



TECHNICAL UNIVERSITY OF MOMBASA

SCHOOL OF BUSINESS

DEPARTMENT OF MANAGEMENT SCIENCE

UNIVERSITY EXAMINATION FOR DEGREE IN BACHELOR OF
COMMERCE

BHR 4404: LABOUR ECONOMICS (PAPER A)

END OF SEMESTER EXAMINATION

SERIES:AUGUST2019

TIME:2

DATE:Pick DateSelect Month

Instructions to Candidates

You should have the following for this examination

-Answer Booklet, examination pass and student ID

This paper consists of **FIVE** questions. Attemptquestion ONE (Compulsory) and any other TWO questions.

Do not write on the question paper.

Question ONE

- a) Trade unions represent unionized workers so as to achieve certain objectives. Highlight **four** objectives of trade unions **(4 marks)**
- b) Describe any **four** factors which account for wage differences in the labour market **(8 marks)**
- c) State **four** characteristics of labour as a factor of production **(4 marks)**
- d) Describe **four** hindrances of lateral mobility of labour **(8 marks)**
- ei) | State the law of variable proportion **(2 marks)**

- ii) Using examples outline **four** assumptions underlying the law of variable proportions (**4 marks**)

Question TWO

- a) Discuss **five** merits of division of labour and specialization (**10 marks**)
- b) With aid of a diagram, explain the causes of backward bending supply curve of labour (**10 marks**)

Question THREE

- a) Describe any **five** types of unemployment in Kenya (**10 marks**)
- b) Discuss **five** determinants of labour demand in an economy (**10 marks**)

Question FOUR

- a) Discuss **five** factors which influence the bargaining strength of trade unions (**10 marks**)
- b) Briefly explain any **five** contemporary issues in the labour market (**10 marks**)

Question FIVE

- a) Identify and explain **five** factors that influence the supply of labour in a country (**10 marks**)
- b) It has been the will of the government of Kenya to create 500,000 jobs per year. Explain **five** factors which have hindered the achievement of this goal (**10 marks**)