



KWAZULU-NATAL PROVINCE

EDUCATION
REPUBLIC OF SOUTH AFRICA

**NATIONAL
SENIOR CERTIFICATE**

GRADE 11

ECONOMICS

PROVINCIAL STANDARDISED ASSESSMENT

MARCH 2026

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MARKS: 100

TIME: 1½ hours

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This question paper consists of 10 pages.

INSTRUCTIONS AND INFORMATION

1. Answer THREE questions as follows in the ANSWER BOOK:
 - SECTION A: COMPULSORY
 - SECTION B: Answer ONE of the two questions.
 - SECTION C: Answer ONE of the two questions.
2. Answer only the required number of questions. Answers in excess of the required number will NOT be marked.
3. Number the answers correctly according to the numbering system used in this question paper.
4. Write the question number above each answer.
5. Read the questions carefully.
6. Start EACH question on a NEW page.
7. Leave 2–3 lines between subsections of questions.
8. Answer the questions in full sentences and ensure that the format, content and context of your responses comply with the cognitive requirements of the questions.
9. Use only black or blue ink pen.
10. You may use a non-programmable pocket calculator.
11. Write neatly and legibly.



SECTION A (COMPULSORY)**QUESTION 1**

- 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 to 1.1.5) in the ANSWER BOOK, e.g. 1.1.6 C.

1.1.1 A remuneration received by the owners of natural resources is called ...

- A interest
- B wages
- C income
- D rent

1.1.2 An increase in the country's capital stock is known as gross ...

- A national income
- B fixed capital formation
- C domestic product
- D national product



1.1.3 A taxation system in which the tax rate increases as an individual's income rises is called ...

- A progressive income tax
- B value added tax
- C regressive income tax
- D sin tax

1.1.4 The process that takes place to transform raw materials into consumer goods is called a/an ...

- A infrastructure
- B construction
- C manufacturing
- D entrepreneurship

1.1.5 A collection of raw materials that can return to nature what it has taken from it is called ...

- A exploitative operations
- B genetics operations
- C human resources
- D non-renewable resources

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(5 x 2)(10)

- 1.2 Choose a description from COLUMN B that matches the item in COLUMN A. Write only the letter (A – I) next to the question numbers (1.2.1 to 1.2.6) in the ANSWER BOOK, for example 1.2.7 G.

COLUMN A	COLUMN B
1.2.1 Real wage	A. Decisions taken by the central bank to change interest rates and influence money supply in the economy.
1.2.2 Gross National Income	B. Economic activities that are unregulated or uncontrolled by the government.
1.2.3 Monetary Policy	C. A sum total of all income earned on the factors of production by the permanent citizens of the country over given period.
1.2.4 Centrally Planned Economy	D. Total value of final goods and services produced within the borders of the country over a given period.
1.2.5 Informal Sector	E. The businesses that are wholly or partly owned by the government.
1.2.6 State-owned enterprises	F. The amount of goods and services a person can buy with the nominal wage.
	G. An economic system in which the factors of production are viewed as communal property.

(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 to 1.3.4) in the ANSWER BOOK. Abbreviations, acronyms and examples will NOT be accepted.

1.3.1 All mental and physical efforts devoted by people to produce goods and offer services.

1.3.2 An economy that allows trade with other countries.

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

1.3.4 The industries concerned with extraction of raw materials from nature.

(4 x 1)(4)

TOTAL SECTION A: 20

SECTION B

Answer any ONE of the TWO questions in this section in the ANSWER BOOK.

QUESTION 2: MACROECONOMICS**40 MARKS – 30 MINUTES**

2.1 Answer the following questions.

2.1.1 Name any TWO state owned enterprises in South Africa. (2 x 1)(2)

2.1.2 Why is manufacturing considered as an important process in the economy? stanmorephysics.com (1 x 2)(2)

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

Key Factors of Production

Factors of production are the four essential economic inputs—land, labour, capital, and entrepreneurship—required to produce goods and services and generate profit. Land includes natural resources, labour represents human effort, capital refers to man-made tools/machinery, and entrepreneurship drives innovation.

