

## Grade 9 EMS Worksheet

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### **Name the factors of production**

Money is used in the production process to ensure that production takes place. For production to take place, you need four factors of production.

Name these factors of production, explain them and give an example of each. [15 marks]

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### Suggested Solutions

Question number	Possible marks	Solution
1	15	<p>The four factors of production are raw materials✓, labour✓, capital✓ and entrepreneurship✓. Natural resources✓ form the raw material that is used in the production process. The raw material is converted into the final product through the manufacturing process✓. An example is milk that is converted into butter✓.</p> <p>Labour is the human power or work✓ that is required to convert the raw materials into the final product. Labour is provided by people who use their skills✓ and knowledge to do the work, for example engineers who build a car✓.</p> <p>Capital is the money✓, machinery and buildings✓ that are required so that the production process can take place. An example is the factory building in which the cars are manufactured and the automated machines necessary to do precision work✓.</p> <p>Entrepreneurship ensures that businesses are established to produce products and services✓. Entrepreneurship also ensures that the products and services reach the market✓.</p> <p style="text-align: right;">[Total = 15 marks]</p>