



MURANG'A UNIVERSITY COLLEGE
(A CONSTITUENT COLLEGE OF JOMO KENYATTA UNIVERSITY OF AGRICULTURE AND TECHNOLOGY (JKUAT))
SCHOOL OF BUSINESS AND ECONOMICS
DEPARTMENT OF HUMAN RESOURCE MANAGEMENT

SPECIAL / SUPPLEMENTARY EXAMINATION
BSC. HRM YEAR II SEMESTER I –MAIN CAMPUS
2014/2015 ACADEMIC YEAR

UNIT NAME : LABOUR ECONOMICS
UNIT CODE : HEH 2201

DATE: 5TH AUGUST 2015

TIME 2:00-4:00PM

INSTRUCTIONS TO CANDIDATES:-

Answer question ONE (compulsory) and any other TWO questions

QUESTION 1

- (a) Labour is manifestly different from the other factors of production. In the light of this statement, discuss the peculiarities of labour which distinguish it from the rest of the factors of production. (10 marks)
- (b) Explain the advantages and disadvantages of specialization of labour (10 marks)
- (c) State the law of non proportional returns. What are the assumptions of this law? The law has vast general applicability. Briefly discuss the application of this law. (10 marks)

QUESTION 2

- (a) Discuss the economic effects of overpopulation (10 marks)
- (b) Labour differs in efficiency. In the light of this statement, explain the factors that affect labour efficiency (10 marks).

QUESTION 3

- (a) Explain any four types of unemployment experienced in your country (4 marks)
- (b) Discuss the main causes of unemployment and describe the consequences of high levels of unemployment in the context of developing countries. (16 Marks)

QUESTION 4

- (a) Describe the various types of internal and external economies of scale (14 marks)
- (b) Briefly discuss any three theories of labour mobility (6 marks)

QUESTION 5

- (a) Discuss the factors that are responsible for wage differentials within the same occupation (10 marks).
- (b) What is the meaning of collective bargaining?. The process of collective bargaining consists of four types of activities. Clearly describe these activities. (10 marks)