



TECHNICAL UNIVERSITY OF MOMBASA

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

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)**

No. of employees	Total product
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)**