**04 – PRODUCTION**

***1. i***) Direct

ii) Indirect

iii)Indirect

iv)Direct

***2.*** i)Free of All Expenses

ii)Or Nearest Offer

iii)Cash With Order

iv) I Owe You

***3.*** -lack of skilled labour

-inadequate financial resources

-high cost of production

-inadequate land

***4. ACTIVITY UTILITY***

a) Carpentry form

b) Selling bread to students possession

c) Warehousing of goods imported time

d) Carriage of cargo to the market place

***5.*** (i) irrigation.

(ii) Fallowing.

(iii) Land tenure.

(iv) Fertilizer application.

(v) Mechanization.

(vi) Crop rotation.

(v) Pest control.

***6. (***i) Better quality goods

(ii) A variety of goods

(iii) Higher production capacity/mass production.

(iv) Goods become cheaper.

(v) Leads to higher standards of living

(vi) Promotes specialization/better skills.

(vii) Facilitates exchange.

***7.*** (i) Workers suffer boredom /monotony

(ii) Not easy to change career

(iii) Reduced employment due to use of machines

(iv) Promotes interdependence causing shortages of some goods

(v) It hinders creativity/innovation

(vi) Brings many people together leading to social problems

***8. (***a) Form utility-changes raw material to finished goods

(b) Place utility-transfer/transporting finished goods/products from produce to consumer

***9.*** - Time taken to train

- Restrictions given by some professions

- Job security

- Differences in natural talent

- Age

- Level of skills

- Health

- Government policy

***10.*** - Basic factor of production

- Limited in supply

- Quality ins not homologous

- Productivity of land can be improved

- Size can be improved through reclamation

- Subject to the law of diminishing returns

***11.*** - Amount of capital available

- Different uses in which capital can be put to

- Skill and knowledge available to operate capital

- Government policy

- Time taken to modify

- Reward offered

***12. -*** Place utility-transport

- Form utility-industrial processing/manufacturing

- Possession utility-exchange/trade

- Time utility-warehousing/storage

***13.*** - Specialization

- Production of surplus goods

- Better quality goods produced

- Exchange of goods leading to trade

-Encourages innovation and invention

**– PRODUCTION**

***1.***

|  |  |
| --- | --- |
| DIRECT PRODUCTION | INDIRECT PRODUCTION |
| i)small output/production  ii)limited division of labour and specialization  iii)goods/services produced not for sale  iv)production of low/poor quality goods  v)uses simple technology  vi)pronounced in developing countries  vii)produces limited variety of goods/services  viii)less interdependent among producers | i)large scale production/output  ii)uses/enhances division of labour/specialization  iii)goods/services produced are mainly for sale  iv)goods/services produced are of high quality  v)employ modern technology  vi)more pronounced in developed economies  vii)produced wide variety of goods and services  viii)more interdependent among producers |