



UNIVERSITY
OF
JOHANNESBURG

FACULTY OF MANAGEMENT EXAMINATION 19 JUNE 2014

Department: Transport and Supply Chain Management

MODULE	:	RAIL TRANSPORT MANAGEMENT
CODE	:	TRE8X07
DATE	:	19 JUNE 2014
DURATION	:	3 HOURS
TIME	:	12:30 – 15:00
TOTAL MARKS	:	180

EXAMINER	:	DR. LJ PETKOON
MODERATOR	:	MR. H LEMMER
NUMBER OF PAGES	:	2
NO. OF QUESTIONS	:	6

INSTRUCTIONS TO CANDIDATES:

- Answer all questions.
- Question papers must be handed in.
- This is a closed book assessment.
- Read the questions carefully and answer only what is asked.
- Number your answers clearly.
- Write neatly and legibly.
- Structure your answers by using appropriate headings and sub headings.
- The general University of Johannesburg policies, procedures and rules pertaining to written **assessments** apply to this assessment.

QUESTION 1**(30 Marks)**

Given the original mandate to the South African Railways and Harbours as legislated in the Union of South Africa Act (the Act of the Union (1910), Clause 127), describe the manner in which the deregulation of transport has made an impact on the development of rail transportation in relation to road transportation in South Africa. Contrast your discussion against the Staggers Rail Act of (1980) in the United States of America which was intended to remedy serious financial woes experienced by major American Railroads during the 1960s and 1970s.

QUESTION 2**(30 Marks)**

Access to a National Rail Infrastructure can vary from exclusive access granted to a single operator, to open access for more multiple operators, as the opposite extreme. Briefly discuss three access options that may be considered by a country, as the custodian of the national rail infrastructure and elaborate on the pros and cons of each option. Illustrate your answer with practical international examples.

QUESTION 3**(30 Marks)**

A Railway is a capital-intensive organization which is characterised by high fixed costs. How does this impact on its ability to respond to modest but regular changes in the demand for transport? Contextualise your views in the light of the seminal paper by Robert G. Harris (1977) on the relationship between cost of transport and traffic density.

QUESTION 4**(30 Marks)**

Discuss the difference between vertically integrated and vertically separated railway systems and elaborate on the advantages and disadvantages of each. With this as background as well as the fact that Transnet Freight Rail is a vertically integrated railway, do you agree/disagree that a vertically integrated railway structure is the best option for South Africa in the current transport environment? Motivate your answer.

QUESTION 5**(30 Marks)**

Discuss the inherent advantages and disadvantages of rail transport relative to road transport from a freight perspective. On the basis of your response, motivate whether you believe that rail transport (freight) can compete successfully against road transport in Southern Africa or not.

QUESTION 6**(30 Marks)**

Discuss the relative merits of Standard Gauge rail network compared to Narrow Gauge/Cape Gauge rail networks and recommend a rail gauge strategy for The Southern African Region. Motivate your recommendation.