



<b>FACULTY/COLLEGE</b>	College of Business and Economics
<b>SCHOOL</b>	Johannesburg Business School
<b>DEPARTMENT</b>	Transport and Supply Chain Management
<b>CAMPUS(ES)</b>	APK
<b>MODULE NAME</b>	Transport Economics 1B
<b>MODULE CODE</b>	TRE21B1
<b>SEMESTER</b>	Second
<b>ASSESSMENT OPPORTUNITY, MONTH AND YEAR</b>	SSAO January 2020

<b>ASSESSMENT DATE</b>	09 January 2020	<b>SESSION</b>	12:30 – 15:30
<b>ASSESSOR(S)</b>	Mr L Jacobs		
<b>MODERATOR(S)</b>	Ms C Celliers		
<b>DURATION</b>	2 hours (120 min)	<b>TOTAL MARKS</b>	100

<b>NUMBER OF PAGES OF PAPER (Including cover page)</b>	6
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**INFORMATION/INSTRUCTIONS:**

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- This is a closed-book assessment.
  - Answer all the questions.
  - Read the questions carefully and answer only what is required.
  - Number your answers clearly and correctly as per the question paper.
  - Write neatly and legibly on both sides of the paper in the answer book, starting on the first page.
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**MULTIPLE CHOICE****30 Marks**

1. Distribution in transport means the "movement" of ..... from place-of-origin to destination:
  - A. Equipment and vehicles
  - B. Substitute products
  - C. People or goods
  - D. Recurring orders
  - E. Powerful individuals
2. The acronym CLM stand for.....:
  - A. Council for Logistics Management
  - B. Council for Local Municipality
  - C. Council for Legal Managers
  - D. Councils for Line Managers
  - E. Council for Legislative Monitoring
3. The rate at which the .....changes in response to changes in any of the determining factors is known as the elasticity of the demand for transport:
  - A. Transport offered
  - B. Road transport
  - C. Transport Monitoring
  - D. Shipping
  - E. Transport quantity demanded
4. The flow of goods at macro (society) or micro (firm) refers to.....respectively:
  - A. Society and firm
  - B. Producer and supplier
  - C. Manufacturer and seller
  - D. Trader and producer
  - E. Seller and buyer
5. The ..... and operation thereof lies at the heart of an economical transport service:
  - A. Incorrect selection of vehicles
  - B. Low and short term in returns of vehicles
  - C. Correct selection of vehicles
  - D. Low and average in returns of vehicles
  - E. Hi and average returns of vehicles
6. Before selecting vehicles for purchase it is necessary to arrive at a specification of the operation and the .....required.
  - A. Fuel
  - B. Payments
  - C. Maintenance
  - D. Body
  - E. Technical characteristics
7. Toxic products that are transported by road can be.....:
  - A. Mixed with most products
  - B. Liquid or solid
  - C. Stored in the same containers with edible products
  - D. Loaded on top of flammable products
  - E. Delivered without relevant papers
8. Government deals with road transport mainly through.....:
  - A. Availability
  - B. Accessibility
  - C. Liberalization
  - D. Activities
  - E. Legislation

9. Speed, safety, and reliability form part of the.....characteristic of transport.
- A. Qualitative
  - B. Quantitative
  - C. Demographic
  - D. Automatic
  - E. Manual
10. When doing a vehicle specification exercise the starting point is a thorough operational analysis that must be included in the.....:
- A. Vehicle route
  - B. Vehicle tyres
  - C. Vehicle capacity
  - D. Vehicle model
  - E. Vehicle design
11. A vehicle can lose power due to high temperatures as well as.....:
- A. High altitude
  - B. Light loads
  - C. Accurate packing
  - D. Level road surfaces
  - E. Low volume cargo
12. The acronym GVM stands for.....:
- A. Government
  - B. Greater Vehicle Monitoring
  - C. Gross Vehicle Mass
  - D. General Vehicle Model
  - E. Granted Vehicle Make
13. The income of people will affect their perception of the .....of transport.
- A. Optimal Supply
  - B. An empty load
  - C. Increased demand
  - D. Market instability
  - E. Cost and service qualities
14. The gross mass of a vehicle is a combination of its.....:
- A. Load and trailer
  - B. Tyres and truck tractor
  - C. Engine and gearbox
  - D. Truck tractor plus semi-trailer
  - E. Make and model
15. Urban transport provision is largely the role of:
- A. Local authorities
  - B. Citizens
  - C. International governments
  - D. Political parties
  - E. Parliamentary bodies
16. A vehicle should be replaced when the maintenance costs exceed the .....
- A. inventory costs
  - B. parking costs
  - C. toll fees
  - D. capital costs
  - E. operational costs