Adapted from: www.investopedia.com

2.2.1 Identify a factor of production that provides resources from nature in the extract above. (1)

2.2.2 Name any ONE economically marginalized group in South Africa. (1)

2.2.3 Briefly describe the term *formal sector*. (2)

2.2.4 Explain the importance of skilled labour in production of goods (2)

2.2.5 How can the government reduce the high unemployment rate? (4)

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

NATIONAL OUTPUT MEASUREMENT	
Item	Amount (R Bn)
Consumption expenditure by households	4 757 404
Government expenditure	1 410 833
Gross capital formation	1 022 834
Gross domestic expenditure	7 191 071
Exports on goods and services	1 336 582
Imports on goods and services	2 190 070
GDP at market prices	A

[Source: StatsSA, QB 2025]

- 2.3.1 Identify the item that represent investments in the table above. (1)
- 2.3.2 Name any ONE method for calculating GDP at market prices. (1)
- 2.3.3 Briefly describe the term *gross domestic expenditure*. (2)
- 2.3.4 Explain the negative impact of high expenditure on imports in the economy. (2)
- 2.3.5 Calculate the GDP at market prices (A). Show ALL calculations. (4)
- 2.4 Differentiate between Gross Domestic Product (GDP) and Gross National Product (GNP) as main aggregates in the economy. (8)
- 2.5 Analyse the negative impact of the free-market economy in the country. (8)

[40]

QUESTION 3: MACROECONOMICS**40 MARKS – 30 MINUTES**

3.1 Answer the following questions.

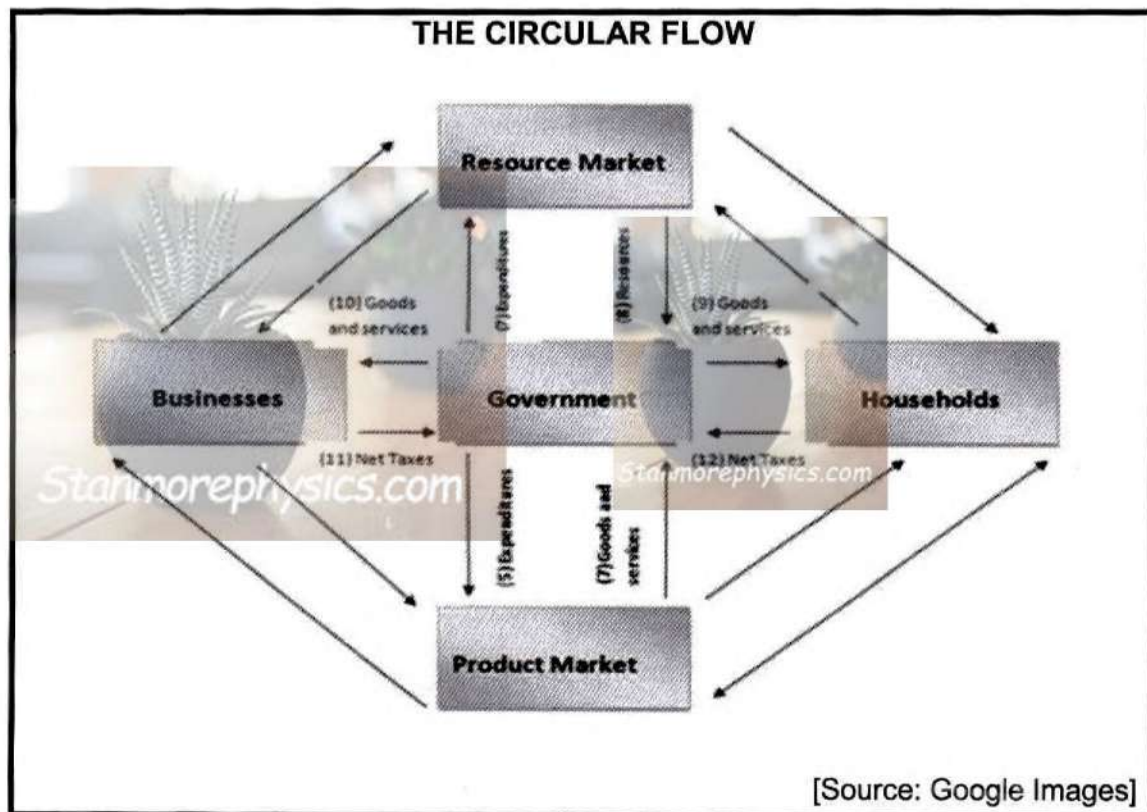
3.1.1 Name any TWO commercial ports in South Africa.

