



higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE

ECONOMICS N5

10 JUNE 2019

This marking guideline consists of 8 pages.

SECTION A

QUESTION 1

1.1	1.1.1	B		
	1.1.2	D		
	1.1.3	C		
	1.1.4	D		
	1.1.5	D		

(5 × 2) (10)

1.2	1.2.1	False
	1.2.2	False
	1.2.3	False
	1.2.4	True
	1.2.5	True
	1.2.6	False
	1.2.7	True
	1.2.8	False
	1.2.9	False
	1.2.10	False

(10 × 2) (20)

1.3	1.3.1	J
	1.3.2	H
	1.3.3	F
	1.3.4	I
	1.3.5	A
	1.3.6	G
	1.3.7	B
	1.3.8	E
	1.3.9	D
	1.3.10	C

(10 × 2) (20)

[50]

TOTAL SECTION A 50

SECTION B

QUESTION 2

2.1	2.1.1	Demand-pull inflation
	2.1.2	Cost-push inflation
	2.1.3	Cost-push inflation
	2.1.4	Demand-pull inflation
	2.1.5	Demand-pull inflation

(5 × 2) (10)

2.2 2.2.1 A trade union is an organised group of workers in a particular enterprise, industry, trade or profession seeking to establish a relationship with management via the process of collective bargaining. (3)

2.2.2 Trade unions aim to:

- improve work conditions
- promote the interests of its members in the work situation
- improve employees' standard of living and work satisfaction

(Any 2 × 2) (4)

2.3 2.3.1 International trade is a set of actions that aim to exchange capital, goods and services between foreign countries across their international borders. (3)

2.3.2

- *Import substitution* is a government strategy that emphasizes replacement of some agricultural/industrial imports to encourage local production for local consumption rather than producing for export market.
- *Export promotion* is a strategy for economic development that stresses expanding exports, often through policies to assist them such as export subsidies. (2 × 2) (4)

2.3.3

- *Revaluation of currency* is a measure enforced by government to increase the exchange value of its monetary unit.
- *Appreciation of currency* is an increase in the value of currency in terms of other currencies as a result of market forces. (2 × 2) (4)

2.3.4

- Ad valorem tariff
- Specific tariff (2 × 2) (4)

2.4 2.4.1 **2015 FIGURES IN MILLIONS**

GDP at basic prices	
Compensation of employees	1 318
+ Net operating surplus	920 ✓
+ Compensation on fixed capital	418 ✓
GDP at factor cost	2 656
+ Other taxes on production	22 ✓
-Other subsidies	(21) ✓
GDP at basic prices	2 657 ✓

(5)

2.4.2

GDP at market prices	
GDP at basic prices	2 657
+Taxes on production	52 ✓
-Subsidies on products	(16) ✓
Real GDP at market prices	2 693
+Primary income for the rest of the world	72 ✓
-Primary income to the rest of the world	362 ✓
GDP at market prices	2 403 ✓

(5)