17. Which one of the following is a vehicle replacement method?
- A. Rational
  - B. Professional
  - C. Institutional
  - D. Formal
  - E. Reasonable
18. Which one of the following is not a vehicle financing alternative?
- A. Lease finance
  - B. Instalment sale
  - C. Cash finance
  - D. Rental
  - E. Bonds and stocks
19. Delays in the delivery of shipments and the resultant increased costs can be a result of the .....
- A. Storage of goods between two points
  - B. Fast movements and low costs
  - C. Smooth transportation
  - D. Low demand for goods
  - E. Vehicle defects
20. The rate at which transport quantity is demanded in response to changes in demand factors is called:
- A. Mode of transport
  - B. Elasticity of transport
  - C. Quality of transport
  - D. Provision of transport
  - E. Synchronization of transport
21. Economic growth directly affects .....
- A. Individual growth
  - B. Driver training
  - C. Transport demand
  - D. Company policy
  - E. Vehicle operations
22. One of the major components that can be refurbished in trucks is the .....
- A. Brakes
  - B. Steering
  - C. Gearbox
  - D. Wheels
  - E. Windscreen
23. One of the reasons for calculating depreciation is .....
- A. To buy new vehicles
  - B. For tax purposes
  - C. For upliftment
  - D. For record keeping
  - E. For stock taking
24. Truck and motor cars are ..... of the transport business.
- A. Credit instruments
  - B. Capital assets
  - C. Moving tools
  - D. None on the list
  - E. Key indicators

25. Securing funding for vehicles is made difficult by.....
- A. Amounts and risks involved
  - B. The areas where vehicles will operate in
  - C. Managers making wrong decisions
  - D. Experience of drivers
  - E. None of the above
26. Which one of the following is not a traditional investment tool?
- A. Benefit/cost ratio
  - B. Average rate of return
  - C. Payback
  - D. Lending money from reputable institutions
  - E. Net inflows and investment costs
27. The decrease in value of a vehicle is called .....
- A. Inflation
  - B. Depreciation
  - C. Recession
  - D. Fluctuation
  - E. Trip generation
28. Fleet managers must ensure that the right vehicles are purchased for the right job. This process known as?
- A. Vehicle replacement cycle
  - B. Vehicle purchasing
  - C. Vehicle sales
  - D. Vehicle management
  - E. Vehicle maintenance
29. The repair of vehicles as well as the replacement of certain parts should be done by.....
- A. Anyone
  - B. A different manufacturer
  - C. Replacement individual
  - D. Management
  - E. An accredited workshop
30. One of the important aspects when employing a new driver is .....
- A. Recruitment
  - B. Payment
  - C. Transporting
  - D. Promotion
  - E. Value

**SECTION A & B**

**(70 MARKS)**

**ANSWER ALL QUESTIONS**

**SECTION A**

**38 Marks**

**QUESTION 1**

Identify the four different types of pollution caused by transport (4)

**QUESTION 2**

Discuss the pending carbon tax and its implications on the transport industry. (10)

**QUESTION 3**

List 4 types of aerodynamic equipment that can be added to trailers for better fuel consumption. (4)

**QUESTION 4**

Discuss some of the basic “*rules*” practiced by *transport management*. (10)

**QUESTION 5**

Define Load boards and indicate the elements that users must be aware of to have maximum benefit. (10)

**SECTION B**

**[32 Marks]**

**QUESTION 6**

Define the main aim of the AARTO Legislation as well as its 5 different elements in relation to the Demerit System. (12)

**QUESTION 7**

Discuss 5 elements that government and road freight transport companies are faced with as a result of the fourth industrial revolution. (10)

**QUESTION 8**

Discuss the elements a carrier or owner-operator struggling to find loads must be aware of when using a load board. (10)

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