(2 x 1) (2)

3.1.2 Why is the supply of land fixed?

(1 x 2) (2)

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



3.2.1 Identify ONE injection in the diagram above. (1)

3.2.2 Name the type of economy that includes the foreign sector. (1)

3.2.3 Briefly describe the term *circular flow*. (2)

3.2.4 How can households benefit from the financial market. (2)

3.2.5 Why is the factor market important in the circular flow? (4)

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

GOVERNMENT DECIDES, COMMUNITIES OPERATE

If there is no shop in a rural area, the government will tell one of the community members to start a spaza shop. By doing this, the government will decide what, how and when to produce in order to uplift society.

The centrally planned system is characterised by government intervention where else in the capitalist driven economy the government has a minimum role to play.

[www.economicsnews.co.za]

3.3.1 Identify the economic system from the above extract. (1)

3.3.2 Name the institution that allocates resources in the above extract. (1)

3.3.3 Briefly describe the term *economic system*. (2)

3.3.4 How can service delivery be improved in South Africa? (2)

3.3.5 Why is South Africa regarded as a mixed economy? (2 x 2) (4)

3.4 Discuss the characteristics of capital. (8)

3.5 Analyse the economic importance of energy as part of South Africa's infrastructure. (8)

[40]

TOTAL SECTION B: 80

SECTION C

Answer any ONE of the TWO questions in this section in the ANSWER BOOK.
Your answer will be assessed as follows:

STRUCTURE OF ESSAY	MARK ALLOCATION
<p>Introduction</p> <p>The introduction is a lower-order response.</p> <ul style="list-style-type: none"> • A good starting point will be to define the main concept related to the question topic. • Do NOT include any part of the question in your introduction. • Do NOT repeat any part of the introduction in the body. • Avoid mentioning in the introduction what you are going to discuss in the body. 	<p>Max. 2</p>
<p>Body</p> <p>Main part: 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 stanmorephysics.com</p> <p>A maximum of 8 marks may be allocated for headings/examples</p> <p>Additional part: 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>Conclusion:</p> <p>Any higher-order conclusion should include:</p> <ul style="list-style-type: none"> • A brief summary of what has been discussed without repeating facts already mentioned in the body • Any opinion or valued judgement on the facts discussed • Additional support information to strengthen the discussion/analysis • A contradictory viewpoint with motivation, if required • Recommendations 	<p>Max. 2</p>
<p style="text-align: right;">TOTAL</p>	<p>40</p>

QUESTION 4: MACROECONOMICS**40 MARKS – 40 MINUTES**

- Discuss in detail the entrepreneurial skills as a factor of production (26)
- How can the government encourage entrepreneurship in South Africa? (10)

[40]**QUESTION 5: MACROECONOMICS****40 MARKS – 40 MINUTES**

- Discuss in detail the economic importance of the tertiary sector. (26)
- Analyse the important interaction between sectors of the economy. (10)

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



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MARKING GUIDELINES

PROVINCIAL STANDARDISED ASSESSMENT

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MARKS: 100

This marking guideline consists of 15 pages.

SECTION A (COMPULSORY)**QUESTION 1****1.1 MULTIPLE CHOICE**

1.1.1 D ✓✓

1.1.2 B ✓✓

1.1.3 A ✓✓

1.1.4 C ✓✓

1.1.5 B ✓✓

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

1.2.1 F ✓

1.2.2 C ✓

1.2.3 A ✓

1.2.4 G ✓

1.2.5 B ✓

1.2.6 E ✓

(6 x 1)(6)**1.3 GIVE THE TERM**

1.3.1 Labour ✓

1.3.2 Open economy ✓

1.3.3 Capitalism/ Free Market system/ Market economy ✓

1.3.4 Primary sector ✓

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

SECTION B

Answer any ONE of the TWO questions in this section in the ANSWER BOOK.

QUESTION 2: MACROECONOMICS

40 MARKS – 30 MINUTES

2.1 SHORT QUESTIONS

2.1.1 Name any TWO state owned enterprises in South Africa.

- ESKOM ✓
- SABC ✓
- Transnet ✓
- SAA ✓
- Denel ✓

(Accept any other correct relevant responses.)

(2 x 1)(2)

2.1.2 Why is manufacturing considered as an important process in the economy?

- Manufacturing plays a vital role because it transforms raw materials into finished goods and services that fulfil people's needs. ✓✓
- It contributes to a country's economic growth and creates job opportunities. ✓✓

(Accept any other correct relevant responses.)

