



MAASAI MARA UNIVERSITY

REGULAR UNIVERSITY EXAMINATIONS

2022/2023 ACADEMIC YEAR

SECOND YEAR FIRST SEMESTER

**SCHOOL OF BUSINESS AND ECONOMICS
BACHELOR OF SCIENCE IN HUMAN RESOURCE
MANAGEMENT**

COURSE CODE: BHR 2106-1

COURSE TITLE: LABOUR ECONOMICS

DATE: 8TH DECEMBER, 2022

TIME: 1430-1630

INSTRUCTIONS TO CANDIDATES

Answer Question **ONE** and any other **TWO** questions

*This paper consists of **TWO** printed pages. Please turn over.*

Question One

- a) Discuss the role of the households in the labour market (7marks)
- b) Use Dual labour market hypothesis to explain gender pay gap (8marks)
- c) To control supply, labour unions limit membership. Explain the methods used by unions to control membership (5marks)

Question Two

- a) What happens to the reservation wage if nonlabour income increases and why? (8marks)
- b) Discuss the fundamental contributions of labour unions to the economy (7marks)

Question Three

- a) Using Industrial-Union model, show how labour unions affect equilibrium wages and employment (8marks)
- b) Discuss factors which influence mobility of labour (7marks)

Question Four

- a) Derive long run labour demand curve (8marks)
- b) The government has no role in the labour market. Discuss (7marks)

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