Productivity and global competition

Read the information below about South Africa’s global competitiveness and complete the activity that follows.

In 2009 South Africa ranked 48th in the IMD World Competitiveness survey that tested the global competitiveness of countries. This is an improvement from its 53rd position in 2008. However, in comparing its 2008 and 2009 rankings, the survey shows a decline in the productivity of companies. Another decline is in total tax revenues collected.

In terms of economic performance the report also revealed weaknesses in the following:

- Unemployment rate in terms of percentage of labour force
- Employment rate as a percentage of the population
- Youth unemployment as a percentage of the youth labour force (those under 25 years)
- Long-term unemployment

In terms of business efficiency, weaknesses were revealed in the following areas:

- The brain drain
- Skilled labour
- Financial skills
- Labour force
- Competency of senior managers

(Source: www.npi.co.za; National Productivity Institute)

Do a word search in the word puzzle to complete the sentences below: [10 marks]

unemployment, brain drain, foreign, revenue, weaknesses, productivity, profitability, competitiveness, labour force, globally
Grade 9 EMS Worksheet

a) __________ influences productivity because people who don’t have a job cannot be productive.
b) The __________ refers to people with skills and expertise emigrating, which means their skills and expertise are lost to the country.
c) It is important for South Africa to be globally competitive, because if we can compete on the world market we earn __________ income.
d) Total tax __________ declined because people and companies paid less tax.
e) The __________ in business efficiency contribute to poor productivity in companies.
f) If business __________ could be improved, profits would increase and more people could be employed.
g) An increase in productivity would also lead to an increase in __________.
h) The IMD survey tests the __________ of countries in various fields, such as infrastructure, business efficiency and government efficiency.
i) The __________ is the number of people who are of working age in a country, whether they are working, seeking employment or unemployed.
j) Increasing our productivity could contribute to South Africa being more __________ competitive.
# Suggested Solutions

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<thead>
<tr>
<th>Question number</th>
<th>Possible marks</th>
<th>Solution</th>
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<tbody>
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<td>1</td>
<td>10</td>
<td>v i s r g o g b s e e b e p p n i i o p r l u a t i e y a r s s r f y n d o o t e e o o e n b r a i n d r a i n b l d s o g t n e m y o l p m e n u s s s e n e v i t i t e p m o c e l y b g r r b e e d m e c t n f l i i i a r e u o b b v i k i l l a t t e n e y n e e l v a a a i i e o r s i c e e g i e b b f d i o n o a e f y n t w i o l a b o u r f o r c e y r r l r m t l e c i n n r i r p i g t s n o n t o m o t v o l c m p e r f w e t l e r n l</td>
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