(1 x 2) (2)

2.2 DATA RESPONSE

2.2.1 Identify a factor of production that provides resources from nature in the extract above.

- Land / Natural Resources ✓

(1)

2.2.2 Name any ONE economically marginalized group in South Africa.

- People living with disability ✓
- Elderly people ✓
- Women ✓

(Accept any other correct relevant responses.)

(1)

2.2.3 Briefly describe the term *formal sector*.

- The formal sector refers to officially registered businesses that operate under government regulation and contribute to public revenue through taxation. ✓✓

(Accept any other correct relevant response).

(2)

2.2.4 Explain the importance of skilled labour in production of goods.



- Skilled labour tends to produce goods more quickly, which enhances overall productivity in the economy. ✓✓
- The production of high-quality goods relies on skilled labour, which strengthens a nation's competitiveness in the global market. ✓✓

(Accept any other correct relevant response). (2)

2.2.5 How can the government reduce the high unemployment rate?

- The government should enhance the quality of education and training to upskill the labor force. ✓✓
- The government ought to provide subsidies and financial support to labor-intensive industries. ✓✓
- The state should continuously invest in infrastructure development to strengthen the competitiveness of the domestic manufacturing sector. ✓✓

(Accept any other correct relevant response). (4)

2.3 DATA RESPONSE

2.3.1 Identify the item that represent investments done the table above.

- Gross Capital Formation ✓ (1)

2.3.2 Name any ONE method for calculating GDP at market prices.

- Production method ✓
- Income method ✓
- Expenditure method ✓ (1)

2.3.3 Briefly describe the term gross domestic expenditure.

- Gross domestic expenditure (GDE) indicates the total value of spending originating within the borders of a country. ✓✓

(Accept any other correct relevant response). (2)

2.3.4 Explain the negative impact of high expenditure on imports in the economy.

- High expenditure on imports increases leakages and cause larger outflow of money which reduce national income. ✓✓
- Excessive reliance on imports diminishes consumer demand for locally produced goods and services, leading to reduced domestic production and an increase in unemployment. ✓✓

(Accept any other correct relevant response). (2)

2.3.5 Calculate the GDP at market prices (A). Show ALL calculations.

- $R\ 7\ 191\ 071 + R\ 1\ 336\ 582 - R\ 2\ 190\ 070 = R\ 6\ 337\ 583$ (Max 4)

2.4 Differentiate between Gross Domestic Product (GDP) and Gross National Product (GNP) as main aggregates in the economy.

Gross Domestic Product (GDP)

- Is the total value of final goods and services produced within the borders of the country within a particular time period usually a year. ✓✓
- It is also called Gross Value Added and it includes foreigners operating businesses in South Africa. ✓✓

(Accept any other correct relevant response).

Gross National Product (GNP)

- Is the total value of all final goods and services produced by the permanent residents of a country within a particular time period usually a year. ✓✓
- It only includes the production/ income of South Africans. ✓✓

(Accept any other correct relevant response).

(4 x 2)(8)

2.5 Analyse the negative impact of the free-market economy in the country.

- Essential goods and services such as healthcare or education may be underprovided because they are not profitable, leaving vulnerable groups without access. ✓✓
- Firms may ignore environmental costs, such as pollution, since protecting natural resources often reduces profits. ✓✓
- Large firms can dominate markets, reducing consumer choice and driving up prices. ✓✓
- With minimal regulation, businesses may prioritize profit over fair wages and safe working conditions, leading to worker exploitation. ✓✓
- Wealth tends to concentrate among those who already have resources, while poorer groups struggle to compete. ✓✓

(Accept any other correct relevant response).

(4 x 2)(8)

[40]

QUESTION 3: MACROECONOMICS

40 MARKS – 30 MINUTES

3.1 SHORT QUESTIONS

3.1.1 Name any TWO commercial ports in South Africa.

- Richards Bay ✓
 - Durban ✓
 - East London ✓
 - Port Elizabeth ✓
 - Mossel Bay ✓
 - Cape Town ✓
 - Saldanha ✓
 - Port of Ngqura ✓
- (Accept any other correct relevant response)

(2 x 1)(2)

3.1.2 Why is the supply of land fixed?

- The resources are not man-made and are scarce in relation to the demand. ✓✓
- The availability of non-renewable resources cannot be increased if more resources are required. ✓✓

(Accept any other correct relevant response)

(1 x 2)(2)

