

BINDURA UNIVERSITY OF SCIENCE EDUCATION  
FACULTY OF COMMERCE  
DEPARTMENT OF ECONOMICS  
BACHELOR OF SCIENCE DEGREE IN ECONOMICS  
BACHELOR OF COMMERCE DEGREE IN HUMAN CAPITAL  
LABOUR ECONOMICS: EC201/ HCM205 (2)  
EXAMINATION DURATION 3 HOURS

NOV 2024

**INSTRUCTIONS**

1. This paper carries six questions
  2. Answer any four (4) questions.
  3. All questions carry 25 marks.
  4. Cellphones are not allowed in the examination room.
- 

**Question 1**

Discuss the argument for and against the application of minimum wage in Zimbabwe.

[25 marks]

**Question 2**

Using relevant examples, discuss the major problems faced by Labour unions in Zimbabwe in their endeavor to carry out their mandate.

[25 marks]

**Question 3**

Using practical examples, discuss FIVE factors that can influence Labour productivity.

[25 marks]

#### Question 4

To what extent does the theory of compensating wage differentials explain the observable wage differentials in Zimbabwe? [25 marks]

#### Question 5

- a) Discuss the key factors that influence the labour supply and labour demand decisions of individuals. [15 marks]
- b) Analyse how changes in these factors can lead to shifts in the labour market equilibrium. [10 marks]

#### Question 6

Examine the role that international Labour migration can play in the flexibility of a host nation's Labour markets. [25 marks]

END OF PAPER