GAUTENG PROVINCE
EDUCATION
REPUBLIC OF SOUTH AFRICA

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MARKING GUIDELINES

ECONOMICS

(PAPER 1)

20 pages

SECTION A (COMPULSORY)

QUESTION 1

1.1 MULTIPLE-CHOICE QUESTIONS

1.1.1 B – Consumption expenditure, Investment, goverment expenditure and net exports ✓✓

1.1.2 B – Tertiary sector ✓✓

1.1.3 C – Expansion ✓✓

1.1.4 C – Reducing interest rates ✓✓

1.1.5 D – Social instability ✓✓

1.1.6 D – Local goverment ✓✓

1.1.7 A – Appreciation ✓✓

1.1.8 A – Absolute advantage ✓✓ (8 x 2) (16)

1.2 MATCHING ITEMS

1.2.1 C ✓ the lowest turning point of the business cycle

1.2.2 F ✓ the withdrawal of money from the circular flow

1.2.3 D ✓ the cost of goods and services before other taxes on production have been added and other subsidies on production have been subtracted

1.2.4 H ✓ a technical indicator that smoothes out price fluctuations over a specific period

1.2.5 G ✓ distribute income less evenly

1.2.6 I ✓ a cost to a third party not involved in a transaction

1.2.7 B ✓ a form of credit used by the International Monetary Fund to assist countries struggling with their balance of payments

1.2.8 E ✓ ZAR1,00 = US$0,1212 (8)

1.3 **GIVE THE TERM**

1.3.1 Endogenous/Keynesian ✓

1.3.2 Coincident indicators ✓
Economic indicators✓

1.3.3 Market price. ✓

1.3.4 Provincial budget ✓

1.3.5 Collective goods ✓

1.3.6 Globalisation ✓ (6 x 1) (6)

TOTAL SECTION A: 30

SECTION B

Answer TWO of the three questions in this section in the ANSWER BOOK.

QUESTION 2: MACROECONOMICS

2.1 Answer the following questions.

2.1.1 **Name any TWO taxes on production.**

- Payroll tax ✓
- Tax on land and buildings ✓
- Licence fees ✓
- Tax on pollution ✓

(Accept any other correct relevant response.) (2 x 1) (2)

2.1.2 **What causes unemployment to increase during a recession?**

During a recession economic activities continue to decrease further causing some businesses to shut down and retrench workers. ✓✓
(Accept any other correct relevant response.) (1 x 2) (2)

2.2 **DATA RESPONSE**

2.2.1 **Identify the industry which is expected to contribute the least to the economy in the third quarter of 2024**.

Mining industry ✓ (1)

2.2.2 **Name any ONE method that is used to calculate GDP.**

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

2.2.3 **Briefly describe the term *gross national product*.**

Gross national product refers to the value of all final goods and services produced by the permanent residents of a country within a specific period. ✓✓
(Accept any other correct relevant response.) (2)

2.2.4 **How are basic prices converted to market prices?**

Basic prices are converted to market prices by adding taxes on products and deducting subsidies on products. ✓✓
(Accept any other correct relevant response.) (2)

2.2.5 **Why is it important to monitor real domestic figures in a country?**

- Real GDP figures assist to identify the trends in economic growth, allowing business and government to anticipate potential recession or expansion periods. ✓✓
- Real GDP figures are important for comparing economic performance because they eliminate the effect of inflation. ✓✓
- Real GDP figures-provide awareness regarding the effectiveness in allocating resources in the economy. ✓✓

(Accept any other correct relevant response.) (2 x 2) (4)

2.3 **DATA RESPONSE**

2.3.1 **Identify the institution responsible for maintaining financial stability in South Africa.**

South African Reserve Bank/SARB/Central Bank ✓ (1)

2.3.2 **Name any ONE monetary policy instrument.**

- Interest rate ✓
- Cash reserve requirements ✓
- Open market transactions ✓
- Moral suasion ✓
- Exchange rate policy ✓

(Accept any other correct relevant response.) (1)

2.3.3 **Briefly describe the term *fiscal policy.***

Fiscal policy refers to the government's strategy for managing national spending using taxation and government spending to influence and regulate economic activity. ✓✓
(Accept any other correct relevant response.) (2)

