higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)

FREIGHT LOGISTICS
NQF LEVEL 3

(11020263)

26 February 2018 (X-Paper)
09:00–12:00

This question paper consists of 8 pages.

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TIME: 3 HOURS
MARKS: 150

INSTRUCTIONS AND INFORMATION

1. Answer ALL the questions.
2. Read ALL the questions carefully.
3. Number the answers according to the numbering system used in this question paper.
4. Use a BLACK or BLUE pen.
5. Leave at least THREE lines after each question.
6. Start each section on a NEW page.
7. Write neatly and legibly.

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SECTION A

QUESTION 1

Indicate whether the following statements are TRUE or FALSE. Choose the answer and write only 'true' or 'false' next to the question number (1.1–1.10) in the ANSWER BOOK.

1.1 Demand forecasting means that instead of waiting for new stock, the customer chooses a different supplier.

1.2 Inventory integrity means always knowing how much inventory is available and where it is.

1.3 Packaging is the wrapping or covering of goods and material.

1.4 The manual handling or movement of goods includes loading goods from and onto delivery vehicles.

1.5 External customers are all the employees who rely on other employees for either services or products.

1.6 Freight logistics is the way the movement of goods between one point and another is managed to ensure that the requirements of customers are met.

1.7 Logistics is the process of ensuring that the right type of product or service is delivered at the right place and at the right time, and in the right condition, to meet customers' expectations.

1.8 A waybill is a chain of events that starts with the raw material and ends with the customer who uses the finished goods.

1.9 Binning is the process of bringing customers' requests in line with the capacity of the supplier.

1.10 Man-driven transport refers to individuals carrying goods on their heads, backs or by bicycle.

(10 × 1) **[10]**

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QUESTION 2

Choose an item from COLUMN B that matches a description in COLUMN A. Write only the letter (A–J) next to the question number (2.1–2.10) in the ANSWER BOOK.

COLUMN A		COLUMN B	
2.1	A document issued by a transport company or its agent to the supplier of the goods that must be transported	A	distribution
2.2	The loading and movement of goods and the finalised trip sheet	B	procurement
2.3	A list of goods sent or services provided with a statement of the sum due	C	pipeline
2.4	The process of preparation and processing of a demand as well as the end receipt and approval of payment	D	bill of lading
2.5	Raw materials or manufacturing goods are stored before their export	E	invoice
2.6	The process of choosing the best or cheapest company to supply goods	F	salvage
2.7	Used for transporting liquids	G	maintenance
2.8	The recovery of old discarded, obsolete or damaged property or goods.	H	workshop
2.9	Replacing the oil filter, petrol filter and brake shoes	I	warehouse
2.10	A room where goods are manufactured or repaired	J	tendering

(10 × 1) **[10]**

TOTAL SECTION A: 20

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SECTION B

QUESTION 3

3.1 What do the following abbreviations stand for?

3.1.1 AWB

3.1.2 ITT

3.1.3 PFMA

3.1.4 POD

3.1.5 GDP

(5 × 1) (5)

3.2 Study the extract below and answer the questions.

TARGETED PROCUREMENT AND THE RDP

The emergence of TP as an instrument to effect social and economic policy through procurement in South Africa dates back to the Reconstruction and Development Programme (RDP) of the African National Congress (ANC 1994), later adopted by the first democratic government in 1994 in the form of a White Paper on the Reconstruction and Development Programme. The RDP is a comprehensive socio-economic policy instrument aimed at eradicating the legacy of apartheid, which had left the country with an economy that was inwardly focused and distorted by inequalities, inefficiencies and underdeveloped resources markets. The four integral strategies of the RDP for bringing about the desired process of transformation are as follows:

- Meeting basic needs.
- Developing the country's human resources and building the economy.
- Democratising the economy by providing the framework for the desired process.
- Besides using procurement to meet the RDP goals, other policy instruments that are not directly related to procurement have also been developed to redress the effects of apartheid and the legacy of inequality. The RDP objectives influenced the South African procurement reform process, which was aimed at achieving good governance and socio-economic objectives.

3.2.1 Name FIVE pillars of procurement. (5 × 2) (10)

3.2.2 Name FIVE procurement processes. (5 × 2) (10)

3.2.3 When was the Reconstruction and Development Programme established? (1)

3.2.4 Define the concept *packaging.* (2)

3.2.5 What is the meaning of the term *inventory*? (2)

[30]

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QUESTION 4

Study the paragraph below and answer the questions.



Choosing a new logistics facility or distribution centre (DC) site involves weighing a number of factors and considering numerous details. The best way to start is by thoroughly examining the elements that combine to support your business needs.

Manufacturing and raw materials sourcing play a major role in DC site selection. One reason is that bulk raw materials are typically expensive to transport relative to their value. Manufacturing consumes considerable resources, including raw materials, energy and labour. As a result, companies locate manufacturing and fabrication operations near those resources. The sourcing/production side of the supply chain usually starts anywhere where low-cost material, labour, and production are available. The options narrow, however, when inbound logistics and distribution functions enter the equation. The earlier in the process a company considers logistics, the more likely it is that it can design supply chains of which the costs and performance are able to withstand external or internal disruption.

4.1 State SEVEN factors that must be considered when selecting a suitable warehouse location. (7 × 2) (14)

4.2 State FIVE factors that influence warehouse storage. (5 × 2) (10)

4.3 Give FOUR consequences of wrong site selection. (4)

4.4 Define the term *reverse logistics.* (2)

[30]

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QUESTION 5

5.1 Define the term *material handling.* (2)

5.2



5.2.1 Identify the machine in the picture above. (1)

5.2.2 What is the purpose of this machine? (3)

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5.3



5.3.1 Identify the machine in the picture above. (1)

5.3.2 Explain the functions of this machine. (3)

5.4 Give FIVE steps that must be followed when working with customer complaints. (5 × 3) (15)

5.5 Describe FIVE factors to consider when developing a returned goods policy. (5 × 2) (10)

[35]

QUESTION 6

6.1 Describe THREE types of packaging. (3 × 3) (9)

6.2 Define the term *order processing cycle.* (3)

6.3 Give the SEVEN steps of order processing in the correct order. (7 × 2) (14)

6.4 Discuss *electronic fund transfer (EFT) credit.* (5)

6.5 Explain the difference between *salvage* and *scrap.* (2 × 2) (4)

[35]

TOTAL SECTION B: 130
GRAND TOTAL: 150

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