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KWAZULU-NATAL PROVINCE
EDUCATION
REPUBLIC OF SOUTH AFRICA

GENERAL EDUCATION AND TRAINING (GET)

ECONOMIC AND MANAGEMENT SCIENCES (EMS)
CONTROLLED TEST PAPER 2
JUNE 2026

GRADE 8

SURNAME	
NAME	
GRADE	
SCHOOL NAME	

_____ = _____%

50

MARKS: 50 DURATION: 60 mins

GENERAL INSTRUCTIONS TO CANDIDATES AND INFORMATION.

1. You must **answer all the questions**.
2. Read the instructions carefully, and answer questions as instructed.
3. Answer **ALL** questions in the **SPACE** provided.
4. Use the information in the table below as a guide when answering the question paper.
5. **NB.** This question paper consists of **5 pages.**

SECTION	QUESTIONS	MARK ALLOCATION	MARKS OBTAINED
A The Economy & Entrepreneurship	Multiple choice	**05 Marks**	
	True or False	**05 Marks**	
B The Economy	Standard of Living	**10 Marks**	
	Government	**05 Marks**	
	National Budget	**10 Marks**	
C. Entrepreneurship	Factors of Production	**15 Marks**	
	TOTALS	**50**	

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SECTION A
QUESTION 1

MULTIPLE-CHOICE QUESTION **MARKS: 10**

Choose the correct answer for each of the following statements. Write only the letter of your choice in the space provided

1.1 Why does the government spend money on social grants?

A Reward people who are employed by the government
B Support vulnerable groups and reduce poverty
C Increase government profits
D Discourage people from saving

(1)

1.2 1.1 Which of the following best explains how the government raises money from households?

A Collecting taxes on income and spending
B Producing goods and services.
C Setting national budget for the country.
D Controlling how businesses operate

(1)

1.3 South African government spends money on social services to improve citizens' quality of life. Which option best shows this type of expenditure?

A Providing Housing subsidies
B Paying interest on government loans
C Buying military equipment
D Maintaining government buildings



(1)

1.4 In which type of society is the standard of living generally lower due to limited access to services such as health care, education, and technology?

A Developed societies
B Industrial societies
C Rural societies
D Urban societies

(1)

1.5 1.5 A Grade 8 learner created a mobile app that helps learners to track homework deadlines. What entrepreneurial quality is being demonstrated?

A Laziness
B Dependence on others
C Risk avoidance
D Creativity and innovation

(1)

2 TRUE OR FALSE **MARKS: 5**

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State whether the following statements are true or false. Write only True or False in the space provided.

2.1	Machine operators are unskilled workers		(1)
2.2	Custom duties are indirect taxes imposed on the import of goods.		(1)
2.3	Oil bought to lubricate sewing machine is part of a dressmaker's working capital.		(1)
2.4	In the economy, the government and businesses can function smoothly without households.		(1)
2.5	If a country has a high unemployment rate, that could indicate the economy is struggling.		(1)

SECTION B – THE ECONOMY		10 MARKS
QUESTION 3		
STANDARD OF LIVING		
3.1	State which characteristic given below is for modern or rural societies.	(3)

CHARACTERISTICS	MODERN SOCIETY OR RURAL SOCIETY
Small population size	
Advanced infrastructure such as roads, schools, and hospitals.	
Limited access to services like healthcare and education	

3.2	"New factories are built near a rural village" Explain in **TWO** points why this development may negatively affect the environment.	(2)
3.3	Explain **FIVE** ways in which the productive use of resources can help promote a healthy environment?	(5)

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QUESTION 4	15 MARKS

NATIONAL BUDGET AND GOVERNMENT

READ THE FOLLOWING SCENARIO AND ANSWER THE QUESTIONS:

The government of South Africa has launched a new programme using funds collected from taxes, service fees, fines, and levies. It is building houses for low-income families, improving roads in rural areas, providing social grants to the elderly, and increasing police visibility to reduce crime. Some citizens are happy, while others feel more should be done to create jobs.

