**Legisltation part 2**

**Possible exam questions**

**COMPENSATION FOR OCCUPATIONAL INJURIES AND DISEASES ACT (COIDA)**

1. Read the scenario below and answer the questions that follow:

**MULTI TYRES (MT)**

Multi Tyres specialises in wheel alignment. John, an employee, was injured while on duty. The management advised him not to report the injury as MT’s employees were not registered with the Compensation Fund. The business has many unreported accidents and they do not contribute to the fund.

1.1 Name the Act that is applicable to the scenario above. (2)

1.2 Quote FOUR actions that are regarded as discriminatory by the Act

identified in QUESTION 1.1 (4)

1.3 Discuss the impact of the Act identified in QUESTION 1.1 on MT as a

business. (8)

1. Read the scenario below and answer the questions that follow:

**BARKER INCORPORATED (BI)**

An employee of Barker Incorporated lost his hand due to an injury sustained while performing his duties. The management of the company is refusing to submit the claim to the Compensation Fund as they did not register the employee with the commissioner of the Compensation Fund.

2. Identify the Act that allows employees to claim for workplace injuries.

Motivate your answer by quoting from the scenario (3)

1. Read the scenario below and answer the questions that follow:

**LEGEND PROJECTS (LP)**

The management provided the Commissioner with false information regarded serious accidents that took place at Legend Projects. They also bribed one of their employees not to report injuries sustained while performing his/her duties.

3.1 Identify the Act that is applicable in the scenario above. (2)

3.2 Quote TWO actions that can be regarded as discriminatory according to the

Act identified in QUESTTION 3.1 (2)

**BROAD-BASED BLACK ECONOMIC EMPOWERMENT (B-BBEE)**

1. Name FOUR pillars of the Broad-Based Black Economic Empowerment Act

53 of 2003. (4)

1. Analyse the implications of the following pillars of Broad-Based Black

Economic Empowerment (BBBEE), 2003 (Act 53 of 2003).

5.1 Ownership (4)

5.2 Social economic development (4)

1. Recommend ways in which businesses may apply the following pillars of the

Broad-Based Black Economic Empowerment Act (BBBEE), 2003, (Act 53 of

2003):

6.1 Enterprise and suppliers development (4)

6.2 Management control (4)

1. Classify EACH statement according to the relevant pillar as outlined in the

Broad-Based Black Economic Empowerment Act (BBBEE), 2003, (Act 53 of

2003):

7.1 Promoting three black woman as heads of various departments.

7.2 Using Nkosi Transport’s services to distribute products.

7.3 A recent donation of R30 000 to the building of a community conference

center.

7.4 Sending employees for training sessions to upgrade their skills twice a year.

7.5 An invitation to employees to buy shares in the company. (10)

1. Discuss the impact of the Broad-Based Black Economic Empowerment Act

(BBBEE), 2003, (Act 53 of 2003) on businesses. (10)

**NATIONAL CREDIT ACT (NCA)**

1. Read the scenario below and answer the questions that follow:

**MOHAMMED FINANCIAL SERVICES (MFS)**

Mohammend Financial Services opened a money market department which grants loans to their customers. The management of MFS always conducts a financial affordability assessment of each client who applies for a loan.

9.1 Identify the Act that MFS is complying with. Motivate your answer by quoting

from the scenario above (3)

9.2 Explain to Mohammed other ways in which businesses can comply with the

Act identified in QUESTION 9.1. (8)

1. Read the scenario below and answer the questions that follow:

**TEX BANK**

Tex Bank was recently fined R30 million by the NCR for recklessly granting loans to clients who did not qualify for a loan. The bank did not properly assess the clients’ creditworthiness which resulted in some of the clients not being able to repay their loans and/or becoming over-indebted. The NCR ordered the bank to write off debts from recklessly granted loans.

10.1 Identify the Act that was contravened by Tex Bank in the granting of loans. (1)

10.2 Describe the advantages of the appropriate Act identified in QUESTION 10.1

for Tex Bank as a credit provider. (4)

10.3 Explain why Tex Bank was fined for recklessly granting loans to clients. Use

the relevant Act to support your answer**.**

(4)

10.4 Discuss the consequences that Tex Bank may face for granting loans

recklessly. (4)

1. Suggest THREE practical ways in which businesses can comply with the

National Credit Act, 2005 (Act 34 of 2005). (6)

**CONSUMER PROTECTION ACT (CPA)**

1. Identify the consumer right that is implemented by Carlio Ltd in EACH statement below:

12.1 The salesperson allows customers to shop around for the best price.

12.2 Management does not share personal information of their employees with

clients.

12.3 Customers are charged the same price for the same goods/services in

different areas

12.4 Consumers are given a written warranty for durable products. **[**

(8)

1. Read the case study below and answer the questions that follow:

After completing Grade 12, Susan was very excited to move into her own little apartment. Susan and her mother had spent months making lists of everything she’ll need. A few days before the big move they went shopping and they bought a kettle, microwave-oven, fridge, cutlery, crockery and all kinds of decorative items.

Whilst unpacking at her apartment, Susan found that her brand new fridge had a number of dents and scrapes. This made her quite upset and she immediately took the fridge back to the store where she had purchased it from. The store owner examined the fridge, apologised for the damage and offered to replace it.

13.1 Name the Act that allows Susan to return the damaged fridge to the store she

bought it from. (2)

13.2 Describe the impact of the Act identified in QUESTION 13.1 on

Businesses. (12)

1. Explain how businesses can promote the following consumer rights:

14.1 Right to choose (4)

1. Read the scenario below and answer the questions that follows. (June 2018)

**JOSH SIGHT & SOUND (JSS)**

Josh Sight & Sound sells television sets and radios. The business advertised a television set at a special price of R4 000. When Temba wanted to buy the product, the salesperson told him that the TV was actually marketed R4 500. Temba insisted that he will pay only R4 000 as advertised, arguing that he is protected by the law.

15.1 Name the Act that protects Temba against false advertising (1)

15.2 Explain ONE consumer right that has been violated in Temba’s case.

(2)