



**KWAZULU-NATAL PROVINCE**  
EDUCATION  
REPUBLIC OF SOUTH AFRICA

**NATIONAL  
SENIOR CERTIFICATE**

**GRADE 11**

**ECONOMICS  
COMMON TEST**

**MARCH 2023**

**MARKS: 100**

**TIME: 1½ Hours**

*Stanmorephysics*

This question paper consists of 10 pages including this page.

**INSTRUCTIONS AND INFORMATION**

1. Answer THREE questions as follows:
  - SECTION A: COMPULSORY
  - SECTION B: Answer any ONE question from this section.
  - SECTION C: Answer any ONE of the two questions.
2. Number the answers correctly according to the numbering system used in this question paper.
3. Write the number of each question above each answer.
4. Read the questions carefully and start EACH question on a new page.
5. Leave at least ONE line between subsections of each question.
6. Answer questions in full sentences and ensure that the format, content and context of your responses comply with the cognitive requirements of the questions.
7. Answer ONLY the required number of questions. Answers in excess of the required number will NOT be marked.
8. Use ONLY blue or black ink.
9. Non-programmable pocket calculators may be used.
10. Write legibly and present your work neatly.



## SECTION A

## QUESTION 1: COMPULSORY

1.1 Various options are provided as possible answers to the following questions. Choose the correct answer and write ONLY the letter (A – D) next to the question number (1.1.1 – 1.1.5) in the ANSWER BOOK. e.g. 1.1.6 D.



1.1.1 The amount of money that the worker receives for performing his job is called ... wage.

- A. minimum
- B. nominal
- C. real
- D. maximum

1.1.2 The inflow of money into the economy is referred to as ...

- A. income.
- B. payments.
- C. injections.
- D. profit.

1.1.3 The rules and procedures followed by government officials that cause delays in providing services are called ...

- A. bureaucracy.
- B. accountability.
- C. hierarchy.
- D. regulations.

1.1.4 The process of combining inputs and raw materials to manufacture goods and services is called ...

- A. entrepreneurship.
- B. production.
- C. construction.
- D. industrialization.

1.1.5 The part of the economy that includes local, provincial and national government is known as ... sector.

- A. informal
- B. private
- C. formal
- D. public



(5 x 2) (10)

- 1.2 Choose a description from COLUMN B that matches the item in COLUMN A. Write only the letter (A-G) next to the question number (1.2.1 – 1.2.6) in the ANSWER BOOK.

COLUMN A	COLUMN B
1.2.1 Economically marginalised groups	A. A model that shows how goods, services, and money move through the economy.
1.2.2 Circular flow	B. A company that is wholly or partially owned and managed by government.
1.2.3 Nationalisation	C. People who do not have the same opportunities as others to contribute to and benefit from the economy.
1.2.4 Primary sector	D. A process where government takes over the whole or majority ownership of a private company.
1.2.5 Renewable resources	E. All the economic activities that deal with the extraction and collection of raw materials.
1.2.6 Taxation	F. A compulsory payment collected by government from individuals and businesses to fund its expenditure.
	G. The means of production that can constantly replace themselves and do not get used up.

(6 x 1)(6)

- 1.3 Give ONE term for each of the following descriptions. Write only the term next to the question number (1.3.1 – 1.3.4) in the ANSWER BOOK. Acronyms and abbreviations will NOT be accepted.

1.3.1 The remuneration that the owners of natural resources receive for their productive use.

1.3.2 The goods and services that are bought from a foreign country to another country.

1.3.3 An economy that uses supply and demand to allocate resources and determine price.

1.3.4 A collection of companies that produce related goods and service in the market.

(4 x 1)(4)

