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Faculty of Management and Social Sciences
Department of Logistics & Transport
BSc in International Transportation Management and Logistics
Course CODE: COM550

Year 2 Semester II
REPEAT EXAMINATION
Transport Economics – ECON0319

- This paper consists of EIGHT questions on TWO (02) pages.
- Answer FIVE (05) Questions including Question 01.
- Only non-programmable calculators are allowed.
- You may use appropriate graphs, diagrams, equation/s to prove or justify the answers.
- If you have any doubt as to the interpretation of the wording of a question, make your own decision, but clearly state it on the script.
- Write legibly

Date: 2023.05.10

Pass mark: 50%

Time: 03 Hours

Question 01 (Compulsory)

Opportunity Cost concepts is used by many fields to take rational decisions. Explain the how it can be use to take a decision in the transport market. (20 Marks)

Question 02

Demand for transport is considered a Derived demand. justify impacts of current economic recession on transport industry in the world. (20 Marks)

Question 03

Explain that relationship between producers' revenue and the elasticity of demand (20 Marks)

Question 04

- (a) Which factors influence to the supply of logistics services in the economy? (10 Marks)
- (b) What do mean by elasticity of transport supply? Explain factors which are determining the elasticity of supply with examples. (10 Marks)

Question 05

Explain that second degree price discrimination and third-degree price discrimination in transport and logistics field. (20 Marks)

Question 06

Explain that the way of dealing with externalities in the transport industry with appropriate examples (20 Marks)

Question 07

- (a) Explain derived demand complexities in Shipping (05 Marks)
- (b) Discuss decisive factors in setting a freight rate in sea transport (10 Marks)
- (c) What are the Surcharges associated in sea freight charges? (05 Marks)

Question 08

Write short notes on any four (4) of the followings.

- (a) Transport Supply.
- (b) Law cost carriers in airline
- (c) Cost structure in a railway industry
- (d) Cross price elasticity in transport market.
- (e) Measurements of productivity in airline industry.
- (f) Product differentiation (20 Marks)

-----END OF THE QUESTION PAPER-----



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Year 2 Semester II

REPEAT EXAMINATION

Air Cargo and Passenger Transport – ACPT0305

- This paper consists of EIGHT questions on THREE (03) pages.
- Answer FIVE Questions including Question 01.
- Only non-programmable calculators are allowed.
- You may use appropriate graphs, diagrams, equation/s to prove or justify the answers.
- If you have any doubt as to the interpretation of the wording of a question, make your own decision, but clearly state it on the script.
- Write legibly

Date: 2023.05.09

Pass mark: 50%

Time: 03 Hours

Question 01 (Compulsory)

- (a) Aviation's global economic impact is estimated at \$2.7 trillion, equivalent to 3.6% of world gross domestic product (GDP). Its contribution includes direct, indirect, induced and tourism catalytic impacts. Briefly explain these impacts with examples. (12 Marks)
- (b) Explain general commodity rate, Specific commodity rate and Classification Commodity rate with examples. (08 Marks)

Question 02

- (a) Explain how codeshare agreements work with an example. (08 Marks)
- (b) There are different business models in the airline industry. What are these business models? Identify the unique characteristics of these business models with examples of airlines for each model. (12 Marks)

Question 03

- (a) Compare All cargo carriers and Belly cargo carriers under the following categories:
- Cost of service
 - Dimensions and type of cargo
- (10 Marks)

(b) Briefly explain the role of a freight forwarder. (05 Marks)

(c) Explain what is an airway bill. (05 Marks)

Question 04

(a) Explain each of the following with an example.

- i. Hazard
- ii. Consequence of a hazard
- iii. Safety Risk (10 Marks)

(b) SHELL Model is widely used in the air transport industry to understand the human contribution to safety and to support the human operational performance necessary to achieve the system's production goals. Explain with examples the relationship of each element in the SHELL Model in the context of an airline. (10 Marks)

Question 05

(a) The six basic flight instruments in the cockpit are categorized into two as pitot-static instruments and gyroscopic instruments. Briefly explain 1(one) instrument from each category. (10 Marks)

(b) Explain the weight buildup of an aircraft with the aid of a diagram. (10 Marks)

Question 06

(a) Briefly explain the Chicago Convention. (08 Marks)

(b) Describe the advantages and disadvantages of adopting an open skies policy for air transportation in Sri Lanka. (12 Marks)

Question 07

(a) Aeroflo airline is a major airline of France. The table depicts the passenger movements of the airline performed by the B747 aircraft of the airline with a seat capacity of 250 seats. Airline operates two flights daily to Shanghai airport (PVG) in China originating from Paris Charles de Gaulle Airport (CDG) France.

Note: Consider a calendar month as 31 days.

Sector length	CDG-PVG (9300 Km)	
	CDG-PVG	PVG-CDG
Sector	Passengers	Passengers
APR	12500	12500
MAY	13500	13200
JUN	13800	12000
JUL	12000	13500
AUG	13900	13700

- i. What will be the ASK by Aeroflo airline in CDG-PVG for the month of **August** for **round trips**? (05 Marks)
- ii. What will be the RPK by Aeroflo airline in CDG-PVG for the month of **August** for **round trips**? (05 Marks)
- iii. What will be the passenger load factor by Aeroflo airline in CDG-PVG for the month of **August** for **round trips**? (03 Marks)
- iv. Explain why a high load factor and high yield are not ideal indicators of an airline's success and profitability. (07 Marks)

Question 08

- (a) Explain the air passenger rights applicable in the event of a flight delay, flight cancellation, denied boarding, delayed, lost or damaged baggage in the context of EC Regulation 261. (10 Marks)
- (b) Explain the change in civil aviation management that occurred when the state functions were transferred into public corporations or limited liability companies with the use of a diagram. (10 Marks)

-----END OF THE QUESTION PAPER-----