



higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE

ECONOMICS N5

8 June 2022

This marking guideline consists of 18 pages.

QUESTION 1

- 1.1 A
- 1.2 E
- 1.3 E
- 1.4 A
- 1.5 A
- 1.6 B
- 1.7 E
- 1.8 E
- 1.9 C/E
- 1.10 D

(10 × 2) (20)

QUESTION 2

- 2.1 False
- 2.2 True
- 2.3 False
- 2.4 True
- 2.5 True

Any relevant answer, only provide full 2 marks if student provides a reason for their answer

(5 × 2) (10)

QUESTION 3

- 3.1 Lesetja Kganyago
- 3.2 Households
- 3.3 Investment
- 3.4 Government purchases
- 3.5 Disposable income
- 3.6 Monetary policy
- 3.7 Finance
- 3.8 M1
- 3.9 Interest
- 3.10 SARB or South African Reserve Bank

(Any relevant answers 10 × 2) (20)

[50]

TOTAL SECTION A: 50

SECTION B

QUESTION 4

- 4.1 4.1.1 In economics, out of work refers to unemployment or someone that has been retrenched or lost their job. (Any relevant answer 2 × 1) (2)
- 4.1.2 The economy could be bad or in a recession, and companies are not hiring people.✓ Or it could be that he does not have the required experience or skills✓ to find a job and therefore he gave up searching.✓ (Any relevant answer 3 × 1) (3)
- 4.1.3
- The man who is out of work: he does not have a job✓ or he lost his
 - job due to any of several reasons✓
 - The man who gave up looking for work: has become discouraged in looking for work.✓ He has given up because finding a job is difficult✓ (Any relevant answer 2 × 2) (4)
- 4.1.4 Frictional Unemployment ✓
Occurs because of the normal turnover in the labour market and the time it takes for workers to find new jobs.✓ Throughout the course of the year in the labour market, some workers change jobs. When they do, it takes time to match up potential employees with new employers. Even if there are enough workers to satisfy every job opening, it takes time for workers to learn about these new job opportunities, and for them to be considered, interviewed, and hired.✓
- Example: When Cindy graduates from college, she begins looking for work. Let's say it takes her four months to land a new job. During this time, she is frictionally unemployed.✓
- Cyclical Unemployment □
Over time, the economy experiences many ups and downs. That's what we call cyclical unemployment because it goes in cycles. □
Cyclical unemployment occurs because of these cycles. When the economy enters a recession, many of the jobs lost are considered cyclical unemployment.
- For example, during the Great Depression, the unemployment rate was high – over 25%. That means one out of four people were willing and able to work but could not find work! Most of this unemployment was considered cyclical unemployment. Eventually, unemployment came down again.