**TOTAL SECTION A: 20**

**SECTION B**

Answer any ONE question in this section

**QUESTION 2: MACROECONOMICS**

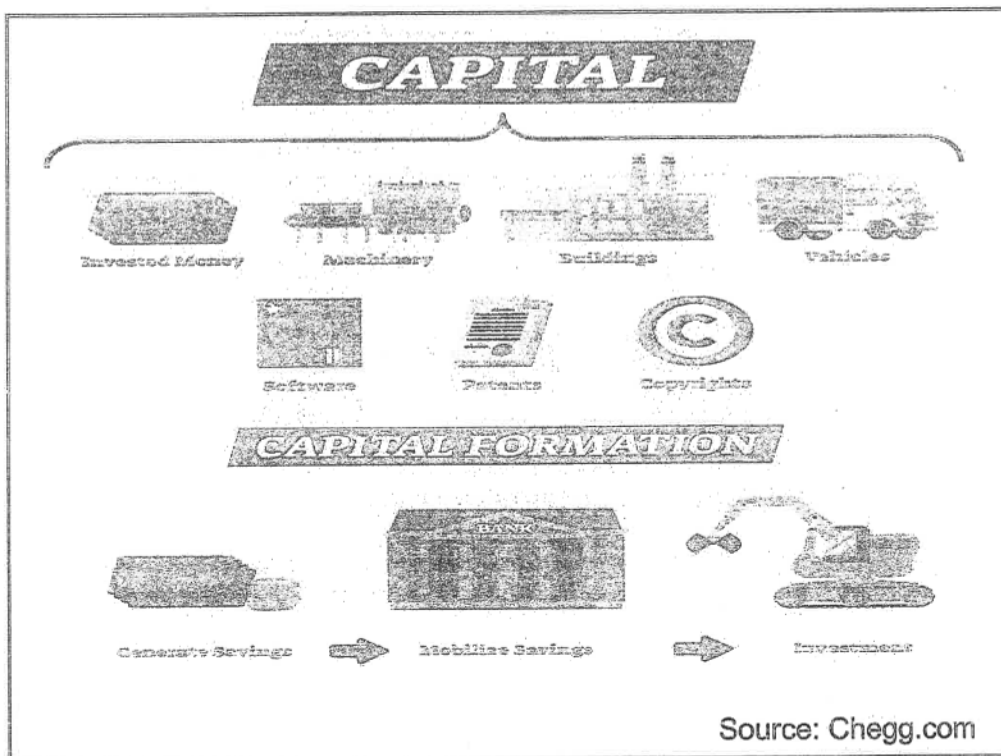
**30 MINUTES – 40 MARKS**

2.1 Answer the following questions.

2.1.1 Name any TWO examples of leakages. (2 x 1) (2)

2.1.2 Explain the importance of an open economy. (2)

2.2 Study the diagram below and answer the questions that follow.



2.2.1 Identify ONE example of fixed capital from the above diagram. (1)

2.2.2 What letter is used to represent Gross Fixed Capital Formation? (1)

2.2.3 Briefly describe the term *intermediate goods*. (2)

2.2.4 What is the effect of low interest rates on investment? (2)

2.2.5 How can banks assist in making funding more accessible to small businesses? (2 x 2) (4)

2.3 Study the table below and answer the questions that follow.

Items	R Millions
Compensation of employees	2 861 309
Net operating surplus	1 795 000
Consumption of fixed capital	797 230
<b>Gross Value Added at ... (A) ...</b>	<b>5 453 539</b>
Other taxes on production	131 563
Less: other subsidies on production	12 494
<b>Gross Value Added at basic prices</b>	<b>(B)</b>

Source: SARB Quarterly Bulletin

- 2.3.1 Identify the concept that refers to wages and salaries from the table above. (1)
- 2.3.2 Provide the missing term labelled (A) in the above table. (1)
- 2.3.3 Briefly describe the term *gross national income*. (2)
- 2.3.4 Why are *other subsidies on production* subtracted when calculation national accounts? (2)
- 2.3.5 Use the information in the table above to calculate gross value added at basic prices (B). Show all calculations. (4)
- 2.4 Discuss the goods market as found in the circular flow. (8)
- 2.5 How do savings positively influence the economy? (8)



