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KIRIRI WOMEN'S UNIVERSITY OF SCIENCE AND TECHNOLOGY
UNIVERSITY EXAMINATION, 2023/2024 ACADEMIC YEAR
FIRST YEAR, SECOND SEMESTER EXAMINATION
FOR THE DIPLOMA IN HUMAN RESOURCE MANAGEMENT
DBA 1302: LABOUR ECONOMICS

Date: 13TH APRIL 2023
Time: 2:30PM-4:30PM

INSTRUCTIONS TO CANDIDATES
ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS
QUESTION ONE (30 MARKS)
a) Citing examples, defines the following terms as used in Labour Economics
   i. Labour market   **(2 Marks)**
   ii. Wage discrimination   **(2 Marks)**
   iii. Labour Productivity   **(2 Marks)**
b) Differentiate income effect from substitution effect in the labour market **(2 Marks)**
c) Outline **FOUR** factors affecting productivity of labour   **(4 Marks)**
d) Describe the various actors in the labour market while stating their respective roles **(6 Marks)**
e) State **FOUR** determinants of elasticity of demand for labour   **(6 Marks)**
f) Identify **THREE** types of mobility of labour   **(6 Marks)**

QUESTION TWO (20 MARKS)
a) Kikao Firm pays its employees a fixed rate per hour per day for the time they are devoted to work. Explain **FOUR** advantages of this system of payment to the firm **(8 Marks)**
b) Describe various strategies the firm can use to measure labour productivity **(6 Marks)**
c) Developing countries face many labour-related problems. Outline some of these problems
                                                                         (6 Marks)

QUESTION THREE (20 MARKS)
a) Perfect labour markets are the most desirable market structure. Examine the characteristics of these labour markets **(6 Marks)**
b) Explain **FOUR** reasons why workers across institutions and organizations receive varied salaries and wages. **(8 Marks)**
c) The demand for labour by any hiring firm is determined by several factors. Outline these determinants **(6 Marks)**

QUESTION FOUR (20MARKS)
a) Kiriri University employs a range of workers whose work description determines their pay. Explain the types of wages rewarded to different workers within the institution? **(8 Marks)**
b) County Z's total population is 555,600 people. Out of this population size, 65% are in the labour force, but a total of 50,000 are unemployed. Show the unemployment rate of this County **(6 Marks)**

c) The tabulated information below shows the wage rate against demand and supply of labour for company X, draw a graph to represent the information hence show the equilibrium wage rate of company X **(6 Marks)**

Wage rate at Company X	Labour demand	Labour supply
500	10	40
400	20	30
300	25	25
200	30	20
100	40	10