higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)

TRANSPORT ECONOMICS
NQF LEVEL 4

(11020304)

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

This question paper consists of 6 pages.

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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. Write neatly and legibly.

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SECTION A

QUESTION 1

1.1 Various options are given as possible matches to the following statements. Choose the option and write only the letter (A–D) next to the question number (1.1.1–1.1.4) in the ANSWER BOOK.

1.1.1 Costs will be lowered if service providers use their facilities to the fullest physical capacity:

A Economies of scale
B Economies of scope
C Economies of agglomeration
D Economies of utilisation

1.1.2 People retiring or earning higher incomes tend to take more leisure trips owing to …

A change in social habits.
B peak demand.
C change in competitors.
D change in population.

1.1.3 Price at which transport service providers are willing to sell the services at a profit, and the price that transport consumers are willing to pay refers to:

A Equilibrium price
B Price elasticity
C Market principle
D Change in price

1.1.4 Managing and maintaining the airport infrastructure of South African airports is the responsibility of:

A Air Traffic and Navigation System
B South African Civil Aviation Authority
C Airports Company South Africa (ACSA)
D Ports Regulator of South Africa

(4 × 1) (4)

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1.2 Choose a term from COLUMN B that matches a description in COLUMN A. Write only the letter (A–F) next to the question number (1.2.1–1.2.4) in the ANSWER BOOK.

COLUMN A		COLUMN B	
1.2.1	Influenced by price of factors of production	A	transaction costs
1.2.2	Movement of passengers or goods including all costs such as legal fees and infrastructure	B	traffic bans
1.2.3	More direct approach to reducing the demand for transport	C	commodity chains
1.2.4	Allows movement towards an integrated transport	D	traffic management
		E	supply
		F	transport rates

(4 × 1) (4)

1.3 Indicate whether the following statements are TRUE or FALSE. Choose the answer and write only 'True' or 'False' next to the question number (1.3.1–1.3.4) in the ANSWER BOOK.

1.3.1 The main passenger modal transport options depend on the type of movement, the distance to be covered and availability within the mode.

1.3.2 Fixed indirect costs are the repetitive costs or activities irrespective of the transport goods or service project.

1.3.3 Citizens are one of the stakeholders in traffic management.

1.3.4 The export promotion unit is responsible for developing and implementing regional import strategies.

(4 × 1) (4)

1.4 Give ONE word or term for each of the following descriptions. Write only the word or term next to the question number (1.4.1–1.4.4) in the ANSWER BOOK.

1.4.1 Transport service in which a contract may be negotiated between transport consumers and a transport service provider.

1.4.2 One of the factors that influence demand if market price is disregarded.

1.4.3 Amount of money coming from the transport services and goods on offer.

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1.4.4 Traffic management strategy that involves restricting parking on the streets and charging higher parking rates (4 × 2) (8)

[20]

TOTAL SECTION A: 20

SECTION B

QUESTION 2

2.1 Identify THREE key players in the transport market. (3 × 1) (3)

2.2 Describe TWO transport service suppliers in the demand and supply chain. (2 × 2) (4)

2.3 Government plays an important role in the economy as it is responsible for ensuring the provision of public goods and services. (*www.tidasa.co.za)*

2.3.1 Name THREE responsibilities of the government in ensuring provision of public goods. (3 × 2) (6)

2.3.2 State THREE factors that are influenced by trip decision. (3 × 2) (6)

2.3.3 Identify THREE factors that may cause excess supply. (3 × 2) (6)

2.4 List THREE factors that influence transport rates. (3 × 1) (3)

[28]

QUESTION 3

3.1 Explain TWO types of transport demand. (2 × 3) (6)

3.2 Name TWO cost-effective alternatives that can be used by transport consumers. (2 × 2) (4)

3.3 State any THREE factors that may arise as a result of changes in the price of transport services. (3 × 2) (6)

3.4 3.4.1 Draw the structure of the equilibrium price curve. (5)

3.4.2 Explain the structure of the equilibrium price curve you have drawn. (3)

3.5 Explain TWO primary roles of water as a mode of transport. (2 × 2) (4)

[28]

QUESTION 4

Read the extract below and answer the questions.

> Traffic management includes all strategies that the government, municipal councils and organisations use to manage traffic. Traffic is managed with the aim to increase the efficiency of the transport system, and its focus is on road transportation. Traffic management can also have various impacts on the transport industry.

[Source: *www.teta.co.za.*]

4.1	Describe TWO aims and objectives of traffic management.	(2 × 2)	(4)
4.2	Name and explain TWO pricing levels and their strategies.	(2 × 3)	(6)
4.3	Describe THREE advantages of intermodal transportation.	(3 × 2)	(6)
4.4	Differentiate between *intermodal transport* and *intramodal transport*.	(2 + 2)	(4)
4.5	Give TWO reasons why South Africa explores the global market.	(2 × 2)	(4)
			[24]

TOTAL SECTION B: 80
GRAND TOTAL: 100

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