**[40]**

**QUESTION 3: MACROECONOMICS**

**40 MARKS – 30 MINUTES**

3.1 Answer the following questions.

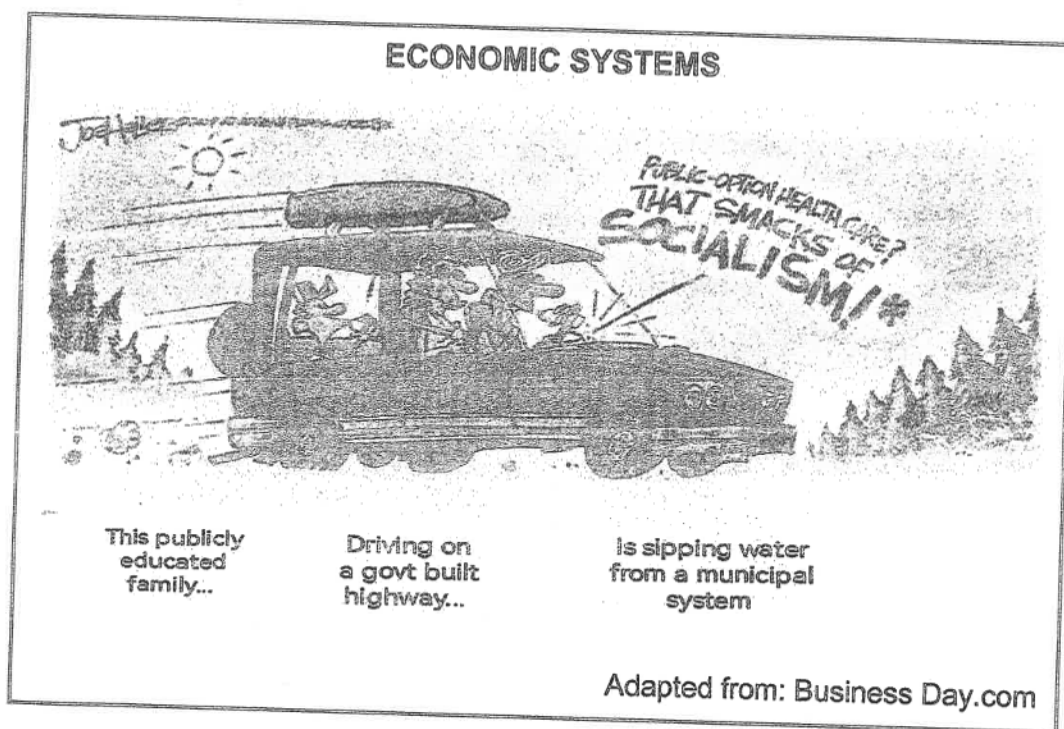
3.1.1 Name any TWO examples of state owned enterprises in South Africa.

(2 x 1) (2)

3.1.2 What effect can the profit motive by businesses have on consumers?

(2)

3.2 Study the cartoon below and answer the questions that follow.



3.2.1 Name the main role player in the economic system shown in the above cartoon.

(1)

3.2.2 Which economic system is used in South Africa?

(1)

3.2.3 Briefly describe the term *socialism*.

(2)

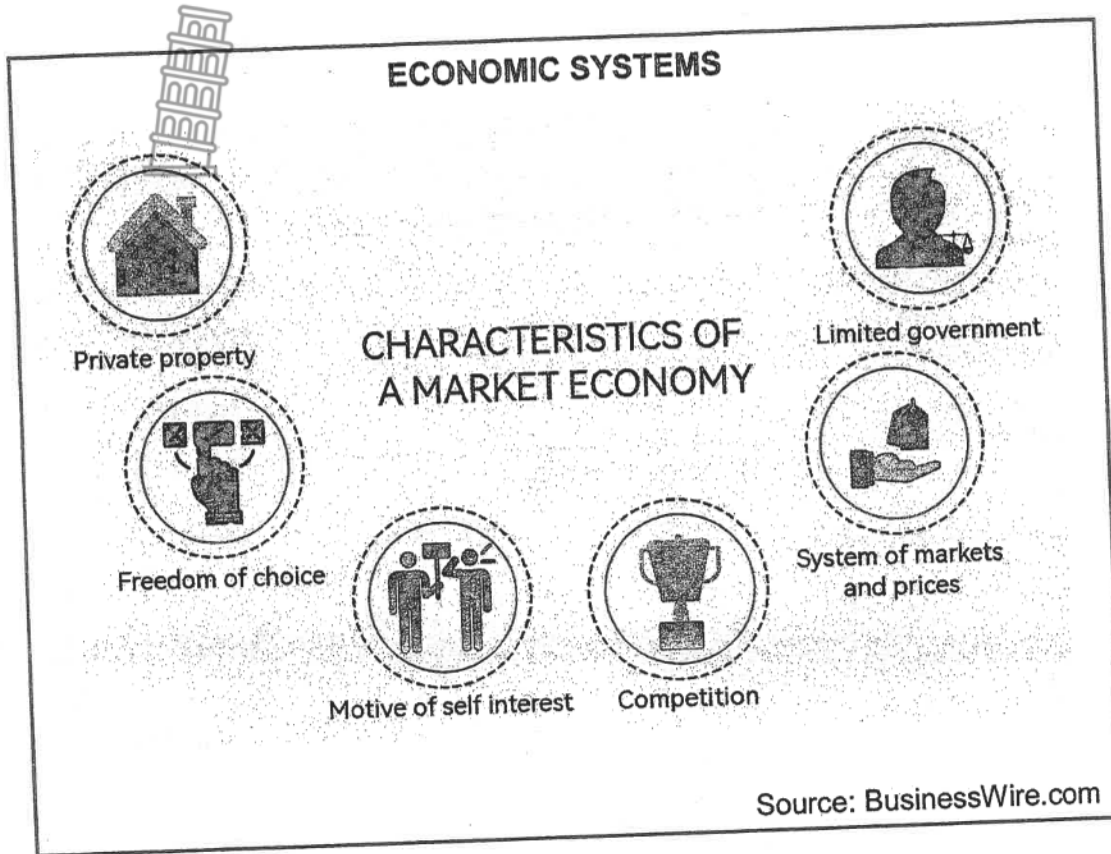
3.2.4 Explain the relationship between education and productivity.

