



Department of Education, Sabaragamuwa/weekly school

week- December 5

Subject-Economics

Grade-12

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1. What are the three approaches in measuring aggregate economic activity of a country? Why do these three approaches give the same value for aggregate economic activity?
2. What are the main sources of national savings in Sri Lanka?
3. In what ways are national income statistics useful?
4. Suppose you are given the following information about a hypothetical economy. (All figures are in Rs. million)

Item	Value	Item	Value
Gross private domestic investment	70	Government transfers to households	25
Government purchases	50	Interest payments from the government to households	15
Gross Domestic Product at market prices	400	Factor income received from abroad	7
Current account balance of the Balance of Payments	-25	Factor payments made to abroad	12
Taxes	100	Net foreign current transfers	10

Calculate the following, using the above information.

- (a) Net exports
- (b) Private consumption expenditure
- (c) Disposable Gross National Income
- (d) Government Savings