higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE (VOCATIONAL)

ECONOMIC ENVIRONMENT
NQF LEVEL 2

15 November 2022

This marking guideline consists of 7 pages.

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SECTION A

QUESTION 1

1.1	1.1.1	I		
	1.1.2	A		
	1.1.3	G		
	1.1.4	B		
	1.1.5	J		
	1.1.6	C		
	1.1.7	E		
	1.1.8	F		
	1.1.9	D		
	1.1.10	H		
			(10 × 1)	(10)
1.2	1.2.1	Formal		
	1.2.2	structural unemployment		
	1.2.3	Culture		
	1.2.4	production		
	1.2.5	prime		
	1.2.6	exchange		
	1.2.7	Protectionism		
	1.2.8	imports		
	1.2.9	positive		
	1.2.10	market		
			(10 × 1)	(10)
1.3	1.3.1	True		
	1.3.2	False		
	1.3.3	False		
	1.3.4	True		
	1.3.5	True		
	1.3.6	True		
	1.3.7	True		
	1.3.8	False		
	1.3.9	False		
	1.3.10	True		
			(10 × 1)	(10)
				[30]

TOTAL SECTION A: 30

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SECTION B

QUESTION 2

2.1 Poverty is the state of not having enough money to take care of one's basic needs. (Accept any relevant answer) (2)

2.2
- People become more dependents on grants
- Less taxes are available to the government
- It decreases population growth
- Crime increases
- Poor health and insufficient work (Accept any relevant answers 5 × 2) (10)

2.3
- Cyclical unemployment
- Seasonal unemployment
- Frictional unemployment
- Structural unemployment (4)

2.4
- Increase in foreign currencies
- Increase in employment opportunities
- More goods are available
- Decreases poverty
- Increases the standard of living
- Increases competition (Accept any relevant answers 4 × 1) (4)

2.5
- Tea and sugar
- Bread and Rama
- Dress and shoes (Accept any relevant answers 2 × 1) (2)

2.6

CAPITALISM	COMMUNISM
Production factors are privately owned.✓	Production factors are owned and controlled by the state. ✓
Free competition is supported by legislation.✓	There is no competition. ✓
People have to look after their own welfare.✓	State provides all social services. ✓
People have many choices of goods and services.✓	There is no division between people in terms of income and access to goods and services.✓
Profit motive.	Moral consideration.

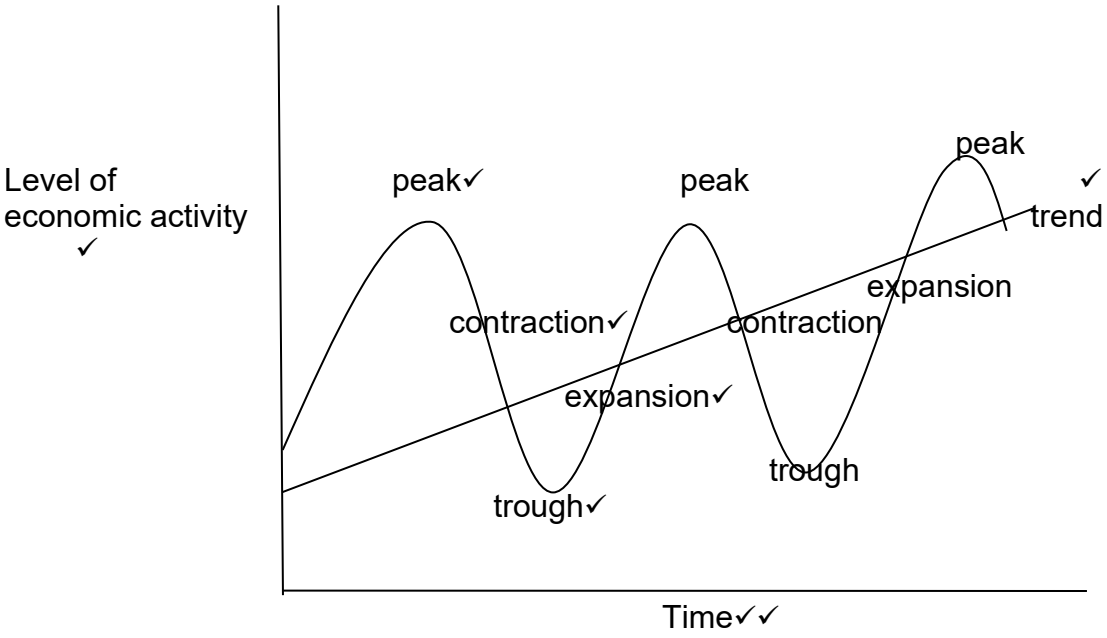
(Any 4 × 2) (8)