(2)

3.2.5 How does a centrally-planned economy aim to achieve equal distribution of income?

(2 x 2) (4)

3.3 Study the diagram below and answer the questions that follow.



3.3.1 Identify the characteristic that promotes innovation and invention from the above diagram. (1)

3.3.2 Who owns the majority of factors of production under capitalism? (1)

3.3.3 Briefly describe the term *privatisation*. (2)

3.3.4 Explain the negative impact of price mechanism in the economy. (2)

3.3.5 How does freedom of choice benefit consumers? (2 x 2) (4)

3.4 Discuss the advantages of a mixed economic system. (8)

3.5 Analyse the necessity of government to spend in both free market and centrally-planned economy. (8)

[40]

**TOTAL SECTION B: 40**



## SECTION C

Only ONE question should be answered from this questions:

STRUCTURE OF ESSAY	MARK ALLOCATION
<p><b>Introduction</b></p> <p>The introduction is a lower-order response.</p> <ul style="list-style-type: none"> <li>• A good starting point will be to define the main concept related to the question topic.</li> <li>• Do NOT include any part of the question in your introduction.</li> <li>• Do NOT repeat any part of the introduction in the body.</li> <li>• Avoid mentioning in the introduction what you are going to discuss in the body.</li> </ul>	<p>Max. 2</p>
<p><b>Body</b></p> <p><b>Main part:</b> Discuss in detail/In-depth discussion/Examine/Critically discuss/Analyse/Compare/Evaluate/Distinguish/Differentiate/Explain/Draw a graph and explain/Use the graph given and explain/Complete the given graph/Assess/Debate</p> <p>A maximum of 8 marks may be allocated for headings/examples</p> <p><b>Additional part:</b> Critically discuss/Evaluate/Critically evaluate/Debate/Deduce/Compare/Distinguish/Interpret/How?/Suggest</p> <p>A maximum of 2 marks may be allocated for mere listing of facts.</p>	<p>Max. 26</p> <p>Max. 10</p>
<p><b>Conclusion:</b></p> <p>Any higher-order conclusion should include:</p> <ul style="list-style-type: none"> <li>• A brief summary of what has been discussed without repeating facts already mentioned in the body</li> <li>• Any opinion or valued judgement on the facts discussed</li> <li>• Additional support information to strengthen the discussion/analysis</li> <li>• A contradictory viewpoint with motivation, if required</li> <li>• Recommendations</li> </ul>	<p>Max. 2</p>
<p><b>TOTAL</b></p>	<p>40</p>

**QUESTION 4: MACRO-ECONOMICS****? MARKS – 40 MINUTES**

- Discuss in detail the factors that influence the price of natural resources. (26)
- How can local mineral processing be promoted in South Africa? (10)

**[40]****QUESTION 5: MACRO-ECONOMICS****? MARKS – 40 MINUTES**

- Discuss in detail the economic infrastructure in South Africa. (26)
- Analyse the impact of the damage of railways on South Africa's economy. (10)

**TOTAL SECTION C: [40]****GRAND TOTAL: 100**



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**NATIONAL  
SENIOR CERTIFICATE**

**GRADE 11**

**ECONOMICS  
MARKING GUIDELINE**

**COMMON TEST  
MARCH 2023**

**MARKS: 100**

**This marking guideline consists of 14 pages.**

*Stanmorephysics*



**SECTION A****QUESTION 1: COMPULSORY****1.1 MULTIPLE CHOICE**

1.1.1 B. nominal ✓✓

1.1.2 C. injections. ✓✓

1.1.3 A. bureaucracy. ✓✓

1.1.4 B. production. ✓✓

1.1.5 D. public ✓✓

**(5 x 2)(10)****1.2 MATCHING COLUMNS**

1.2.1 C ✓

1.2.2 A ✓

1.2.3 D ✓

1.2.4 E ✓

1.2.5 G ✓

1.2.6 F ✓

**(6 x 1)(6)****1.3 CONCEPTS**

1.3.1 Rent ✓

1.3.2 Imports ✓

1.3.3 Free market economy ✓

1.3.4 Industry ✓

**(4 x 1)(4)****TOTAL SECTION A: 20**

## SECTION B

Answer any ONE question in this section

## QUESTION 2: MACROECONOMICS

30 MINUTES – 40 MARKS

2.1 Answer the following questions.

2.1.1 Name any TWO examples of leakages.

(2 x 1)(2)

