

# BINDURA UNIVERSITY OF SCIENCE EDUCATION

## FACULTY OF COMMERCE

### DEPARTMENT OF ECONOMIES

JUN 2023

**PROGRAMME:** BACHELOR OF COMMERCE SUPPLY CHAIN  
MANAGEMENT

**COURSE:** TRANSPORT ECONOMICS SCM 203(3) EXAMINATION

**DURATION:** 3 HOURS

Instructions to candidates

1. Answer only four (4) questions.
  2. All questions carry equal marks of 25.
  3. Start a new answer on a fresh page.
  4. No cellular phones are allowed in the examination room.
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**Question 1**

- a) Explain why the demand for air transport can be said to be derived demand.  
[7 Marks]
- b) Identify and explain five external benefits from the expansion of Harare International Airport.  
[10 Marks]
- c) Comment on the extent to which Zimbabwean economy benefit from provision of taxi services.  
[8 Marks]

**Question 2**

Discuss the extent to which the deregulation of buses passenger transport industry in Zimbabwe has been beneficial.

[25 Marks]

**Question 3**

Explain how the cost associated with road traffic congestion leads to a misallocation of resources.

[25 Marks]

**Question 4**

- a) Outline and explain the economic limitations and economic attractions of using pipelines for transport. **[15 Marks]**
- b) Explain the five documents used in both Air and Sea transport. **[10 Marks]**

**Question 5**

Discuss the effectiveness of cost – benefit analysis for the government in making decisions on railway expansion.

**[25 Marks]**

**Question 6**

- a) Explain the three main sources of sustainable transportation. **[15 Marks]**
- b) Explain the benefits of an integrated transport policy to the Zimbabwean economy. **[10 Marks]**

**END OF PAPER**