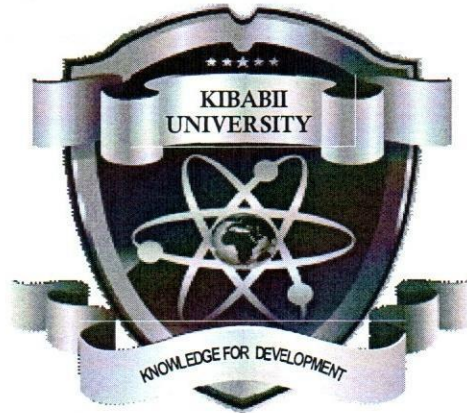


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KIBABII UNIVERSITY



UNIVERSITY EXAMINATIONS

2020/2021 ACADEMIC YEAR

THIRD YEAR FIRST SEMESTER

SPECIAL/SUPPLEMENTARY EXAMINATION

FOR THE DEGREE OF BACHELOR OF COMMERCE

COURSE CODE: BCH 311

COURSE TITLE: LABOUR ECONOMICS

DATE: 29/08/2021

TIME: 2.00 – 4.00PM

INSTRUCTION TO CANDIDATES

- 1) The paper contains FIVE questions
- 2) Attempt THREE questions
- 3) Question ONE is Compulsory

TIME: 2 Hours

KIBU observes ZERO tolerance to examination cheating

QUESTION ONE

Anna has noted that most of the young people in her village move to the city centres in search for jobs once they have completed their higher education. Despite the introduction of devolution and county governments which has brought some job opportunities at local level, the trend has continued.

- a) Explain the type of labour mobility that Anna has noted and state the causes (10mks)
- b) Describe how labour in Anna's case are affected on the personal level and aggregate level. (10mks)
- c) State the factors determining this kind of labour mobility (10mks)

QUESTION TWO

- a) Discuss the major causes of unemployment in developing countries (10mks)
- b) State the factors determining Mobility of Labour. (10mks)

QUESTION THREE

- a) Discuss the Marginal product of labour (MPL) and the Marginal product of capital (10mks)
- b) State the five policies that governments in developing countries may put in place to combat unemployment (10mks).

QUESTION FOUR

- a) State the meaning and functions of labour market (10mks)
- b) Describe the Microeconomic techniques and Macroeconomic techniques of analyzing the labour market (10mks)

QUESTION FIVE

- a) What is minimum wage laws and explain the arguments for and against minimum wage laws. (10mks)
- b) Analyse the reasons why we need to be concerned with unemployment (10mks)