- Taxes ✓
- Savings ✓
- Imports ✓

2.1.2 Explain the importance of an open economy.

(2)

An open economy allows the country to import natural resources and final products that it does not have and export its own to foreign countries. ✓✓

(Accept any other correct and relevant response)

## 2.2 DATA RESPONSE

2.2.1 Identify ONE example of fixed capital from the above diagram.

(1)

Buildings / machinery ✓

2.2.2 What letter is used to represent Gross Fixed Capital Formation?

(1)

I ✓

2.2.3 Briefly describe the term *intermediate goods*.

(2)

Intermediate goods refers to goods that are used in the production of other goods. ✓✓

(Accept any other correct and relevant response)

2.2.4 What is the effect of low interest rates on investment?

(2)

Low interest rates make the cost of borrowing cheap for investors and that may lead to an increase in the levels of investment. ✓✓

**2.2.5 How can banks assist in making funding more accessible to small businesses?** (2 x 2) (4)

- Banks can set fair and reasonable terms and conditions regarding repayment periods and interest rates. ✓✓
  - More consideration should be placed on business proposals and entrepreneurs' skills than on collateral. ✓✓
  - Banks should give preference to small business owners who already happen to be their loyal customers. ✓✓
- (Accept any other correct and relevant response)

## 2.3 DATA RESPONSE

**2.3.1 Identify the concept that refers to wages and salaries from the table above.** (1)

Compensation of employees ✓

**2.3.2 Provide the missing term labelled (A) in the above table.** (1)

Basic prices ✓

**2.3.3 Briefly describe the term *gross national income*.** (2)

Gross national income is the total amount of money earned by the residents and businesses of a country, both inside and outside the borders of a country. ✓✓

(Accept any other correct and relevant response)

**2.3.4 Why are *other subsidies on production* subtracted when calculation national accounts?** (2)

Other subsidies on production are subtracted because they lower the market price and the factor cost. ✓✓

(Accept any other correct and relevant response)

**2.3.5 Use the information in the table above to calculate gross value added at basic prices (B). Show all calculations.** (4)

$$\begin{array}{r}
 5\,453\,539 \checkmark \\
 + 131\,563 \checkmark \\
 - 12\,494 \checkmark \\
 \hline
 = 5\,572\,608 \checkmark
 \end{array}$$



2.4 Discuss the goods market as found in the circular flow.

(8)

- A market where consumer goods and services are traded. ✓✓
- Goods are defined as tangible items, like food, clothes, cars, etc. that satisfies human needs and wants. ✓✓
- Buying and selling takes place under the following types of goods market:
- Capital Goods market for trading of buildings and machinery. ✓✓
- Consumer goods market for trading of durable goods, semi-durable goods and non-durable goods. ✓✓
- Services are defined as non-tangible actions and include wholesale and retail, transport and financial markets. ✓✓

2.5 How do savings positively influence the economy?

(8)

- The availability of savings in the economy makes it possible for investors to borrow money from banks to start or expand their businesses. ✓✓
- Savings help consumers be able to deal with financial difficulties during recession where inflation tends to be high. ✓✓
- When people save, the country can be able to maintain a stable exchange rate by avoiding demand pull inflation. ✓✓
- Savings enable people to create wealth for themselves and their families which end up spilling over to the economy. ✓✓
- Savings contribute to the general macroeconomic stability through various indirect positive effects on employment and other variables. ✓✓  
(Accept any other correct and relevant response)

[40]



**QUESTION 3: MACROECONOMICS****40 MARKS – 30 MINUTES****3.1 Answer the following questions.**

**3.1.1 Name any TWO examples of state owned enterprises in South Africa.** (2 x 1)(2)

Denel ✓  
Post Office ✓  
SANRAL ✓

(Accept any other correct and relevant response)

**3.1.2 What effect can the profit motive by businesses have on consumers?** (2)

Consumers may experience exploitation through high prices charged by businesses that aim for high profits margins. ✓✓

**3.2 DATA RESPONSE**

**3.2.1 Name the main role player in the economic system shown in the above cartoon.** (1)

Government ✓

**3.2.2 Which economic system is used in South Africa?** (1)

Mixed-economic system ✓

**3.2.3 Briefly describe the term socialism.** (2)

Socialism is an economic system in which the factors of production are viewed as communal property. ✓✓  
(Accept any other correct and relevant response)

**3.2.4 Explain the relationship between education and productivity.** (2)

Education enables workers to acquire the required skills in order to be competent and productive in their jobs. ✓✓  
(Accept any other correct and relevant response)

