



# higher education & training

Department:  
Higher Education and Training  
**REPUBLIC OF SOUTH AFRICA**

## **MARKING GUIDELINE**

**NATIONAL CERTIFICATE**

**ECONOMICS N5**

**8 June 2021**

**This marking guideline consists of 9 pages.**

**SECTION A**

Mark all the questions in SECTION A.

**QUESTION 1**

- 1.1 B
- 1.2 D
- 1.3 B
- 1.4 C
- 1.5 B

(5 × 2) [10]

**QUESTION 2**

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

(10 × 2) [20]

**QUESTION 3**

- 3.1 L
- 3.2 B
- 3.3 N
- 3.4 D
- 3.5 M
- 3.6 E
- 3.7 O
- 3.8 I
- 3.9 K
- 3.10 R

(10 × 2) [20]

**TOTAL SECTION A: 50**

## SECTION B

Mark any THREE of the four questions in SECTION B.

### QUESTION 4

- 4.1 4.1.1
- Economic order and protection
    - Maintaining internal and external security
    - Provides a legal service rendered by courts (Any 1 × 1)
  - Social welfare
    - Focus on the well-being of the nation, e.g. hospitalisation
  - Economic welfare
    - Stimulates economic welfare by monetary control (Any 3 × 2)
- (6)
- 4.1.2
- Total population – The higher the percentage of working population, the larger the supply of labour.
  - Population growth rate – The higher the population growth rate, the more the supply of labour.
  - Workforce/labour force partition rate – The higher this rate, the higher the rate of unemployment.
  - Working hours – Currently employees prefer flexible working hours which improve their productivity and help to avoid peak hour traffic.
  - Migration – The migration of workers to other countries reduces the labour supply, while immigration of workers from other countries increases the labour supply.
  - Level of skills – South Africa has a shortage of highly skilled workers. (Any 5 × 2)
- (10)
- 4.1.3
- Transactional motive✓ - Relates to a person's need to have cash for carrying out day-to-day transactions.✓✓
  - Precautionary motive✓ - Provision should be made for all possible contingencies.✓✓
  - Speculative motive✓ - This motive depends a lot on what the individual expects regarding prices, postponing buying of goods when a dropping of prices is expected.✓✓ (3 × 3)
- (9)
- 4.2 4.2.1
- Households are the primary participants in the circular flow as they provide the factors of production, e.g. labour
  - to the business sector and government in exchange for remuneration.
  - The remuneration is used to buy goods and services to satisfy their own needs.