.

Mark's Budget	\$	Your new weekly budget (weekly income = savings + expenses)	\$
Weekly Income	750	Weekly Income	750
Food	150	Food	
Fa'alavelave	100	Fa'alavelave	
Church donation	50	Church donation	
Bills (water & electricity)	100	Bills (electricity & water)	
Children & parents	100	Children & parents	
Loan payments	50	Loan payments	
Petrol	50	Petrol	
		Saving	
TOTAL	600	TOTAL	

SL 4

Study Figure 1 and use it to answer Questions 24 to 26.

Figure 1: Howard's Demand for Oranges



24. State the Law of Demand as illustrated by Figure 1 above.

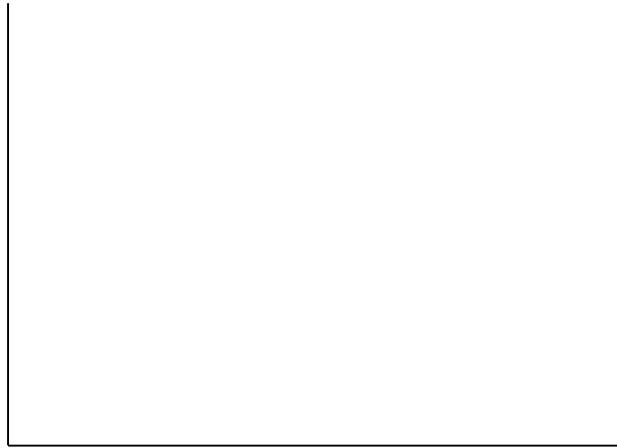
SL 1

25. Identify a factor that would cause the shift in the demand curve as illustrated in Figure 1.

SL 1

Assume that the price for a bushel of oranges decreased from \$5 to \$3.

26. Illustrate on the axes below the effect of the change in price on Howard's demand for oranges. Label your graph fully.

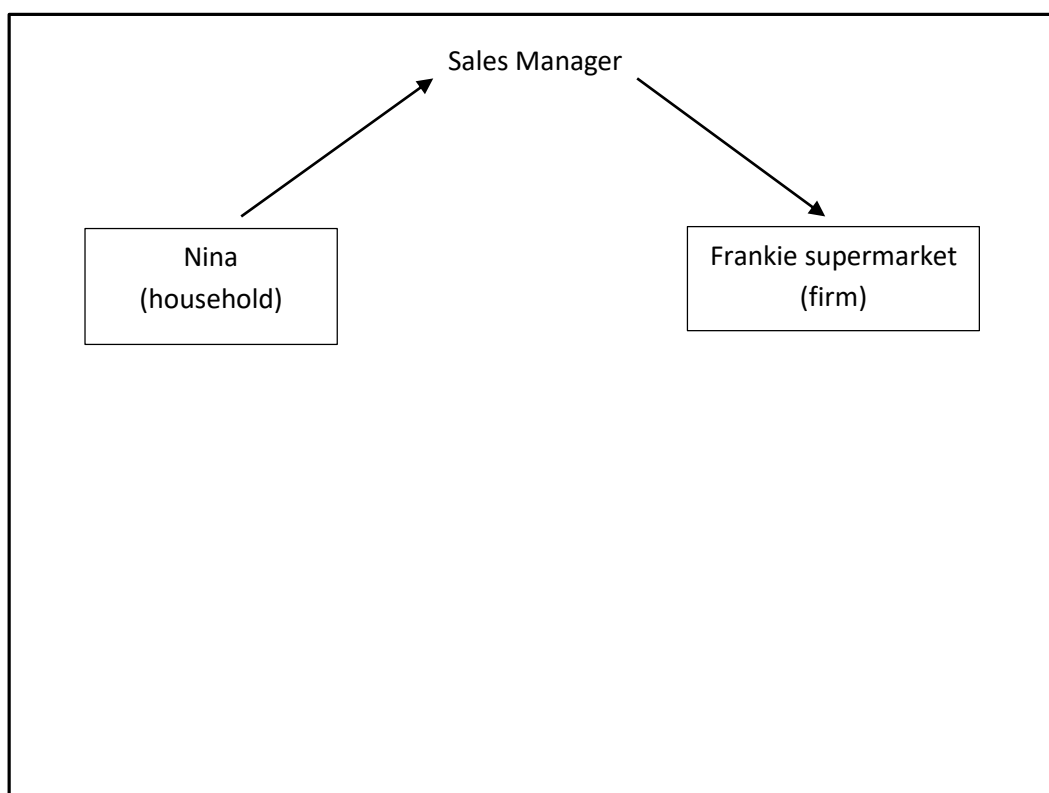


SL 4

Nina works at Frankie Supermarket as a sales manager where she earns SAT\$1,000 each week. She spends \$200 on groceries, \$200 on water and electricity bills, pays \$200 taxes and saves the rest for her other commitments. On the other hand, the Government provides collective goods and services that benefit both Nina and Frankie supermarket such as roads, hospitals, pensions and subsidies.

27. Use the information in the above passage and your knowledge to construct a **three-sector** circular flow diagram to show the interdependence between Government, Firm, and Household sector. The first line has been done as an example.

Figure 2: Three-Sector Circular Flow Diagram



SL 4

28. Identify an example of a real flow from Figure 2 above.

SL 1

29. Distinguish between open economy and closed economy using relevant examples.

SL 3

30. Describe the relationship between the households and the financial sector.

SL 2

Study Figure 3 below and use it to answer Questions 31 to 33.

Figure 3:



Source: Coconet TV

31. Define market as a place.

SL 1

32. Identify the type of market that is shown in Figure 3 above.

SL 1

33. Describe how the type of market you have identified in Question 32 operates in Samoa's economy.

SL 2

34. Describe the type of exchange that takes place in a **money** market.

SL 2

35. The following paragraph describes the type of exchange that takes place in a factor market. Complete the blanks using your knowledge of the resource market or factor market.

In a factor market or resource market, producers pay the households for the use of their resources in the production of goods and services.

For example: Firms pay households _____ for the use of land resources, and _____ for the use of labour or human resources.

SL 2

36. Use an example from your local community to explain the phrase “interdependence leads to exchange.”

SL 3

37. Distinguish between perfect competition and imperfect competition in terms of “the number of sellers.”

SL 3

38. Explain the difference between formal and informal contract using appropriate examples.

SL 3

SL 1

SL 4

41. Describe any **ONE** of the following Consumer Laws in Samoa.

- (i) Fair Trading Act 1988
- (ii) Sales Trading Act 1975
- (iii) Consumer Information Act 1989

SL 2

42. Describe **ONE** principle of insurance from the list below, as an example of formal contract.

- (i) Insurable interest
- (ii) Indemnity
- (iii) Utmost good faith

SL 2

The main type of insurance services available in Samoa vary from Personal and Family Life Insurance Policies to Business Protection Insurance from theft and Social Protection Insurance from natural hazards such a fire, flooding, tsunami, etc.

43. Evaluate the operations of one most popular type of insurance services available for the people of Samoa.

Include the following in your answer:

- Definition of your selected insurance service;
- Examples of the operation of your selected insurance service.

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SL 4

STUDENT EDUCATION NUMBER									

SNJSC ECONOMICS

2024

(For Scorer only)

STRANDS		Weighting	Scores	Check Scorer	AED (Check)
STRAND 1	PRODUCTION	30			
STRAND 2	CONSUMPTION	30			
STRAND 3	MARKET	40			
TOTAL		100			