**3.2.5 How does a centrally-planned economy aim to achieve equal distribution of income?** (2 x 2)(4)

- By having the state decide on what is to be produced, how it's to be produced and for whom it is to be produced. ✓✓
- The system does not allow private ownership of resources; instead government controls all the resources for equal benefit of all citizens. ✓✓
- Workers are only paid basic salaries to satisfy their needs instead of luxurious lifestyle. ✓✓  
(Accept any other correct and relevant response)

Please Turn Over



**3.3 DATA RESPONSE**

**3.3.1 Identify the characteristic that promotes innovation and invention from the above diagram. (1)**

Competition ✓

**3.3.2 Who owns the majority of factors of production under capitalism? (1)**

Private individuals ✓

**3.3.3 Briefly describe the term *privatisation*. (2)**

Privatisation refers to the transfer or sale of ownership from the public to the private sector. ✓✓

(Accept any other correct and relevant response)

**3.3.4 Explain the negative impact of price mechanism in the economy. (2)**

The price mechanism may not work well in allocating resources, which could cause shortages and surpluses and result to market failure. ✓✓

(Accept any other correct and relevant response)

**3.3.5 How does freedom of choice benefit consumers? (2 x 2)(4)**

- Consumers are able to buy from sellers who offer goods at a lesser price when they have freedom of choice. ✓✓
  - Consumers may have an opportunity to choose the quality and quantity of goods that they prefer when buying. ✓✓
  - Freedom of choice allows consumers to satisfy their needs and wants according to their taste and preferences. ✓✓
- (Accept any other correct and relevant response)



**3.4 Discuss the advantages of a mixed economic system.****(8)**

- Private ownership, the profit motive and competition ensure the production of a great variety of goods and services. ✓✓
- Consumers enjoy freedom of choice since there is a wide variety of goods and services. ✓✓
- Social welfare is improved through the provision of services such as, education, healthcare and social grants. ✓✓
- The optimum mix of a free market and centrally-planned economy ensures an improvement in the standard of living for all citizens. ✓✓
- Mixed economics have better environmental and human rights records than either centrally planned or market economies. ✓✓

**3.5 Analyse the necessity of government to spend on both free market and centrally-planned economy.****(8)**

- Government spending on infrastructure such as roads and ports can make the economy to run efficiently and improve its growth. ✓✓
  - Expenditure on health and education may assist in improving the productivity of the country's workforce. ✓✓
  - Poverty levels may be reduced through government spending on social welfare programmes such as old age pension, child grants and soup kitchens. ✓✓
  - Government spending contributes to an increase in aggregate demand which may cause economic growth. ✓✓
  - The majority of government projects provide direct employment for those who do not have income. ✓✓
- (Accept any other correct and relevant response)

**TOTAL SECTION B: [40]**

## SECTION C

## QUESTION 4: MACRO-ECONOMICS

MARKS – 40 MINUTES

Discuss in detail the factors that influence the price of natural resources.

(26)

## INTRODUCTION:

Natural resources are all the gifts of nature such as soil and trees that are used in the production of goods and services.✓✓

(Accept any other correct and relevant introductions)

(2)

## BODY MAIN PART

## Supply and demand✓

- The supply of natural resource such as land is fixed, while its demand is ever increasing.✓✓
- A further increase in the demand for natural resources may result to an increase in prices.✓✓
- Other natural resources may become obsolete as businesses find alternative methods of producing a product and that would lead to a decrease in the demand for that particular natural resource.✓✓
- These forces of supply and demand affect the value of rent that is paid as remuneration for natural resources.✓✓

## Climate✓

- Climate has an important impact on the agricultural land.✓✓
- In the tropical areas of the world, agricultural land can be used to produce a variety of agricultural crops. ✓✓ e.g. fruits, coffee and rubber.✓
- Land in the desert has very little value for agriculture.✓✓
- Useful agricultural land will, therefore, command a much higher rent than land that is of lesser value.✓✓

## Location✓

- Rent on residential urban land is influence by proximity of schools, shops and effective transport and communication.✓✓
- Rent on business perspective is also determined by the business location.✓✓
- A fast-food outlet in the centre of the city will probably have a higher volume of sales than one located on the outskirts of the city.✓✓
- The rent paid by the food outlet in the city centre will, therefore, be higher.✓✓
- Location also influences the cost of transportation.✓✓
- The further away the resource is from the market, the higher the transport cost will be and the higher the transport cost will be, the lower the rent will be that will be charged.✓✓

