



# MERU UNIVERSITY OF SCIENCE AND TECHNOLOGY

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## UNIVERSITY EXAMINATIONS 2024/2025

FOURTH YEAR, FIRST SEMESTER EXAMINATION FOR DEGREE OF BACHELOR OF  
BUSINESS ADMINISTRATION

AND

SECOND YEAR, FIRST SEMESTER BACHELOR OF SCIENCE IN HUMAN RESOURCE AND  
MANAGEMENT

### BEC 3356: LABOUR ECONOMICS

DATE: JANUARY 2025

TIME: 2 HOURS

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**INSTRUCTIONS:** *Answer Question ONE and any other TWO Questions.*

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#### QUESTION ONE – (30 MARKS)

- a) Discuss five causes of child labour in developing countries. (10 Marks)
- b) Discuss five factors that influence labour mobility. (10 Marks)
- c) Define trade union and its major objectives. (10 Marks)

#### QUESTION TWO – (20 MARKS)

- a) Explain any five types of unemployment. (10 Marks)
- b) Explain features of labour problems in developing countries. (10 Marks)

#### QUESTION THREE – (20 MARKS)

- a) Discuss any three-wage determination theory. (10 Marks)

- b) Using a well labelled diagram, explain how successful trade union actions affect equilibrium wage and labour demand and supply. (10 Marks)

**QUESTION FOUR - (20 MARKS)**

- a) Discuss the characteristics of labour market under perfect competition. (10 Marks)
- b) Briefly discuss any five labour theories. (10 Marks)

**QUESTION FIVE – (20 MARKS)**

- a) Discuss factors that determine the size and composition of labour force. (10 Marks)
- b) Explain any five determinants of elasticity of demand of labour. (10 Marks)