4.1	From the scenario above, name any **THREE** sources of government revenue.	(3)
4.2.1	State **THREE** ways in which the national budget helps to promote economic growth and reduce economic imbalances, identified in the scenario	(3)
4.2.2	Explain **THREE** ways in which national budget can help redress economic imbalances in education?	(3)
4.3	Explain any **TWO** roles of each level of government in providing services to communities	(6)

National Government	
Provincial Government	
Local Government	

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	SECTION C – ENTREPRENEURSHIP QUESTION 5	15 MARKS
FACTORS OF PRODUCTION		
	Read the following case study before answering the questions Gwen started a dressmaking business with a capital of R80 000. She invested R25 000 from her own savings in the business and obtained a loan from FIG bank for the rest of the capital. She employed experienced pattern designers, cleaners, messengers, and packers. Workers are working in safe conditions, and they are also paid overtime. Male workers are paid more than females, yet they do the same job.	
5.1	Identify **ONE** of the following workers from the case study and describe each.	(2)
	5.1.1 Unskilled 5.1.2 Skilled	
5.2	Who earns a higher salary between a pattern designer and a cleaner. Justify your answer.	(4)
5.3	Identify **TWO** fair employment practices from the case study	(4)
5.4	Calculate borrowed capital.	(2)
5.5	State **ONE** disadvantage of Gwen using borrowed capital.	(2)
5.6	What is the remuneration received by Gwen in her role as the entrepreneur?	(1)

TOTAL MARKS: 50

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CONTROLLED TEST PAPER 2
JUNE 2026

GRADE 8

MARKING GUIDELINES

MARKS: 50

DURATION: 60 mins

SECTION	QUESTIONS/TOPICS	MARK ALLOCATION
A The Economy Entrepreneurship	▪ Multiple choice	**5**
	▪ True or False	**5**
B The Economy	▪ Standard of Living	**10**
	▪ Government ▪ National Budget	**15**
C. Entrepreneurship	▪ Factors of Production	**15**
TOTALS		**50**

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QUESTION 1

MULTIPLE CHOICE QUESTIONS

1.1. B✓(1)

1.2. A✓(1)

1.3. A✓(1)

1.4. C✓(1)

1.5. D✓(1)

QUESTION 2			
2. State whether the following statements are TRUE or FALSE (5)			
	STATEMENTS	**Mark**	**Answer**
2.1	Machine operators are unskilled workers	(1)	False✓
2.2	Custom duties are indirect taxes imposed on the import of goods.	(1)	True✓
2.3	Oil bought to lubricate sewing machine is part of a dressmaker's working capital.	(1)	True✓
2.4	In the economy, the government and businesses can function smoothly without households.	(1)	False✓
2.5	If a country has a high unemployment rate, that could indicate the economy is struggling.	(1)	True✓

SECTION B – THE ECONOMY

QUESTION 3

STANDARD OF LIVING [10]

State which characteristic given below is for modern or rural societies. (3)

CHARACTERISTIC	MODERN OR RURAL
Small population size	Rural✓
Advanced infrastructure such as roads, schools, and hospitals.	Modern✓
Limited access to services like healthcare and education	Rural✓

3.2 "New factories are built near a rural village" Explain in **TWO** points why this development may negatively affect the environment.

- Natural habitants will be destroyed. ✓
- Environment becomes unsafe due to pollution and soil erosion. ✓
- It will be difficult to grow crops in the soil with chemicals from the factories
- There will be no sufficient places for self-sufficient farming and grazing land.