**Quality of resources✓**

- This will also influence the rent that is paid for the natural resources. ✓✓
- The higher the quality of the resources, the higher the quality of goods and services that can be produced with the natural resource as input. ✓✓
- Higher quality of natural resources therefore means there will be higher rent paid for that particular natural resource; the opposite applies in a case of poor quality resource. ✓✓
- This is also the case with rent on mines, the more valuable is the mineral resource in that mine, the higher the rent to be paid. ✓✓
- Rent on mines is also known as dead-rent, It is payable whether the extraction is taking place or not, as long as the mining lease is still on. ✓✓

**Technology✓**

- To extract natural resources and convert these into goods and services requires appropriate technology. ✓✓
- New technology can assist to unlock new resources that are difficult to extract. ✓✓
- It can also improve the quality of existing natural resources and also to create substitutes. ✓✓
- All these factors will impact on the rent that a natural resource can command. ✓✓  
(Accept any other correct and relevant response)

Maximum marks: (26)

**ADDITIONAL PART****How can local mineral processing be promoted in South Africa?**

- Government can provide funding to SMMEs to assist them with growing their production methods and the know-how of adding value in their products. ✓✓
- Legislations can be passed to limit the number of minerals and raw materials that can be exported without local beneficiation. ✓✓
- Coordination of value chain industries may assist in making it easy for businesses to realize the benefits of local beneficiation. ✓✓
- There should be better education and training of the workforce in order for the country to have workers with the required skills. ✓✓
- Government should provide subsidies to strategic industries that have a potential to create more job opportunities and generate tax revenue. ✓✓
- Tax rebates may be paid to companies as an incentive to encourage them to expand their production. ✓✓
- Government should also provide reliable and advanced infrastructure to ensure that manufacturing is not disrupted. ✓✓  
(Accept any other correct and relevant response)

**CONCLUSION**

When using natural resources to achieve economic objectives, we must be used in an economical, conservative and preservative manner to ensure sustainability. ✓✓  
(Accept any other correct and relevant conclusion)

(2)

**[40]**

**QUESTION 5: MACRO-ECONOMICS****MARKS – 40 MINUTES**

Discuss in detail the economic infrastructure in South Africa.

**(26)****INTRODUCTION**

Infrastructure refers to the economic facilities and systems that support the functioning and growth of the economy. ✓✓

(Accept any other correct and relevant response)

**BODY (MAIN PART)****COMMUNICATION INFRASTRUCTURE****Postal services✓**

- The South African Post Office Ltd, the shares of which are all owned by the government, provides postal services in South Africa. ✓✓
- A number of privately owned courier services operate to deliver goods. ✓✓

**The media✓**

- The traditional newspaper market is relatively static, but there has been phenomenal growth in the tabloid market. ✓✓
- Online media can be accessed via cell phones and via national and international news websites and chat rooms. ✓✓
- The Independent Communications Authority of South Africa (ICASA), which issues broadcast licences, regulates broadcasting and telecommunications. ✓✓
- The state broadcaster the South African Broadcasting Corporation (SABC), provides public broadcasting through an annual payment of a TV licence fee. ✓✓
- Free-to-air is provided by commercial broadcaster e.tv and subscription television services are provided by Multi-Choice. ✓✓
- Radio commands vast listenership, with community stations catering to specific target audiences and national stations to people across the country. ✓✓

**Fixed-line telephones and cellular phones✓**

- Most landlines in South Africa are provided by Telkom. ✓✓
- In 2006 Neotel entered the industry and ended Telkom's monopoly. ✓✓
- Cell phone networks are provided by four privately owned companies – Vodacom, MTN, CellC, and Telkom – and Virgin Mobile and Rain serve as mobile virtual network operators. ✓✓
- There has been a huge growth in the use of cell phones to send messages, images, and videos through social media platforms. ✓✓
- There has been a big push to force ICASA to allocate more radio frequency spectrums to allow competition which would bring down data costs in South Africa. ✓✓

**Undersea cables** ✓

- An increase in the number of undersea data cables linking South Africa to the rest of the world has seen an increase in local internet access, with the number of South Africa internet users passing five million in January 2010. ✓✓
- This finally broke through the 10% mark in internet penetration for the country. ✓✓

**Broadband** ✓

- The use of broadband connections in South Africa jumped by 50% between 2009 and 2010, with most of the growth due to small and medium-sized businesses upgrading to ADSL. ✓✓

**Local connectivity** ✓

- With the arrival of several international data cables in South Africa, focus has shifted to improving connectivity within South Africa by building national and city-wide fibre-optic cable networks. ✓✓
- Broadband Infracore, the state-owned company, started selling wholesale bandwidth capacity to the country's telecoms companies and internet service providers in November 2010. ✓✓