2.3.4 **Explain the positive impact of credit in the economy.**

- The positive impact of credit in the economy includes improvement in economic growth through an increase of consumer spending and investment. ✓✓

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

2.3.5 **Why would government implement policies to slow down an overheating economy?**

- An overheating economy results in a situation where there is an increase in the demand of goods and services as a result of too much money in circulation, which causes economic instability.✓✓
- Government implements policies in order to slow down an overheating economy by decreasing demand pull inflation, which helps protect consumers purchasing power. ✓✓
- These policies are also used to promote long-term economic stability by preventing the economy from growing at an unsustainable rate. ✓✓
- The government aims to reduce the trade decifit as increased consumer spending during an overheating economy often leads to higher imports. ✓✓

(Accept any other correct relevant response.) (2 x 2) (4)

2.4 **Discuss the *trendline* and *amplitude* as features underpinning forecasting.**

Trendline

- A trendline reflects the overall direction of the economy. ✓✓
- A gradually upwards-sloping trendline signifies positive economic growth over the long term. ✓✓
- A gradually downwards sloping trendline signifies a negative economic growth. ✓✓
- The flat trendline indicates a stagnant economy. ✓✓

(Max. 4)

Amplitude

- The amplitude measures the variation between the trendline and the through as well as between the trend line and the peak of the business cycle.✓✓
- It indicates the intensity of the upswing and downswing in economic activities.✓✓
- A larger amplitude during upswing signifies strong underlying forces, which results in longer cycles.✓✓

(Accept any other correct relevant response.) (Max. 4) (8)

2.5 **How can households, as key participants in the circular flow model, contribute to the growth and development of the economy?**

- Households can improve the quality of the factors of production by developing their skills which will boost productivity. ✓✓
- Households can provide their factors of production at lower prices which can help to reduce prices and increase productivity. ✓✓
- Households can decrease consumption of luxury goods which will limit the aggregate demand and stabilise prices. ✓✓
- Households can promote stability in the labour market by minimising labour unrest and strikes. ✓✓

- Households can increase spending on local goods and services which lead to an increase in domestic production. ✓✓

(Accept any other correct relevant response.)
(Allocate a maximum of 2 marks for the mere listing of facts/examples) (4 x 2) (8)
[40]

QUESTION 3: MACROECONOMICS

3.1 **Answer the following questions.**

3.1.1 **Provide any two sources of government income.**

- Taxes ✓
- Donations ✓
- Government property ✓
- Loans (borrowing) ✓
- Administrative income (licence fees, tolls) ✓
- Parastatals/SOE ✓

(Accept any other correct relevant response.) (2 x 1) (2)

3.1.2 **How will international trade be affected by high income levels?**

If people earn high income international trade will increase as many can afford to purchase the products from other countries. ✓✓
(Accept any other correct relevant response.) (1 x 2) (2)

3.2 **DATA RESPONSE**

3.2.1 **Identify the tax rate that gives the maximum tax revenue.**

- 40% ✓ (1)

3.2.2 **Which institution is responsible for collecting tax in South Africa?**

- South African Revenue Services ✓
- SARS ✓ (1)

3.2.3 **Briefly describe the term *Laffer curve.***

It is a diagram that shows a relationship between the tax rate and the tax revenue. ✓✓
(Accept any other correct relevant response.) (2)

3.2.4 **Why would a tax rate of 10% be regarded as a motivation to work?**

- A tax rate of 10% is a motivation to work as it is low and affordable, people would work as they would receive more disposable income. ✓✓
- When people start losing money through taxation they will be encouraged to work more to recover the money they lost through tax. ✓✓

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

3.2.5 **Argue against an increase in tax rate from 40% to 60% by the government.**

- An increase in the tax rate from 40% to 60% will lead to a decrease in tax revenue from R200bn to R170bn or it will lead to a decrease in tax revenue by R30bn. ✓✓
- When the tax rate is too high at 60%, some people may quit work, as they will be unwilling to pay so much tax which will reduce the tax revenue for the government. ✓✓
- Increased tax rates will also lead to tax evasion by the firms as they will report less income or find other illegal ways to pay less tax. ✓✓
- Some businesses can resort to applying more tax avoidance measures to reduce the amount of tax payable. ✓✓

