



QUALIFICATION : BCOM HONOURS
MODULE : RAIL TRANSPORT MANAGEMENT
CODE : TRE8X07
DATE : JUNE 2018 MAIN EXAMINATION
DURATION : 180 MINUTES
TIME : 08:30 – 11:30
TOTAL MARKS : 180 MARKS

EXAMINER : DR L PETKOON
MODERATOR : PROF S GRATER
NUMBER OF PAGES : 2 PAGES

INSTRUCTIONS TO CANDIDATES:

- Answer all the 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

(45 MARKS)

The Staggers Rail Act of (1980) in the United States of America was intended to remedy serious financial woes experienced by major American Railroads during the 1960s and 1970s.

- Identify and discuss five fundamental elements of the Staggers Act at the time of implementation and
- Review the effects of this Act 20 years later.
- Elaborate on the similarities and difference to the deregulation that unfolded in South Africa.

QUESTION 2

(45 MARKS)

Access to a National Rail Infrastructure by operators can vary depending on many factors that are relevant in a particular country.

- 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

(45 MARKS)

A Railway is a capital-intensive organization which is characterised by high fixed costs.

- How does this affect the planning horizon of the leaders in the rail industry from an infrastructure and a rolling stock perspective?
- How does this impact on its ability to respond to modest but regular changes or significant up- or downswings 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

(45 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 from an enterprise as well as a national perspective.