



**TECHNICAL UNIVERSITY OF MOMBASA**

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**FACULTY OF BUSINESS AND SOCIAL STUDIES**

**DEPARTMENT OF BUSINESS STUDIES**

**UNIVERSITY EXAMINATIONS FOR DEGREE IN BACHELOR OF BUSINESS  
ADMINISTRATION  
BACHELOR OF COMMERCE**

**BHR 4402: LABOUR ECONOMICS**

**END OF SEMESTER EXAMINATION**

**SERIES: APRIL 2016**

**TIME: 2 HOURS**

**INSTRUCTIONS**

- Answer question **One (Compulsory)** and **two** other questions
- Do not write on the question paper

This paper consists of two printed pages

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**QUESTION ONE (compulsory)**

- a) Discuss the unique characteristics of labour. **(8marks)**
- b) Discuss the reasons why education and training has been given more attention in Kenya in the recent past. **(8marks)**
- c) Using the data given below compute and draw total, marginal and average product curves and show the following:
- i) Marginal product data **(3marks)**
  - ii) Average product data **(3marks)**
  - iii) Number of employees at the point where the marginal and average product are at the maximum. **(3marks)**
  - iv) Number of employees at a point where the marginal employee would be encounter productive to the organization. **(3marks)**

<b>No. of employees</b>	<b>Total product</b>
1	6
2	14
3	30
4	50
5	55
6	55
7	46
8	38
9	35
10	33

## **QUESTION TWO**

- a) High employment rate is an impediment to economic growth of a nation. **(10marks)**
- b) Discuss the circumstances that make some employee to spend more time at work than leisure. **(10marks)**

## **QUESTION THREE**

- a) Explain the factors that affect the wage level of the workforce. **(10marks)**
- b) Explain the differences between supply of labour and supply of goods. **(10marks)**

## **QUESTION FOUR**

- a) Explain how geographical labour mobility can be beneficial to the economic growth of a nation. **(10marks)**
- b) Discuss the social benefits of human capital investment. **(10marks)**

## **QUESTION FIVE**

- a) Discuss the factors that have been affecting the growth of union movement in the recent past. **(10marks)**  
Discuss the factors that have led to the growth of women labour force participation in Kenya in the recent past. **(10marks)**