Accept any other correct answers (2)

3.3 Explain **FIVE** ways in which the productive use of resources can help promote a healthy environment. (5)

- Using resources efficiently reduces waste and pollution. ✓
- Recycling and reusing materials. ✓
- Saving water and electricity reduces environmental damage. ✓
- Proper waste management. ✓
- Using solar energy instead of coal reduces air pollution. ✓

Accept any other correct answer

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QUESTION 4

NATIONAL BUDGET AND GOVERNMENT [15]

READ THE FOLLOWING SCENARIO AND ANSWER THE QUESTIONS:

The government of South Africa has launched a new programme using funds collected from taxes, service fees, fines, and levies. It is building houses for low-income families, improving roads in rural areas, providing social grants to the elderly, and increasing police visibility to reduce crime. Some citizens are happy, while others feel more should be done to create jobs.

4.1 From the scenario above, name any **THREE** sources of government revenue. (3)

- Taxes✓
- Fines✓
- levies✓
- service fees

Accept any 3 correct answers

4.2.1 State **THREE** ways in which the national budget helps to promote economic growth and reduce economic imbalances, identified in the scenario. (3)

- Building houses for low-income families. ✓
- Provides social grants. ✓
- Improving roads in rural areas. ✓
- Reduce crime.

Accept any 3 correct answers

4.2.2 Explain **THREE** ways in which national budget can help redress economic imbalances in education. (3)

- **More funding for public schools** ensures that learners have proper classrooms, textbooks, and learning facilities ✓
- **Providing free education** helps children from poor families attend school without financial difficulties. ✓
- **Offer scholarships and bursaries to** support learners from low-income families to study further. ✓
- **Improve teacher training** ensures that all learners receive high-quality education, no matter where they live.
- Providing meals at school helps children from poor families concentrate and perform better.

Accept any 3 correct answers

4.3 Explain any **TWO** roles of each level of government in providing services to communities. (6)

4.3.1 National Government

- Protection - police and correctional services (Prisons) – businesses and citizens are safe. ✓
- Education - basic and higher education and training - building and maintaining educational institutions, train and employ teachers. ✓
- Administrative - control of economic activities, foreign affairs and judicial
- Economic - Improvement of agriculture, mining, trade, industries and transport services
- Health - provides hospitals and pay salaries for staff.

Accept any 2 correct answers

4.3.2 Provincial Government

- Health services and welfare (hospitals and clinics) ✓
- Conservation of nature and the environment (protection of coastal resources and the environment education) ✓
- Administrative services (payment of pension and other social grants)
- Providing a cultural infrastructure (art galleries and performing arts)
- Construction and maintenance of provincial roads
- Building of schools
- Provision of education, textbook and stationery

Accept any 2 correct answers

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4.3.3 Local Government

- Providing electricity and water to the local communities✓
- Development of residential areas ✓
- Providing and maintaining streets in local communities
- Sewage and garbage disposal
- Transport facilities (public buses)
- Providing building for local services
- Controlling traffic

Accept any 2 correct answers

SECTION C – ENTREPRENEURSHIP

QUESTION 5 – FACTORS OF PRODUCTION [15]

5.1 Read the following case study before answering the questions.

Gwen started a dressmaking business with a capital of R80 000. She invested R25 000 from her own savings in the business and obtained a loan from FIG bank for the rest of the capital. She employed experienced pattern designers, cleaners, messengers, and packers. Workers are working in safe conditions, and they are also paid overtime. Male workers are paid more than females, yet they do the same job.

5.1.1 Unskilled workers – messengers, cleaners, packers ✓ (2)

5.1.2 Skilled workers –pattern designers ✓

5.2. Pattern designers are paid more✓ because of the training received ✓and experience for the job ✓and cleaners have little or no training for the job✓. (4)

5.3. Identify **TWO** fair employment practices from the case study (4)

5.3.1 Workers are provided with safe working conditions ✓✓

5.3.2 Workers are paid overtime. ✓✓

5.4. Calculate borrowed capital

R80 000 – R25000✓ = R55000✓ (2)

5.5. State **ONE** disadvantage of Gwen using borrowed capital

- Loan repayments with interest. ✓✓ (2)
- Business can fail but still she will be expected to pay back the loan.

5.6 Remuneration for Gwen as the entrepreneur is called …

profit✓

(1)

TOTAL: 50 MARKS