3.2 DATA RESPONSE

3.2.1 Identify ONE injection in the diagram above.

- Government expenditure ✓

(1)

3.2.2 Name the type of economy that includes the foreign sector.

- Open economy ✓

(1)

3.2.3 Briefly describe the term *circular flow*.

- The circular flow model of the economy is a simplification showing how the economy works and the relationship between income, production and spending in the economy as a whole. ✓✓

(Accept any other correct relevant response)

(2)

3.2.4 How can households benefit from the financial market?

Financial market provides the platform for household to save and borrow money. ✓✓

(2)

(Accept any other correct relevant response)

3.2.5 Why is the factor market important in the circular flow?



- Factor markets help the economy to grow by providing a mechanism where factors of production are traded. ✓✓
- The households own the factors of production and sell the factors on the input market and receive an income (wages, rent, interest and profit) in return, to use for buying goods and services. ✓✓
- Businesses purchase the factors of production from the households in the factor market to be used in the production of goods and services. ✓✓

(4)

(Accept any other correct relevant response).

3.3 DATA RESPONSE

3.3.1 Identify the economic system from the above extract.

- Centrally planned economy ✓

(1)

3.3.2 Name the institution that allocates resources in the above extract.

- Government ✓

(1)



3.3.3 Briefly describe the term *economic system*.

- It is the method used by countries to allocate their resources. ✓✓

(2)

(Accept any other correct relevant response).

3.3.4 How can service delivery be improved in South Africa?

- Government officials and employees must be held accountable for the use of state funds. ✓✓
- Ensuring the appointment of capable and effective leaders and managers in government departments and business organisations. ✓✓

(2)

(Accept any other correct relevant response).

3.3.5 Why is South Africa regarded as a mixed economy?

- The government plays a role in providing collective goods and services and in regulating the market. ✓✓
- South Africa has a dual economy with a highly developed financial and industrial economy. ✓✓
- Consumers have the freedom to decide how to spend their income and what to consume. ✓✓
- The Government uses sufficient monetary and fiscal policy to ensure maximum economic growth and continuous stability of prices. ✓✓
- The government's involvement in the markets entails intervention to control prices to protect consumers and workers. ✓✓

(2 x 2)(4)

(Accept any other correct relevant response).

3.4 Discuss the characteristics of capital.

Characteristics of capital are:

- When capital is being consumed, it depreciates. ✓✓
- In national accounts it is referred to as consumption of fixed capital. ✓✓
- Capital formation (Investment / production of capital goods) requires a sacrifice of savings. ✓✓
- For the production of capital goods to be possible, current consumption should be sacrificed. ✓✓
- Capital goods do not have an unlimited life even though they last over time. ✓✓
- Machinery, plant, equipment, buildings, dams, bridges and roads are all subject to wear and tear. ✓✓
- Capital can become outdated or obsolete because of technological progress. ✓✓
- Capital is not an indispensable factor of production, ✓✓ i.e. Production is possible even without capital. ✓

(Accept any other correct relevant response).

(4 x 2)(8)

3.5 Analyse the economic importance of energy as part of South Africa's infrastructure.

- Energy is essential for powering industries, manufacturing, and production processes, contributing to economic growth and job creation. ✓✓
- South Africa's mining industry heavily relies on energy for operations, making it a significant contributor to the country's economy. ✓✓
- Energy is vital for powering transportation systems, including railways, ports, and airports, facilitating trade and economic activities. ✓✓
- Access to energy is crucial for households and businesses, enabling lighting, heating, cooking, and powering essential appliances, thus improving living standards and productivity. ✓✓
- A reliable energy infrastructure is attractive to foreign investors, as it ensures stable operations and reduces production costs. ✓✓
- South Africa's renewable energy potential, such as solar and wind, presents opportunities for economic growth, job creation, and sustainable development. ✓✓
- With a well-developed energy infrastructure, South Africa can potentially export energy to neighboring countries, contributing to regional economic stability and cooperation. ✓✓

(Accept any other correct relevant response).

Maximum of 4 marks for mere listing of facts

(4 x 2)(8)

[40]

TOTAL SECTION B: 80

SECTION C

QUESTION 4: MACROECONOMICS

40 MARKS – 40 MINUTES

- Discuss in detail the entrepreneurial skills as a factor of production. (26)
- How can the government encourage entrepreneurship in South Africa? (10)

INTRODUCTION

- An entrepreneur is a person who takes the risk of starting and financing a new business to satisfy the needs and wants of consumers. ✓✓

(Accept any other correct relevant response).

