higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)

FREIGHT LOGISTICS
NQF LEVEL 4

(11020274)

18 November 2019 (X-Paper)
09:00–12:00

This question paper consists of 7 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. Start each section on a NEW page.
5. Use only a blue or black pen.
6. 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 Moving South Africa is a policy framework covering a 50-year period.

1.2 Corruption will not be tolerated within government services.

1.3 A request for a tender proposal must indicate the closing date for the tender.

1.4 An intermodal interface is a route between two major economic areas along which freight is transported via various modes.

1.5 Storage cost refers to costs associated with the delivery of a product.

1.6 A retailer buys goods from a manufacturer, distributor or wholesaler and sells it to a customer.

1.7 Profitability is the ability to make more money than the business spends.

1.8 ACSA owns and operates the nine main South African airports.

1.9 Import handling entails all activities related to imports cargo movement, handling and delivery of containers to customers.

1.10 Gold is South Africa's main import.

(10 × 1) **[10]**

QUESTION 2

Choose a term 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	Implementation example of the National Transport Master Plan	A	value-added tax
2.2	Used to calculate the points for price in respect of tenders with a rand value above R1 million	B	manufacturer
2.3	Included in the tender price	C	profit
2.4	Point where transfer of goods from one mode to another occurs	D	customer interface
2.5	Converts raw materials into finished goods	E	customer questionnaire
2.6	Difference between income and expenses	F	rapid bus transport
2.7	Costs associated with the employment of staff	G	balance of trade
2.8	Difference between the value of goods and services exported and imported	H	intermodal interface
2.9	Any point of contact between a customer and one of the employees of the company	I	manpower costs
2.10	Form to be completed by customers either in writing or electronically	J	90/10 preference point system

(10 × 1) **[10]**

TOTAL SECTION A: 20

SECTION B

QUESTION 3

3.1 Name FOUR pieces of legislation that regulate road transport. (4)

3.2 Briefly state the purpose of each of the following policy documents:

3.2.1 National Freight Logistics Strategy

3.2.2 White Paper on National Transport Policy

3.2.3 Non-motorised Transport Policy

(3 × 4) (12)

3.3 Name FOUR institutions that usually issue tenders. (4)

3.4 State FOUR items that appear on the cover page of a tender document. (4 × 2) (8)

3.5 State TWO instances where a tender is regarded as nonresponsive. (2 × 2) (4)

[32]

QUESTION 4

4.1 Read the article below and answer the questions.

PLAN TO GET BACK TO RELYING ON RAIL FREIGHT UNDER WAY

A bid to resuscitate the defunct rail transport system for goods as an alternative to road freight is under way.

Public enterprise portfolio committee chairperson Lungi Mnganga-Gcabashe said this would reduce traffic congestion, reduce road accidents and save time and money. This would also impact positively on prices, boost the rural economy and create jobs for marginalised outlying communities.

State-owned logistics utility Transnet has been asked to consider changing its mode of transport for goods from road freight to rail freight.

'The most important issue is to reduce the damage caused to road surface by trucks transporting goods across our country. Our railways infrastructure is underutilised, while the roads are congested. The state of national roads and the high rate of road deaths concerns the committee. Hence, Transnet must focus on moving freight from road to rail,' Mnganga-Gcabashe said.

[Source: *https://citizen.co.za/news/south-africa/1870753/plan-to-backtrack-to-rail-freight-underway*]

4.1.1 Identify, from the article, THREE benefits of changing the transport of goods from road to rail. (3 × 2) (6)

4.1.2 Give THREE reasons why Transnet must focus on moving freight transport from road to rail. (3 × 2) (6)

4.1.3 Name the state-owned enterprise for rail transport. (1)

4.2 Discuss in detail the benefits of each of the following synergies that can be achieved through integrated logistics management:

4.2.1 Cooperative management

4.2.2 Cost reduction

(2 × 2) (4)

4.3 Name THREE factors that contributed to the growth of integrated logistics management. (3 × 2) (6)

4.4 Tabulate a supply-chain model where SIX parties are involved. (6)

4.5 List FOUR cost groups involved in an integrated supply chain. (4)

[33]

QUESTION 5

5.1 Use the information given below and draw up the income statement of Porcupine Logistics for the year ended 30 June 2018.

Sales	5 500 000
Cost of sales	2 500 000
Salaries	500 000
Fuel	800 000
Maintenance	70 000
Electricity	60 000
Depreciation	80 000
Toll fees	10 000
Telephone	15 000

(12)

5.2 State THREE internal factors impacting on the profitability of a logistics company. (3)

5.3 Give brief reasons why companies may outsource some of their activities to other companies. (2 × 2) (4)

5.4 Briefly explain FOUR consequences of a poorly run warehouse. (4 × 2) (8)

5.5 List FOUR processes performed in a warehouse. (4)

5.6 Define the term *cluster*. (2)

[33]

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QUESTION 6

6.1 Read the extract and answer the questions.

> 'If we look at the pharmaceutical industry, South Africa's population is the largest consumer of pharmaceutical products. When we look at some of these statistics, I think we can see that there are huge challenges in that we have a huge trade deficit of around R20 billion. This means we import R20 billion worth of pharmaceutical products than we export,' said minister of the Department of Trade and Industry, Mr Davies.

[Adapted from: *https://www.sowetanlive.co.za/news/south-africa/2018-05-29*]

6.1.1 What does the term *trade deficit* mean? (2)

6.1.2 Explain FIVE factors that determine the pricing of imported goods. (5 × 2) (10)

6.1.3 Name TWO countries that are trade partners with South Africa. (2)

6.2 Give THREE advantages of installing tracking systems in vehicles. (3 × 2) (6)

6.3 Give TWO examples of a satellite-based vehicle-tracking system. (2)

6.4 Name TWO tools used to get feedback from customers. (2)

6.5 Explain FOUR aims of a customer policy. (4 × 2) (8)

[32]

TOTAL SECTION B: 130
GRAND TOTAL: 150

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