higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE

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This marking guideline consists of 6 pages.

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QUESTION 1

1.1 1.1.1 Totalitarian authority is a one-party governing authority.✓✓

1.1.2 Legislature – is a selected body of people given the power and responsibility to make laws for the nation.✓✓

1.1.3 Privatisation – refers to the transfer of government assets or functions to the private sector.✓✓

1.1.4 Fiscal control – means manipulating the demand for goods and services✓ – this is done and reflected in the taxation policy of the government.✓

1.1.5 Socialism – is a process of changing the means of ownership from privatisation to collective ownership (community ownership).✓✓

(5 x 2) **[10]**

QUESTION 2

2.1 True
2.2 True
2.3 True
2.4 False
2.5 True
2.6 False
2.7 True
2.8 True
2.9 False
2.10 False

(10 x 2) **[20]**

QUESTION 3

3.1 B
3.2 C
3.3 K
3.4 G
3.5 D
3.6 F
3.7 I
3.8 J
3.9 L
3.10 A

(10 x 2) **[20]**

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QUESTION 4

4.1 **Laissez-faire (pure capitalism)**
Here government does not intervene in the private economy/social activities of individual citizens or groups.✓✓
The government is there to protect life and maintain law and order.✓✓
There is less government intervention in the lives and activities of private citizens.✓✓
Provides basic conditions for free competition.✓✓
Competition is allowed to function freely and without regulation.✓✓

Socialism (communism)
This is a process of changing the means of ownership from privatisation to collective ownership (community ownership).✓✓
Here the ownership of all the factors of production✓✓
land, raw material, labour and capital et cetera✓✓
belongs to the community✓✓
and they are administered by the government on behalf of the community.✓✓ (20)

4.2
- Financial services
- Personnel services
- Secretarial services
- Legal advisory services
- Organisation and work study
- Resource supply service
- Accounting and auditing services (7)

4.3
- Financial services – each government on all levels (central and local), has a department of finance which provides officers (such as an accountant) who render financial services to the line function department.
- Personnel services – offers support in supplying personnel through job analysis, human resources planning, recruiting, training, et cetera.
- Secretarial services – offers support in a secretarial fashion for all clerical duties.
- Legal advisory services – this office provides legal support as government bodies are often involved in lawsuits.
- Organisation and work study – creating and reorganising hierarchical structures and personnel components, working procedure and working methods.
- Resource supply services – all departments need accommodation, furniture, equipment, machinery and stock for executing their line function.
- Accounting and auditing services – a system of keeping records of all financial transactions is essential for proper management and accountability to taxpayers. (7 x 2) (14)

4.4
- Military defence function
- Police
- Justice
- Imprisonment
- State security
- Civil defence
- Traffic policing (7)

4.5 These type of services can only be financed from taxation and carried out by government bodies such as a local town councillor or a central government. (2)
[50]

QUESTION 5

5.1
- Non-apportionable✓✓– these cannot be divided into consumptive units therefore cannot be supplied per unit, e.g a park.✓✓
- Non-excludability✓✓ – people cannot be excluded from using this service.✓✓
- Inexhaustibility✓✓– they are not depleted (used up) with use; as long as they are maintained they are always available.✓✓
- No direct quid pro quo✓✓ – authorities do not charge for the use of these services, such as a library. Taxpayers pay for them whether they use them or not – all have the same access to these services.✓✓
- They have a monopolistic nature✓✓ – there is no competition except, perhaps, between different levels of government – regional/national/local. ✓✓ (20)

5.2
- Co-ordination of financial policy
- Granting of permission beforehand
- Evaluation of new policies and legislation
- Review of the budget
- Guardian of public money
- Control of purchases and purchasing procedure
- Control of stock and stores
- Dispensation function (Any 5 x 2) (10)

5.3
- Plays a prominent role in the preparation of the draft budget for the department.
- Keeps him/herself informed of the financial situation of the department.
- Is able to explain to the cabinet requests made by the department for additional funds.
- Plays an active role in reducing the expenditure of the department when parliament or cabinet asks him/her to do so.
- Should not abdicate responsibility for the financial administration of the department. (5 x 2) (10)

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5.4
- Equitable share of revenue raised nationally
- Levies, other than income tax
- Rates on property
- Flat-rate surcharge on the tax bases
- Levy or duty/tariff that is imposed by national legislation (5 x 2) (10)

[50]

QUESTION6

6.1
- Takes a leading role in the preparation of the budget.
- Presents the draft budget to the council for consideration.
- Delivers the budget speech and explains the important aspects of the budget itself.
- Makes recommendations on the tax rate (local); consumer tariffs, user charges and levies.
- Takes charge of supervising and controlling the execution of the budget once it has been approved.
- Reports any financial irregularities by any official, council member or committee. (Any 5 x 2) (10)

6.2
- To prevent fraud and theft
- To ensure lawful spending of state money
- To ensure recovery and safekeeping of income
- To ensure effectiveness and efficiency
- To ensure accountability for finance according to the budget (5 x 2) (10)

6.3 This is a fund into which all revenue raised✓✓ by the central government is paid.✓✓
It is controlled by the Reserve Bank or central bank.✓✓
The banking accounts of both the central✓✓
and provincial government are controlled here.✓✓ (10)

6.4

- No tax or other charges can be collected from taxpayers without their consent.
- The tax burden must be distributed in a reasonable and fair way.
- The use of public finances must satisfy collective needs optimally.
- Participatory democracy means direct participation by the taxpayers.
- Financial resources must be applied effectively and efficiently to satisfy collective needs (fair and reasonable allocation of resources).
- Introduce and collect taxes, and decide how and what funds collected will be spent.
- Political representatives must be sensitive and responsive to the collective needs of the community.
- The execution of budget programmes should satisfy the needs of the public.
- Social equity or justice should be displayed by public officials by maintaining high moral and ethical standards (integrity, honesty, responsibility – personal characteristics).
- Public accountability – the public should be made aware of all financial transactions utilised from public funds. (10 x 2) (20)

[50]

TOTAL: 200

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