

## **BUSINESS STUDIES PAPER 2 FORM 3**

### **MARKING SCHEME**

#### **1. (a) Population control**

The Government should advise its people to adopt family planning methods so as to reduce the size of population.

- Rural development.

The Government should give incentives to investors to locate industries in rural areas. This creates employment opportunities thus reducing rural urban migration

- Increasing Government expenditure

The Government may solve the problem of unemployment by increasing its expenditure on projects that would create more jobs.

- Adopting relevant education systems

The Government should adopt education systems that emphasize on the skills required by the labor market.

- Encouraging employment creation in the private sector

The Government should create an enabling environment for savings and investments for both local and foreign investors.

- Adopting policies that encourage the use of labor incentive methods

The Government may encourage employment creations by discouraging capital intensive methods of production.

- Diversification of economic activities

The Government should introduce a variety of economic activities in areas that suffer seasonal employment to ensure people are employed throughout the year and this can solve the problem of unemployment.

#### **(b) Encouraging direct foreign investments**

The Government can encourage foreign investment in the country in many ways such as reduction of taxes and guaranteeing security.

- Encouraging the use of social resources

The Government can encourage investment in economic activities that use locally available inputs .The utilization of locally available resources creates job opportunities into the country hence solving the problem of unemployment.