(Accept any other correct relevant response.) (2 x 2) (4)

3.3 **DATA RESPONSE**

3.3.1 **How many accounts do we have in South Africa's balance of payment?**

Three ✓ (1)

3.3.2 **Identify the item that should be recorded under the current account.**

Goods exports ✓ (1)

3.3.3 **Briefly describe the term *balance of payments.***

It is a systematic record (statement) of a country's trade and financial transactions with the rest of the world, over a given period of time. ✓✓
(Accept any other correct relevant response.) (2)

3.3.4 **Why is it important to have the unrecorded transactions item on the balance of payment?**

This item ensures that the balance of payments adds up, it is an entry that tries to correct the effect of errors and omissions. ✓✓
(Accept any other correct relevant response.) (2)

3.3.5 **Use the information in the table above to calculate the balance on financial account.**

Net direct investment + Net portfolio investment + Net financial derivatives + Net other investments + Reserve assets ✓
46 777 + 2 600 + 7 600 + 17 000 + 11 000 ✓
= 84 977 ✓✓
(Accept any other correct relevant response.) (4)

3.4 **Explain the exchange rate systems with reference to *free floating* and *managed floating* exchange rate system.**

Free floating exchange rate system

- It is the system in which the exchange rate is determined purely by the market forces of demand and supply at equilibrium level. ✓✓
- This exchange rate system is used in South Africa. ✓✓
- If locals decide to buy more from other countries the value of the local currency depreciates. ✓✓
- The value of the local currency should appreciate if there is more inflow of foreign currency in the country. ✓✓ (Max. 4)

Managed floating exchange rate system

- It is the exchange rate system in which the value of the exchange rate is determined by the market forces of demand and supply with central bank intervention. ✓✓
- The exchange rate is allowed to fluctuate within a certain predertermined identified limit by the reserve bank. ✓✓
- The central bank applies devaluation and revaluation when necessary to smooth out the short term fluctuations. ✓✓
- The central bank becomes a key participant in the foreign exchange market by buying and selling domestic and foreign currency. ✓✓ (Max. 4)

(Accept any other correct relevant response.) (2 x 4) (8)

3.5 **How does privatisation affect any of the four macro-economic objectives of the state?**

<u>Positives</u>

- Economic growth would increase as most private businesses will produce at higher production levels to increase their profits. ✓✓
- Privatisation will enable the government to receive the tax from the businesses which can be used to fund social services and ensure economic equity. ✓✓
- Privatisation would lead to more exports due to mass production which could ensure the corrections of the balance of payments. ✓✓

<u>Negatives</u>

- Full employment would be difficult to achieve with privatisation as the businesses would only employ those that bring value to the company and retrench some of those who were previously employed. ✓✓
- Price stability would most likely be difficult to achieve as the private sector is concerned more with profits than the welfare of the people. ✓✓
- Economic equity would be difficult to achieve as the factors of production would be in the hands of the few private individuals. ✓✓

(Accept any other correct relevant response.)
(Allocate a maximum of 2 marks for the mere listing of facts/examples) (4 x 2) (8)

[40]

QUESTION 4: MACROECONOMICS

4.1 **Answer the following questions.**

4.1.1 **Name any TWO examples of exogenous causes of business cycles.**

- Technological changes ✓
- Natural disasters ✓
- Inappropriate government policies ✓

(Accept any other correct relevant response.) (2 x 1) (2)

4.1.2 **Why would a South African citizen demand dollars?**

In order to import goods from the USA that must be paid for in dollars.
The South African might want to be involved in tourism in USA.
(Accept any other correct relevant response.) (1 x 2) (2)

4.2 **DATA RESPONSE**

4.2.1 **Identify the original equilibrium quantity.**

- Q1 ✓ (1)

4.2.2 **Name any ONE type of business cycle.**

- Kitchin ✓
- Jugler ✓
- Kuznets ✓
- Kondratieff ✓

(Accept any other correct relevant response.) (1)

4.2.3 **Briefly describe the term *extrapolation.***

Extrapolation refers to the use of historical economic data to estimate and predict future trends or outcomes. ✓✓
(Accept any other correct relevant response.) (2)

4.2.4 **What impact does an increase in aggregate demand have on real output?**

- An increase in aggregate demand results in an increase in real output as firms respond to higher demand by producing more goods. ✓✓ (2)

(Accept any other correct relevant response.)

