higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE (VOCATIONAL)

ECONOMIC ENVIRONMENT
NQF LEVEL 3

22 NOVEMBER 2023

This marking guideline consists of 7 pages.

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QUESTION 1

1.1	1.1.1	C
	1.1.2	C
	1.1.3	C
	1.1.4	B
	1.1.5	C
	1.1.6	C
	1.1.7	A
	1.1.8	B
	1.1.9	B
	1.1.10	C
	1.1.11	D
	1.1.12	D
	1.1.13	B
	1.1.14	D
	1.1.15	A

(15 × 1) (15)

1.2	1.2.1	I
	1.2.2	H
	1.2.3	K
	1.2.4	J
	1.2.5	G
	1.2.6	A
	1.2.7	D
	1.2.8	B
	1.1.9	C
	1.2.10	E

(10 × 1) (10)

1.3	1.3.1	False
	1.3.2	True
	1.3.3	False
	1.3.4	True
	1.3.5	True
	1.3.6	True
	1.3.7	False
	1.3.8	False
	1.3.9	False
	1.3.10	False

(10 × 1) (10)

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QUESTION 2

2.1 15.65 × $\frac{30}{100}$✓ = 4,695✓
15,65 - 4,695✓ = 10,96✓
New rate $1 = R10,96✓ (5)

2.2
- Market system: all factors of production are controlled by the private sector.✓✓
- Command system: centrally planned.✓✓
- Mixed economic system: government and private sector working together in service provision.✓✓ (3 × 2) (6)

2.3 Disposable income.✓ An increase in tax will cause disposable income to lose value.✓✓ (3)

2.4
- Contingency strategy
- Adaptation strategy
- Redeployment strategy
- Passive strategy
- Offensive strategy
- Opposition strategy (Any 4 × 1) (4)

2.5
- Salons
- Health services
- Education services
- Vehicle repairs (Any 3 × 1) (3)

2.6
- ABSA
- Capitec
- Nedbank
- Standard Bank
- African Bank (Any 4 × 1) (4)

[25]

TOTAL SECTION A: 60

SECTION B

QUESTION 3

3.1 3.1.1
- Diesel
- Paraffin
- Oil (3)

3.1.2
- Vehicles use fuel. A decrease in the price means travelling will be cheaper.✓✓
- Public transport becomes more affordable.✓✓
- All goods that are transported become more affordable.✓✓
(3 × 2) (6)

3.1.3 It was caused by Western countries imposing sanctions on Russia because of its invasion of Ukraine.✓✓ (2)

3.1.4
- They will have more money to spend on goods and services.✓✓
- Demand for goods and services in the economy will increase.✓✓
- With increased economic growth, jobs will be available.✓✓
- There will be less poverty.✓✓
- There will be less crime. (Any 4 × 2) (8)

3.1.5
- Consumer price index
- Gold price
- Currencies
- Brent crude oil
- Interest rates
- Wheat price (Any 5 economic indicators) (Any 5 × 1) (5)

3.1.6 3 to 6% (1)

3.1.7
- Pure economic indicators are those used by economists to assess the state of the economy.✓✓
- Financial indicators are used to assess mainly financial markets.✓✓ (2 × 2) (4)

3.1.8 Television news broadcast, newspapers or social media (Any 1 × 1) (1)

3.2 Economic environment is any space or area where production and consumption can take place.✓✓ (2)

3.3 South African Reserve Bank✓✓ (2)

3.4 It is a penalty for disobeying a rule.✓✓ (2)

3.5
- Consumer price index is the measure of the value of goods that consumers have bought over a certain period.✓✓
- Producer price index is the measure of the cost of production.✓✓
(Any 2 × 2) (4)

[40]

QUESTION 4

4.1
- Platinum
- Iron ore
- Coal
- Diamonds
- Gas
- Silver (Any 4 × 1) (4)

4.2
- A portfolio investor is only interested in the financial return on his investment.✓✓
- Direct investment is long term, where the investor will have direct control over the investment.✓✓ (2 × 2) (4)

4.3
- To bring savers and borrowers together to ensure the flow of funds takes place.
- They facilitate and streamline the production process.
- They ensure the efficient functioning of the economy. (3)

4.4
- Bull market is when people are feeling confident in the economy.✓✓
- Bear market is when people are uncertain about is going to happen to their shares.✓✓ (2 × 2) (4)

4.5
4.5.1 Interest rates✓✓
4.5.2 Fuel price✓✓
4.5.3 Wheat price✓✓
4.5.4 Inflation✓✓
4.5.5 Currency✓✓

(5 × 2) (10)

[25]

QUESTION 5

5.1 5.1.1 15 000 × 14.65✓ =R 219 750✓✓

5.1.2 15 000 × 16.70✓ = R250 500✓✓

5.1.3 The first amount,✓ because compared to 16.70, 14.65 is much better.✓✓

(3 × 3) (9)

5.2 Landed cost is the total expense of receiving goods, including retail price, transport and import duties.✓✓ (2)

5.3 A point where total revenue is equal to total costs.✓✓ (2)

5.4 It enables them to know beforehand when and if a product will reach the break-even point.✓✓ (2)

5.5 5.5.1 yen
5.5.2 pound
5.5.3 pula
5.5.4 dollar
(4 × 1) (4)

5.6 5.6.1 Selling price = 10 × 12%✓ = 1,2✓
1. + 10✓ = R11.2✓ (5)

5.6.2 Total sales = 50✓ × 11.20✓ = 560✓ (3)

5.6.3 Andrew's share = 560✓ × 20%✓ = 112 ✓= R122 (3)
[30]

QUESTION 6

6.1
- Central government, which consists of parliament and government.✓✓
- Provincial government, where the governance of the nine provinces takes place. They are divided into regions.✓✓
- Municipal or local government, which is closer to the public, is responsible for service delivery.✓✓ (3 × 2) (6)

6.2
- Safety
- Health care
- Education
- Housing (Any 3 × 1) (3)

6.3
- Procurement is the process of appointing a government supplier.✓✓
- Tender is an undertaking by which you commit to providing certain services to the government.✓✓ (2 × 2) (4)

6.4 To have better control over credit✓ and to protect consumers✓ from becoming overburdened with credit they cannot afford.✓ (3)

6.5
- Lower production cost
- Less time is needed to perform the same job.
- Fewer workers are needed to do the job.
- It saves money. (Any 3 × 1) (3)

6.6 It is the ability of employees, because of their skills, to move from company to company (or employer to employer) to do the job.✓✓ (2)

6.7 6.7.1
- Jobs to sanitise people's hands✓✓
- Being a government supplier for PPE✓✓
- Working at vaccinating stations✓✓
- Being a supplier of masks (Any 3 × 2) (6)

6.7.2
- Most people lost loved ones to COVID-19.✓✓
- Anyone could be infected by the virus.✓✓
- Staying indoors was the best alternative.✓✓
- Companies went bankrupt or decided to close. Consequently, many people lost their jobs.✓✓ (4 × 2) (8)

4.8 6.8.1 Poverty is a state of not having enough money for food, clothing and shelter.✓✓

6.8.2 It is a disease found all over the country and the world.✓✓

6.8.3 The general feeling or attitude of the public concerning an issue.✓✓

6.8.4 All the ways in which people within a single culture differ from one another, for instance in terms of ethnicity, religion, language and preferences.✓✓
(4 × 2) (8)

6.9 Accelerated and Shared Growth Initiative for South Africa. (1)
[45]

TOTAL SECTION B: 140
GRAND TOTAL: 200

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