higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)

TRANSPORT ECONOMICS
NQF LEVEL 2

(11020282)

10 December 2020 (X-paper)
09:00–12:00

This question paper consists of 6 pages.

531Q1N2010

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TIME: 3 HOURS
MARKS: 100

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 black or blue pen.
6. Write neatly and legibly.

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SECTION A

QUESTION 1

Indicate whether the following statements are TRUE or FALSE by writing only 'True' or 'False' next to the question number (1.1–1.10) in the ANSWER BOOK.

1.1 DoT is responsible for policy formulation and has full control over policy implementation.

1.2 Rail transport has expanded its intermodal operations through alliances with air transport owners and is decreasingly concentrating on the development of special equipment.

1.3 Economies with mobility are often those with better opportunities to development than those who lack mobility.

1.4 The lack of transport infrastructure improves infrastructure.

1.5 The non-economic role of transport is to provide affordable access to jobs and other economic activities to poor members of the community to break the poverty cycle.

1.6 A warehouse can also be referred to as transport infrastructure.

1.7 The importance of transport and transport infrastructure is noted in the vision statement of DoT.

1.8 South Africa depends mostly on the textile sector as the main driver of economic well-being.

1.9 The competition between BRTS and the taxi industry is an indicator of threat of new entry.

1.10 Gautrain is one of the rural projects that government embarked on as part of the rural development strategy.

(10 × 1) **[10]**

QUESTION 2

Define the following terms/words:

2.1 Public transport

2.2 Mobility map

2.3 Isolated communities

2.4 Private road freight market players

2.5 Export

(5 × 2) **[10]**

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QUESTION 3

Write the following acronyms in full:

3.1 SANRAL

3.2 SADC

3.3 TETA

3.4 GDP

3.5 NHTS

(5 × 1) **[5]**

QUESTION 4

Choose a term from COLUMN B that matches a description in COLUMN A. Write only the letter (A–F) next to the question number (4.1–4.5) in the ANSWER BOOK.

COLUMN A		COLUMN B	
4.1	An external factor that affects the demand for, or the price of transport	A	industry protection
4.2	Price of goods and services drops due to effective transport that enables economic growth	B	customer protection
4.3	MyCity in Cape Town and Rea Vaya in Gauteng form part of…	C	BRTS
4.4	Price of goods and services increases due to effective transport that enables economic growth	D	transport market
4.5	Users of transport use it not because they benefit from it directly, but because they wish to partake in other activities which they reach using transport	E	indirect impact
		F	derived demand

(5 × 1) **[5]**

TOTAL SECTION A: 30

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SECTION B

QUESTION 5

Read the following case study and answer the questions.

HOW TO GET PUBLIC TRANSPORT BACK ON TRACK

Public transport in South Africa is in crisis. There are endless reports of corruption at the Passenger Rail Agency of South Africa (Prasa), with more than R24 billion looted from the SOE over the past decade. According to the Rail Safety Regulator's State of Safety Report (2016/2017), more than 3 000 people have died, and many more were injured, in rail-related incidents, between 2010 and 2017.

Consequently, many people who previously used public transport – particularly rail – no longer have the stomach to do so and are forced to use expensive, but often more reliable, private transport.

However, the alternatives to trains, where they exist at all, are extremely limited and problematic. Buses (both those that are government-run like the MyCity or Rea Vaya Bus Rapid Transit (BRT) systems or the privately-owned fleets like Golden Arrow) do not go to all areas. The routes that do exist are often poorly serviced, leading to long wait times or overcrowding. Bus trips also tend to be much more costly than train commutes.

Minibus taxis plug many of the gaps in our public transport network. The limited regulation of the taxi industry often means that cartels can increase prices – not always in line with fuel costs – leaving commuters with little recourse but to pay more. For the many who do not have the luxury of choosing not to use the trains, besides being regularly late for work, there is a widespread feeling of being unsafe, as a result of increased levels of crime and violence as well as a fear of sexual harassment.

Private vehicles are also the main contributor to the increasingly congested nature of cities in South Africa. A 2013 National Household Travel Survey by Stats SA estimated how people commute to work and school on a daily basis. This congestion contributes greatly to air pollution and negatively affects the lives of workers who spend hours of their day sitting in traffic. South Africa also has some of the worst road safety statistics globally, with on average 14 000 road-related deaths each year. Besides the loss of life, road-related deaths are accompanied by huge economic costs. Thus, while electric vehicles may have much lower carbon emissions, and are important in this respect, they do not address the high costs of private vehicles, the question of road safety nor the issue of growing congestion.

[Source: *https://www.dailymaverick.co.za*]

5.1	Summarise briefly FIVE purposes of public transport.	(5 × 2)	(10)
5.2	List THREE negative externalities that occur because of the transport industry.	(3 × 1)	(3)
5.3	What does the acronym PRASA stand for?		(1)
5.4	Name FIVE car rental companies that operate in South Africa.	(5 × 1)	(5)
5.5	Describe in detail FOUR effects of transport as a multiplier effect in the development of rural areas.	(4 × 2)	(8)
5.6	Name FIVE ways in which transport shows flexibility within a changing economy.	(5 × 2)	(10)
			[37]

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QUESTION 6

6.1 Give FIVE examples of the non-economic role of transport in economic development. (5 × 2) (10)

6.2 Infrastructure is said to have a major role in and/or impact on a country's economy.

6.2.1 What are the FOUR pieces of legislation that government must make provision for in terms of the transport environment? (4 × 1) (4)

6.2.2 List THREE strategies of the South African government to address socio-economic challenges by improving, among others, the transport infrastructure. (3 × 1) (3)

6.2.3 Compare the historical and current transport infrastructure and give THREE similarities in road, rail and air transport. (3 × 2) (6)

6.2.4 Name FIVE links between an effective transport system and the well-being of an economy. (5 × 2) (10)
[33]

TOTAL SECTION B: 70
GRAND TOTAL: 100

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