4.2.5 **How can government lower the cost of production?**

- Government can lower the cost of production by implementing cash incentives and offer businesses subsidies. ✓✓
- Supplying infrastructure services such as transport, communication, water and energy. ✓✓

(Accept any other correct relevant response.) (2 x 2) (4)

4.3 **DATA RESPONSE**

4.3.1 **Identify the year with the worst terms of trade in South Africa.**

- 1965 ✓ (1)

4.3.2 **How many quarters are used to determine the terms of trade in a year?**

- Four ✓ (1)

4.3.3 **Briefly describe the phrase *terms of trade.***

- It is a measure of a country's export prices against its import prices by means of indexes. ✓✓

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

4.3.4 **What does an all-time high term of trade of 130,30 mean for the South African economy?**

An improvement of terms of trade to 130,30 shows an improvement in the social welfare of a country as we need fewer exports to buy the same number of imports. ✓✓
An increase in export prices means we get more incoming revenue when we sell to other countries. ✓✓
(Accept any other correct relevant response.) (2)

4.3.5 **Calculate the terms of trade if the index of import prices is 96 and the index of export prices is 108. (Show all calculations.)**

- Terms of Trade = Index of export prices/Index of import prices x 100 ✓ = 108/96 x 100 ✓ = 112,50 ✓✓

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

4.4 **Explain how aggregate supply can be stimulated through efficiency of inputs.**

- Lower rates of value added tax (VAT) are incentives for high productivity and a increased aggregate supply. ✓✓
- The government should reduce company tax so that the businesses remain with more profit which will enable them to increase investment and supply. ✓✓
- Capital consumption by replacing capital goods on a regular basis that will create opportunities for business to keep up with technological development. ✓✓
- Humal resorce development where quality of labour can be improved through education and training which will increase the efficiency of development. ✓✓
- Free advisory services to promote opportunities to export and establish business activities in foreign countries. ✓✓

(Accept any other correct relevant response.) (4 x 2) (8)

4.5 **How can a balance of payment deficit be corrected.**

- The monetary authorities can increase the interest rate to make credit expensive which would discourage the locals from importing the goods. ✓✓
- The reserve bank can take complete control of the foreign exchange market and thus limit the foreign currency available to reduce the demand of foreign products. ✓✓
- The reserve bank can devaluate the value of the currency to make it expensive to buy from other countries. ✓✓
- The devaluated currency will also make local products more affordable leading to more injections. ✓✓
- Countries can encourage export promotion by giving export subsidies to their local producers in order to earn more from world markets. ✓✓
- Import substitution through the introduction of import tariffs and quotas can be introduced to directly reduce the leakages. ✓✓
- Countries with deficits can borrow money from the International Monetary Fund whose sole objective is to assist countries with balance of payment problems. ✓✓

(Accept any other correct relevant response.)
(A maximum of 2 marks may be allocated for the mere listing of facts/examples)

(4 x 2) (8)

[40]

TOTAL SECTION B: 80

SECTION C

Answer ONE of the two questions in this section in the ANSWER BOOK.

Your answer will be assessed as follows:

STRUCTURE OF ESSAY	MARK ALLOCATION
Introduction The introduction is a lower-order response. • A good starting point would 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.	Max. 2
Body **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 **A Maximum of 8 marks may be allocated for headings/examples.** **Additional part:** Critically discuss/Evaluate/Critically evaluate/Debate/ Deduce/Compare/Distinguish/Interpret/How/Suggest **A Maximum of 2 marks may be allocated for mere listing of facts.**	Max. 26 Max. 10
Conclusion Any higher-order conclusion should include: • A brief summary of what has been discussed without repeating facts already mentioned • Any opinion or value judgement on the facts discussed • Additional support information to strengthen the discussion/analysis • A contradictory viewpoint with motivation, if required • Recommendations	Max. 2
TOTAL	**40**

QUESTION 5: MACROECONOMICS

- **Discuss in detail the role of various markets within the FOUR-SECTOR model. (26)**

- **Evaluate the effect of an increase in investment on the South African economy. (10)**

INTRODUCTION

The circular flow model is a simplified representation of the interaction between the participants of the economy. ✓✓