**ENERGY INFRASTRUCTURE****Electricity** ✓

- Eskom generates about 95% of electricity used in South Africa, and export power to other African countries. ✓✓
- South Africa's electricity network is made up of more than 300 000 km of power lines, 27 000 km of which make up South Africa's national transmission grid. ✓✓
- South Africa uses coal, its major indigenous energy source, to generate most of its electricity and significant proportion of its liquid fuels. ✓✓
- Water is used to create hydro-electric power. ✓✓
- However, the country has been experiencing shortage of electricity since 2008 as it now has to implement loadshedding as a measure to prevent the collapse of the system. ✓✓

**Nuclear energy** ✓

- There is currently one conventional nuclear station in the country, namely Koeberg in the Western Cape. ✓✓
- Koeberg contributes about 1 800 MW to the national grid. ✓✓



**Alternative energy sources and renewable sources ✓**

- South Africa imports crude oil as a further source of energy, mostly from Arab and African countries. ✓✓
- PetroSA and private-sector oil companies refine this crude oil. ✓✓
- With the current shortage of electricity, there is a rush to build renewable energy projects that will use wind and solar. ✓✓
- Firewood is a renewable source of energy widely used for cooking and heating, mainly in rural areas. ✓✓

**Synthetic fuels, oil and gas ✓**

- South Africa has a highly developed synthetic fuels industry, in which state company Petro SA and petrochemicals giant Sasol are the major producers. ✓✓
- Petro SA manages the country's commercial assets in the petroleum industry, including the world's largest commercial gas-to-liquid plant at Mossel Bay. ✓✓
- Sasol produces synthetic fuels from low-grade coal and a small amount from natural gas. ✓✓
- Sasol produces automotive fuels for consumers, premium fuels and lubricants for industry, as well as jet fuel, fuel alcohol and illuminating kerosene. ✓✓

**TRANSPORT ✓****Road network ✓**

- The transport of goods by roads in heavy trucks has greatly increased in recent years and this has put a strain on road maintenance. ✓✓
- The responsibility for the road network is shared among central and provincial government and the town councils. ✓✓
- The South African National Roads Limited is responsible for improving and maintaining the national roads. ✓✓
- Financing is provided by taxes and tolls for using certain national roads. ✓✓

**Rail network ✓**

- South Africa's rail network is controlled by Transnet and focuses on the transport of goods but there are also long distance passenger services and Metrorail services in towns. ✓✓

**Airways ✓**

- State owned South African Airways and its subsidiaries, SA Express and Mango, provide flight services internally and internationally. ✓✓
- Other privately owned airlines such as Kulula and Lift also provide transport services.
- The Airports Company South Africa (ACSA) provides and manages the running of local airports to ensure that they are of world standard. ✓✓



**Harbours ✓**

- In South Africa there are fishing harbours and commercial ports. ✓✓
- Transnet National Ports Authority controls the commercial ports. ✓✓
- The busiest port is the Port of Durban, which is the largest container port in Africa. The port of Richards Bay handles the largest tonnage (mainly coal exports). The port of Saldanha Bay handles iron ore and there are also container facilities at the ports in Cape Town, Port Elizabeth and Ngqura. ✓✓

**Pipelines ✓**

- Transnet pipelines operate a number of pipelines running between the Port of Durban and Gauteng to transport liquid fuels. ✓✓
- Gas is transported in pipelines from Secunda to Durban. ✓✓
- Other gas pipelines deliver gas from Mozambique. ✓✓  
(Accept any other correct and relevant response)

Maximum marks: (26)

**ADDITIONAL PART****Analyse the impact of the damage of railways on South Africa's economy. (10)**

- The distraction of railways puts pressure on the roads infrastructure which causes traffic congestion and delays in transportation of goods. ✓✓
- It causes a backlog at commercial ports and leads to delays in the exportation and importation of goods. ✓✓
- Workers may suffer an increase in their costs of living as trains are considered to be cheap alternative form of transport. ✓✓
- Businesses lose large revenues when there are delays in the transportation of goods as certain stock may get damaged and contracts cancelled due to failure to deliver on time. ✓✓
- Government also loses huge tax revenue which it would have earned from businesses in the freight industry. ✓✓
- It may cause a shortage of goods in the market and result in price increases. ✓✓  
(Accept any other correct and relevant response)

**CONCLUSION**

- South Africa has been considered to have the most advanced infrastructure in Africa; however this may change with time as the country has had less investment in and distraction of infrastructure. ✓✓  
(Accept any other correct and relevant response)

(2)

**[40]****GRAND TOTAL: 100**