

# BINDURA UNIVERSITY OF SCIENCE EDUCATION

## FACULTY OF COMMERCE

### DEPARTMENT OF ECONOMIES

JUN 2024

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

**COURSE:** TRANSPORT ECONOMICS SCM 203(1) 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

Discuss the effectiveness of different method used by economists to attach monetary values to the external costs and benefits arising from the use of transport service.

[25 Marks]

#### Question 2

- a) State and explain five costs other than the value of time, associated with traffic congestion.

[10 Marks]

- b) Explain the main factors that have influenced the increased demand for Air passenger transport.

[15 Marks]

#### Question 3

Discuss the extent to which a monopoly provider of transport will always increase economic efficiency.

[25 Marks]

**Question 4**

Analyse the extent to which taxes levied on transport users correct the misallocation of resources by transport users.

**[25 Marks]**

**Question 5**

Discuss the way in which the government can promote more sustainability in Zimbabwe transport policy.

**[25 Marks]**

**Question 6**

a) Briefly explain the following:

- i. Demurrage
- ii. Charter party and demise charter
- iii. Containerisation
- iv. Cargo liners
- v. Classified bill and shipped bill

**[2 Marks]**

**[4 Marks]**

**[4 Marks]**

**[2 Marks]**

**[3 Marks]**

b) Explain the major economic reasons for planning in transport.

**[10 Marks]**

**END OF PAPER**