Markets coordinate economic activities and determine the price of goods and services. ✓✓
(Accept any other relevant introduction.) (Max. 2)

MAIN PART

Goods/Product/Output Market ✓

- These are markets for consumer goods and services. ✓✓
- Buying and selling of goods that are produced in the market inlcude:
  - Capital goods market for the trading of buildings and machinery. ✓✓
  - Consumer goods market for trading durable goods, semi-durable goods and non-durable goods. ✓✓
- The movement of goods and services represent real flow in the circular flow. ✓✓
- The payments of the goods and services represents monetary flow. ✓✓

Factors/Resource/Input Markets ✓

- Factors of production are bought and sold in the factor market. ✓✓
- The factors of production includes: labour, capital, land and entrepreneurship. ✓✓
- The movement of the factors of production represents real flow. ✓✓
- Household are the owners of the factors of production. ✓✓

Financial Market ✓

- The market provides fanancial services to various participants within the economy. ✓✓
- It mobilises surplus funds and offer them to those in need of financing. ✓✓

Money Market ✓

- The money market specialises in short-term loans and savings. ✓✓
- The primary institution in the money market is the South African Reserve Bank (SARB). ✓✓
- The products sold in the money market include short- term deposits, debentures and treasury bills. ✓✓

Capital Market ✓

- The capital market focuses on long-term savings and loans. ✓✓
- The Johannessburg Stock Exchange is a significant institution in this market. ✓✓
- Examples of products sold in the financial market includes mortagage loans. ✓

Foreign Exchange Market ✓

- The foreign enchange market is a market where currencies are traded for one another, such as an exchange from rands to dollars. ✓✓
- It arises when a country imports goods from another, requiring domestic currency to be converted to pay for imports. ✓✓
- This market operates internationally as curencies from various contries are traded. ✓✓
- Foreign currencies can be pruchased and sold through banks and foreign exchange agencies. ✓✓ Max. (26)

(Allocate a maximum of 8 marks for headings/subheadings/examples)

ADDITIONAL PART

- An increase in investment in South Africa has contributed to the creation of more job opportunities by enabling businesses to expand their operations. ✓✓
- Increasing investement has encouraged competition among businesses as new entrants and existing companies innovate and improve their products and services. ✓✓
- Promoting competition through the establishment of new business, leading to economic growth. ✓✓
- Increase in investment expanding the economy's capital formation to enhance its production capacity. ✓✓
- Investment leads to creation of new infrastracture, machines and technologies which helps to improve productivity and output. ✓✓
- Increasing the government's tax base, increasing tax revenue. ✓✓
- Enhancing the competiveness of local business in global markets which result in an increase in export demand. ✓✓
- Higher investment increases the aggregate demand in the economy. ✓✓

(Accept any other correct relevant response.)
(A Maximum of 2 marks may be allocated for the mere listing of facts/examples) Max. (10)

CONCLUSION

- Markets are essential for promoting economic growth, innovation and efficiency, while also providing opportunities for employment and improving standards of living. ✓✓ Max. (2)

(Accept any higher order conclusion.) **[40]**

QUESTION 6: MACROECONOMICS

- **Discuss in detail the reasons for public sector failure and link them to typical problems experienced through public sector provisioning. (26)**
- **Justify the reasons for the goverment to impose different types of taxes. (10)**

INTRODUCTION

Public sector failure occurs when government intervention in the economy leads to an inefficient allocation of resources and an overall decline in economic welfare. ✓✓
(Accept any other relevant introduction.) (Max. 2)

MAIN PART

Management failure. ✓

- Management failure is a shortfall of duty or performance in directing and controlling government departments, functions or teams. ✓✓
- Since the assessing of needs is difficult the state might oversupply some goods and undersupply some goods. ✓✓
- In this way the management is unable to satisfy the needs of the consumers and there will be wastages leading to the public sector failure. ✓✓
- People working in parastatals might lack management skills and might end up implementing wrong policies that may cause the public sector to fail. ✓✓
- If the management cannot explain the decisions that they made and explain how they spent the money they were allocated then they are not accountable and this may be as a result of corruption, which leads to inefficiencies that result in failure in the public sector. ✓✓