[30]

QUESTION 3

3.1 Gross domestic product. (2)

3.2



(8)

3.3

EXPANSION PHASE	CONTRACTION PHASE
• More goods and services are produced	• Less goods and services are produced
• More factors of production are used by firms	• Fewer factors of production are used by firms
• Decrease in unemployment	• Increase in unemployment
• Increased household income	• Decreased household income
• Increase in consumer goods and services	• Decrease in consumer goods and services
• Decrease in price of goods and services	• Increase in price of goods and services

(Any relevant answers 4 × 2) (8)

3.4 Fiscal policy deals with government spending, taxation and borrowing. (2)

3.5
- Economic growth
- Job creation
- Price stability
- Poverty alleviation
- Balance of payment stability
- An equitable distribution of income

(Any relevant answers 4 × 1) (4)

3.6
- People will be encouraged to save
- Borrowing will decrease
- Production costs will increase
- Decrease in disposable income
- Increase in price of goods and services (Any relevant answers 4 × 1) (4)

3.7
- Basic Condition of Employment Act
- Labour Relations Act
- Occupational Health and Safety Act
- Employment Equity Act
- Workmen's Compensation Act
- Unemployment Insurance Funds Act

(Accept any relevant answers 3 × 1) (3)
[30]

QUESTION 4

4.1
- They are unlimited
- They compete with each other
- They complement one another
- They differ from time to time
- They differ from place to place
- They differ from person to person
- They determine the limit of successive needs and wants
- They are restricted in scope (Accept any relevant answers 5 × 1) (5)

4.2
- Provision of water and electricity
- A convenient and well-functioning transport system
- The availability of office buildings, factories and houses
- A good telecommunication system
- A safe and clean environment (Accept any relevant answers 3 × 2) (6)

4.3
- Contributes to economic growth
- Creates employment opportunities
- To earn foreign currencies (Any relevant answers 2 × 1) (2)

4.4
- Current account
- Capital transfer account
- Financial account
- Unrecorded transactions
- Official reserve account (Any relevant answers 3 × 1) (3)

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4.5 4.5.1
- Productivity and profitability of firms decreases
- The pool of skilled and experienced workers decreases as workers die
- Increased government spending on social grants such as disability grants
- Reduces population growth (4 × 2) (8)

4.5.2
- People need to be educated on the risks and consequences related to HIV/AIDS
- Giving out free condoms
- Free medication (Any ONE relevant answer) (2)

4.6
- Price of the product
- Cost of production
- Prices of alternative products
- Technology (4)

[30]

QUESTION 5

5.1
- Increase in unemployment rate
- Increase in poverty
- Increase in the price of goods and services (Any 2 × 2) (4)

5.2
- Money is generally accepted as a means of payment for goods and services
- Money is a measure of value
- Money is used as a standard of deferred payments
- Money is a store of value (4)

5.3
- Improves the standard of living
- Quality products
- Introduces consumers to new products
- Some imported goods are cheaper (Any 2 × 2) (4)

5.4
- Decrease in production
- Increase in government spending
- Financial loss
- Increase in the price of goods
- Poor citizen health (Any 3 × 2) (6)

5.5
- Causes unemployment
- Certain products may become more expensive

(Accept any relevant answers 2 × 2) (4)

5.6
- Capital
- Natural resources
- Labour
- Entrepreneur (4)

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5.7
- Currencies
- Language
- Culture
- National laws
- Religion

(Any 4 × 1) (4)
[30]

TOTAL SECTION B: 120
GRAND TOTAL: 150

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