MAIN PART

Characteristics of Entrepreneurship

Combines the other factors of production: ✓

- The entrepreneur combines the factors of production to produce goods and services to satisfy the needs and wants of consumers. ✓✓
- Entrepreneurs need to source enough capital, natural resources and skilled labour at the right time and place, and in the right quantities. ✓✓
- Entrepreneurs will apply their skills creatively to maximize profits. ✓✓

Demonstrates initiative: ✓

- Entrepreneurs take the initiative to start businesses. ✓✓
- Entrepreneurs come up with new business ideas to make a profit in the market. ✓✓
- The entrepreneur needs to work out the break-even point before starting a business. ✓✓
- The break-even point is the point at which expenses equal income and any income made after the break-even point is the profit. ✓✓

Takes risks: ✓

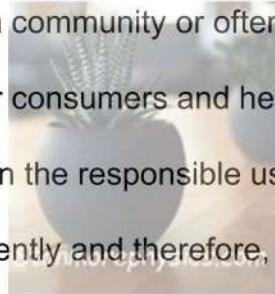
- In a market economy, the role of the entrepreneur is to accept or take the risks. ✓✓
- The entrepreneur is responsible for all the losses if the business idea fails or if it goes bankrupt. ✓✓

Makes decisions: ✓

- Entrepreneurs make decisions on what to produce, where to set up the business and for whom to produce. ✓✓
- Entrepreneurs are responsible for daily operations of the business where they need to decide on issues such as whether to concentrate on quality or quantity, whether to buy land or to lease premises, from whom to buy stock or raw materials ✓✓
- Entrepreneurs need to decide on which form of ownership to choose for instance, a sole proprietorship or a partnership or a company etc. ✓✓

Importance of an entrepreneur:

- Entrepreneur is found in small and large enterprise. ✓✓
- There are so many more small enterprises, however, the contribution from entrepreneurs in the smaller enterprises is significant. ✓✓
- Smaller businesses allow them more freedom to implement their innovations. ✓✓
- In South Africa, many entrepreneurs in the informal sector start their own micro-businesses to create their own employment. ✓✓
- Many of these entrepreneurs in the informal sector are unemployed, poor people who venture into the world of business purely to survive, often without the means, skills and knowledge to make a success of their businesses. ✓✓
- Entrepreneurs should be commended for providing for their own needs. ✓✓
- Countries that encourage a culture of entrepreneurship, such as Japan, are characterised by economic wealth that is reflected in their population's high per capita income. ✓✓, whereas in countries where a culture of entrepreneur is lacking, such as the former Soviet Union, Africa and even South Africa, the income per capita is much lower. ✓✓
- Successful entrepreneurs make a considerable contribution in the economy of the community in which they operate and to the economy of the country. ✓✓
- Entrepreneurs satisfy the needs and wants of consumers in a community by providing the goods and services that the community require. ✓✓
- They provide employment for the citizens of a community or often help to reduce unemployment. ✓✓
- They place income in the hands of workers or consumers and help to raise the standard of living of working people. ✓✓
- Responsible entrepreneurs show leadership in the responsible use of scarce resources. ✓✓
- They strive to carry out their tasks more efficiently and therefore, help to increase productivity. ✓✓
- Through all these activities, entrepreneurs make a positive contribution to the economic growth of the community in which they operate and to the economic growth of the country. ✓✓



(Accept any other correct relevant response).

Allocate a maximum of 8 marks for headings, sub headings and examples.

Max. 26

Additional Part

How can the government encourage entrepreneurship in South Africa? (10)

- Government provides grants, subsidies, and loans to start ups and small businesses to help cover initial costs and overcome funding barriers. ✓✓
- Offers education and training programs to equip entrepreneurs with the necessary skills and knowledge to succeed in their ventures. ✓✓
- Reduce bureaucratic red tape and simplifying regulatory frameworks to make it easier for entrepreneurs to start and grow their businesses. ✓✓
- Stimulate networking between entrepreneurs and providing legal support to create a better environment for entrepreneurship. ✓✓
- Encourages innovation and providing grants and funding to start-ups and SMEs, particularly in high-impact industries. ✓✓
- Offers mentorship and skills development programs to ensure entrepreneurs have the knowledge and resources they need to succeed. ✓✓

(Accept any other correct relevant response)

