



MODULE : **TRANSPORT ECONOMICS 2B**
CODE : **VVR2B01/TRE22B2**
DATE : **21 NOVEMBER 2016**
DURATION : **180 MINUTES**
TOTAL MARKS : **180**

EXAMINER : **MS S NABEE AND MS E KRIEL**
MODERATOR : **MR GJ HEYNS**
NUMBER OF PAGES : **7 PAGES**

INSTRUCTIONS TO CANDIDATES:

- Answer all the questions
- Multiple choice questions must be answered on an MCQ sheet
- 2 different coloured books
- 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.

SECTION B: AIR TRANSPORT [75 MARKS]

QUESTION B1

(15 Min.: 15 Marks)

The airline industry face various frustrations. Identify and discuss in detail five of the most common frustrations.

QUESTION B2

(15 Min.: 15 Marks)

2.1 Define economies of scale in the airline industry. (5)

2.2 Define load factor and explain the relationship between load factor and cost per unit.
(10)

QUESTION B3

(15 Min.: 15 Marks)

Briefly describe any five (5) marketing strategies airlines utilize since deregulation of the airline industry

QUESTION B4**(10 Min.: 10 Marks)**

Describe the five major non-price determinants of demand in the airline industry

QUESTION B5**(8 Min.: 8 Marks)**

Describe the determinants of elasticity in air transport

QUESTION B6**(12 Min.: 12 Marks)**

Shipping commodities by air is desirable when certain characteristics are present. Briefly describe these characteristics.

PLEASE USE A NEW BOOK

SECTION C: MARITIME TRANSPORT [60 MARKS]**QUESTION C7****(10 Min. : 10 Marks)**

Make **comparisons** between **liner and tramp shipping**. Your answer must reflect the **differences in ships, cargoes and freight rates**.

QUESTION C8**(10 Min.: 10 Marks)**

The 2050 Vision for the Durban-Gauteng Freight corridor is a strategy based on economic growth. **Analyse the current economic situation** in South Africa in relation to the development of Durban port.

QUESTION C9**(10 Min. : 10 Marks)**

The method of stowage depends primarily on the characteristics of the cargo. Explain the **type of stowage** suitable for the following products.

- 8.1 Cotton (2)
- 8.2 Timber (2)
- 8.3 Ores (iron ore, copper) (2)
- 8.4 Fertiliser (2)
- 8.5 Meat (2)

QUESTION C10**(15 Min. : 15 Marks)**

There are numerous factors accelerating the change in seaports. **Discuss the following factors**

- 9.1 Port privatisation (5)
- 9.2 Containerisation (5)
- 9.3 Port of Dubai (5)

QUESTION C11**(15 Min. : 15 Marks)**

Provide a **brief overview** of the maritime industry according to the Review of Maritime Transport 2015. Your answer must include a discussion of the following:

- 10.1 World seaborne trade (5)
- 10.2 The world fleet (3)
- 10.3 Freight costs (2)
- 10.4 Ports (5)