Apathy ✓

- Apathy is when you lack dedication to do anything or just don't care about what is going on around you which is one of the characteristics of some civil servants. ✓✓
- The government officials show little or no interest in delivering efficient service to the public, there are usually long queues in government offices as apathy affects the behaviour and ability to complete daily activities. ✓✓
- Corruption and poor service delivery are signs of apathy and may results as a cause of poor accountability. ✓✓
- Parastatal employees lack the interest or concern because they know they will get paid even when they are underperforming. ✓✓

Bureaucracy ✓

- Bureaucrats tend to obey rules and regulations without proper judgement, bureaucrats are all about following the law. ✓✓
- There is no emphasis on creating additional competencies as there is less freedom to act within a bureaucracy. ✓✓
- Complex rules and procedures might lead to inefficiencies in the public sector and the public sector might fail to provide the goods and services in time for the consumers. ✓✓
- If there is an electricity fault at a domestic residence the state company Eskom will send their workers to fix the fault and the workers will only fix that fault because they were told to fix only that, even if there is a fault at the neighbouring house they won't fix it as they will need that fault to be reported so they can respond. ✓✓
- Bureaucracy links with inefficiency as government officials provide fewer public goods and services than what they can provide with the available resources because of too much red tape. ✓✓ Max. (26)

Lack of motivation ✓

- Workers rarely receive incentives for successful service delivery but are only monitored on inputs and processes. ✓✓
- This might lead to limited services, high costs, low quality work as workers feel that they are not valued by the employer. ✓✓
- Nationalising companies may demotivate workers to work hard as their hard work would not be recognised, leading to the workers being less efficient. ✓✓

Politicians ✓

- Lack of accountability by politicians may be a result of corruption and this may lead to them not fulfilling the promises they made to individuals when they were running their campaigns. ✓✓
- Politicians often endorse or promote policies or projects which are mostly unrealistic, as long as they get the votes in for their empty promises. ✓✓
- As the politicians are not accountable for their actions, resources may not be allocated fairly because of corruption. ✓✓

Structural weaknesses ✓

- Sometimes an economy's problems are deeper and longer lasting usually because of inefficient governmental policies. ✓✓
- Objectives are not met because they may be conflicting. ✓✓
- This might happen when government redistributes income and wealth too aggressively without proper projections and/or planning. ✓✓
- Structural weakness links with pricing policy as it is usually difficult for the government to accommodate changing circumstances in terms of charging appropriate prices in the economy. ✓✓

Special interest groups ✓

- Certain people or groups with powerful influence in the government usually try to further their own interests by means of *rent-seeking or lobbying. ✓✓
- These groups include private businesses and the trade unions. ✓✓
- Farmers tend to demand undeserved subsidies and organised labour tend to influence government to their own advantage (higher salaries) at the expense of service delivery. ✓✓
- Special interest groups can also link with privatisation because of the evidence we saw during COVID-19 when businesses applied for relief subsidies and did not share it fully with their workers which was an unnecessary misdirection of funds. ✓✓
  (A maximum of 21 marks if there is no link.)

(Allocate a maximum of 8 marks for headings/subheadings/examples)

ADDITIONAL PART

- The goverment imposes tax in order to raise money to finance all types of goverment spending on public goods and services. (Direct and indirect tax) ✓✓
- To discourage the consumption of demerit goods that cause harm to human health. (Excize duty) ✓✓
- In order to convert the external costs or negative externality to private costs. (Green tax) ✓✓
- In order to discourage the imports of certain products or to protect the local economy. (Custom duty) ✓✓
- The goverment imposes taxes in order to redistribute income. (Progressive personal income tax) ✓✓
- In order to influence the economy or to stimulate or a dampen the economic activity. (Direct and indirect tax) ✓✓
- To raise the funds which would be used to pay interest on goverment debt or to pay off goverment debt. (Direct and indirect taxation) ✓✓

(Accept any other correct relevant response.) (Max. 10)

(A maximum of 2 marks may be allocated for the mere listing of facts/examples)

CONCLUSION

The government needs to prioritise good governance and effective tax management so as to promote economic stability, fairness and public trust. ✓✓
(Accept any higher order conclusion.)

(Max. 2) **[40]**

TOTAL SECTION C: 40

TOTAL: 150