Allocate a maximum of 2 marks for mere listing of fact

CONCLUSION

- Entrepreneurs are necessary for the economic growth of a country. Governments appreciate and acknowledge their importance. ✓✓

Accept any other correct relevant conclusion of higher order. (Max. 2)

[40]

QUESTION 5: MACROECONOMICS 40 MARKS – 40 MINUTES

Discuss in detail the economic importance of the tertiary sector. (26)

Analyse the important interaction between sectors of the economy. (10)

INTRODUCTION

The tertiary sector, or service sector, involves providing intangible services like healthcare, education, finance, and IT, contributing to the economy through non-material transactions. It includes a broad range of service-oriented industries. ✓✓

Accept any other relevant correct introduction. (Max. 2)

BODY

MAIN PART

Composition of the tertiary sector:

Commercial Services ✓

- Services that are offered each time consumer goods are bought or sold and wholesalers and retailers are important providers of these services. ✓✓



Transport Services ✓

- Help to ensure that all goods needed are taken to the places where the consumers need to buy them or use them. ✓✓

Storage Services ✓

- Storage facilities ensure that consumer goods are available whenever the consumers need goods. ✓✓

Communication Services ✓

- These services ensure the transfer of market information to the parties who are entering into business transactions. ✓✓

Banking and Financial Services ✓

- Banks and other financial institutions play an important part in the finance of transactions between buyer and seller. includes loans, hire-purchase, mortgages and underwriting of shares. ✓✓

Tertiary sector contribution:**Contribution to GDP: ✓**

- Tertiary sector activities significantly contribute to GDP through service-oriented transactions. ✓✓
- In the current technological environment, it is predicted that the growth in the tertiary sector will play a bigger role in GDP's contribution in future. ✓✓
- The actual contribution of the tertiary sector to the GDP may be understated. ✓✓
- Many essential services are not included, such as the service of the homemakers, as well as services rendered by businesses for themselves in the primary and secondary sector e.g., computer services, bookkeeping and training. ✓✓

Contribution to employment ✓

- Tertiary sector is the largest employer in the South African economy. ✓✓
- It provides the variety of job opportunities for highly skilled workers, as well as semi-skilled and unskilled workers. ✓✓
- Most businesses in this sector, including both state-owned and private firms, provide opportunities for training. ✓✓

Contribution to exports ✓

- The tertiary sector exports and imports a considerable number of services to foreign countries. ✓✓
- These are usually in the form of freight, insurance, transport, travel, royalties, licence fees and services such as communication. ✓

Contribution to economic growth ✓

- The growth in the tertiary sector is much bigger than that of the primary sector and of the secondary sector. ✓✓
- The tertiary sector is the engine of growth, that provides impetus to the other sectors. ✓✓

Source of income for the state ✓

- Companies must pay tax to the South African Revenue Services (SARS). ✓✓
- Money collected by the state is used to provide basic services to South Africans for example, infrastructure (roads, housing, public transport etc.) and welfare services. ✓✓

Diversification of Economy: ✓

- The tertiary sector allows for economic diversification, reducing dependence on traditional sectors like agriculture and manufacturing. ✓✓

Accept any other relevant correct response

Allocate a maximum of 8 marks for mere listing of facts/examples (Max. 26)

ADDITIONAL PART

- The primary sector relies on the secondary sector to supply manufactured goods such as machinery and equipment, which are essential for production activities. ✓✓
- The secondary sector relies on the primary sector for raw materials and natural products, which it processes into useful manufactured goods. ✓✓
- Both primary and secondary sectors depend on the tertiary sector for the provision of services. ✓✓
- The primary and secondary sectors also rely on the tertiary sector for services such as trade and distribution, such as traders who resell fresh produce. ✓✓
- The tertiary sector also depends on the secondary for manufactured goods such as office equipment, office furniture and stationery. ✓✓
- In the secondary sector, manufacturers make components that other manufacturers use in their final products. ✓✓
- Businesses within a sector also depends on other businesses within the same sector. ✓✓

(Accept any other correct relevant response)

Allocate a maximum of 2 marks for mere listing of fact



CONCLUSION

Tertiary sector plays a key role as a link between producers and consumers by ensuring that goods and services are accessible to consumers in their local markets. ✓✓

Accept any other correct relevant conclusion of higher order.

(Max. 2)

[40]

TOTAL SECTION C: 40

GRAND TOTAL: 100