FACULTY OF BUSINESS MANAGEMENT

END OF SEMESTER EXAMINATIONS - APRIL 2025

PROGRAMME: BHRM

YEAR/SEM: YEAR 2/SEMESTER 2

COURSE CODE: ECO2201

NAME: LABOUR ECONOMICS

DATE: 2025-04-16

TIME: 9:00AM-12:00PM

INSTRUCTIONS TO CANDIDATES:

1. Read the instructions very carefully

2. The time allowed for this examination is STRICTLY three hours

3. Read each question carefully before you attempt and allocate your time equally between all the Sections

4. Write clearly and legibly. Illegible handwriting cannot be marked

5. Number the questions you have attempted

6. Use of appropriate workplace examples to illustrate your answers will earn you bonus marks

7. Any examination malpractice detected will lead to automatic disqualification.

DO NOT WRITE ANYTHING ON THE QUESTION PAPER

Section A SECTION A IS COMPULSORY and CARRIES 40 MARKS

Question 1:

Using the data shown in the table below about demand for Samsung Tablets, Calculate the **Price Elasticity of Demand** from **point B to point C**, **point D to point E**, and **point G to point H**.

15marks

Classify the elasticity at each point as elastic, inelastic, or unit elastic.

5marks

Section B CHOOSE ANY THREE(3) QUESTIONS OF YOUR CHOICE

Question 1:

What is meant by demand for labour?

5marks

b) Examine the factors affecting demand for labour in Uganda

15marks

Question 2:

State and explain the different types of Trade Unions that you know of

10marks

b) Discuss the challenges faced by Trade Unions in executing their intended objectives.

10marks

Question 3:

Assume that in 2015 Uganda's total population was 100 million people. Out of this number, 80 million people were in the labour force, but 10 million people were unemployed. From the above statement, Calculate Uganda's unemployment rate as of 2015. 10marks

b) Lets say in Makindye Division, Kampala, there are 20,000 people in the labour force. Out of those 20,000, 16000 are employed and 4,000 are unemployed. Calculate the unemployment rate in Makindye Division, Kampala. 10marks

Question 4:

Using examples, illustrations or graphical representations, explain the following.
a) Demand curve and Law of demand

10marks

b) Supply curve and Law of supply

10marks

Question 5:

In your opinion, what are the common types of unemployment in low developing countries.
10marks

b) According to the Uganda Bureau of statistics (UBOS), youth unemployment in Uganda increased from 6.65 in 2021 to 6.58 in 2022. What do you think can be done to alleviate the problem of unemployment especially among the youths in Uganda.
10marks

Question 6:

Workers may become unemployed if they work in industries that are declining in size or have skills that could be automated as a result of large-scale technological advances. It may be difficult for them to find work in another industry and they may need to develop new skills or move to a region that has more opportunities. Explain the different causes of unemployment in developing countries.
20marks