



Business Studies 102

Cardenal Newman High School

Teacher: Iván Carrino

I, Pencil



Answer these questions

- Which are the basic materials of a pencil?
- Who harvest the timber?
- In which sector of the economy is he?
- What about the waitress?
- And the factory?
- Display a tree-production cycle.
- What did government do?

Classification of Business

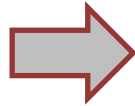
Activity



Ownership



Classification of Business



Primary Sector



- The *primary sector* of industry extracts and uses the *natural resources* of the earth to produce *raw materials* used by other businesses

Secondary Sector



- The *secondary sector* of industry *manufactures* goods using the raw materials provided by the primary sector.

Tertiary Sector



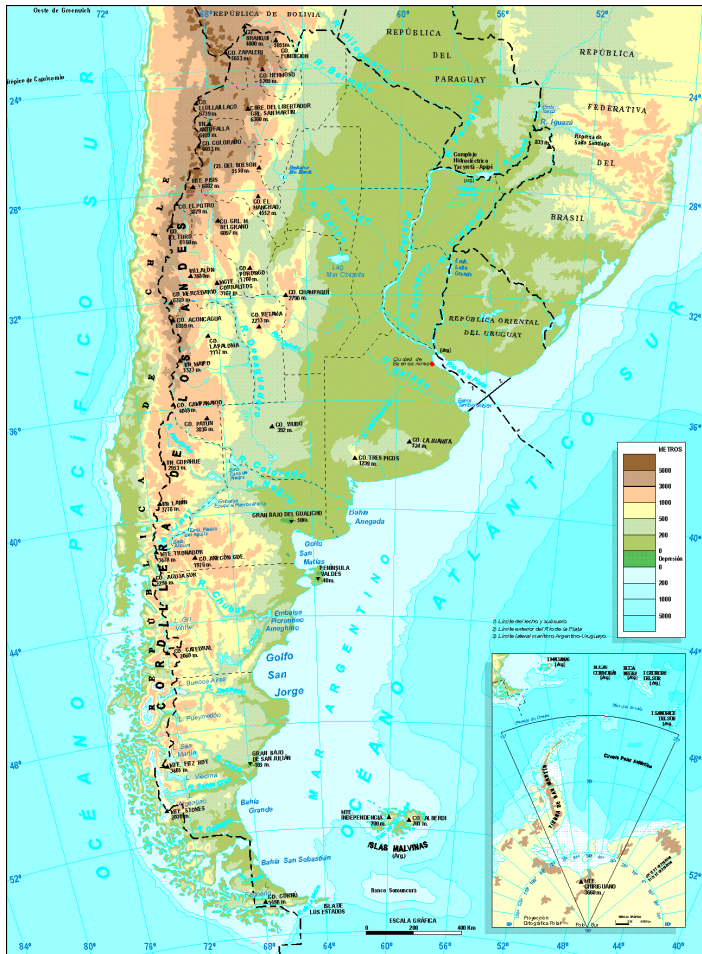
- The *tertiary sector* of industry provides **services** to consumers and the other sectors of the economy.



Where does it belong?

	Primary	Secondary	Tertiary
Insurance			
Forestry			
Coal Mining			
Computer Assembly			
Travel Agent			
Bakery			
Car Showroom			

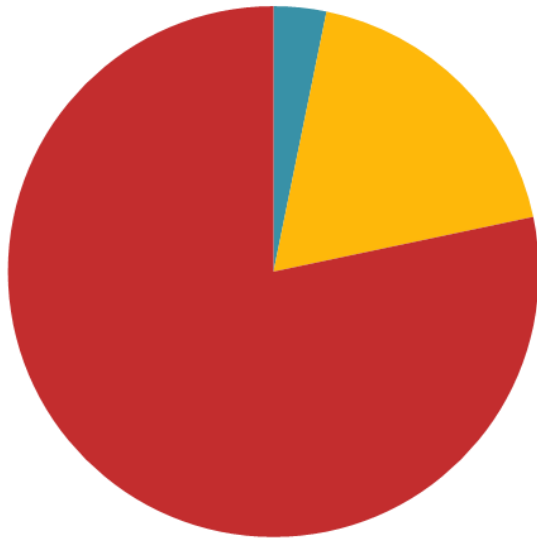
Where are we?



- Primary – Agriculture?
- Secondary - Industry?
- Tertiary – Services?

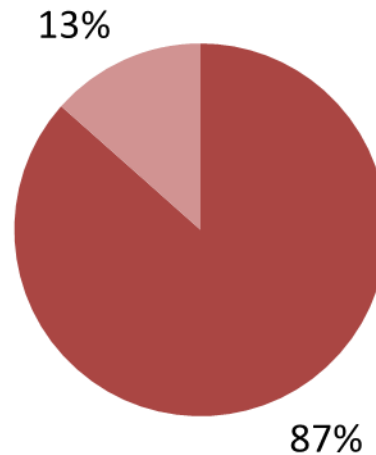
Relative importance

Sector / GDP



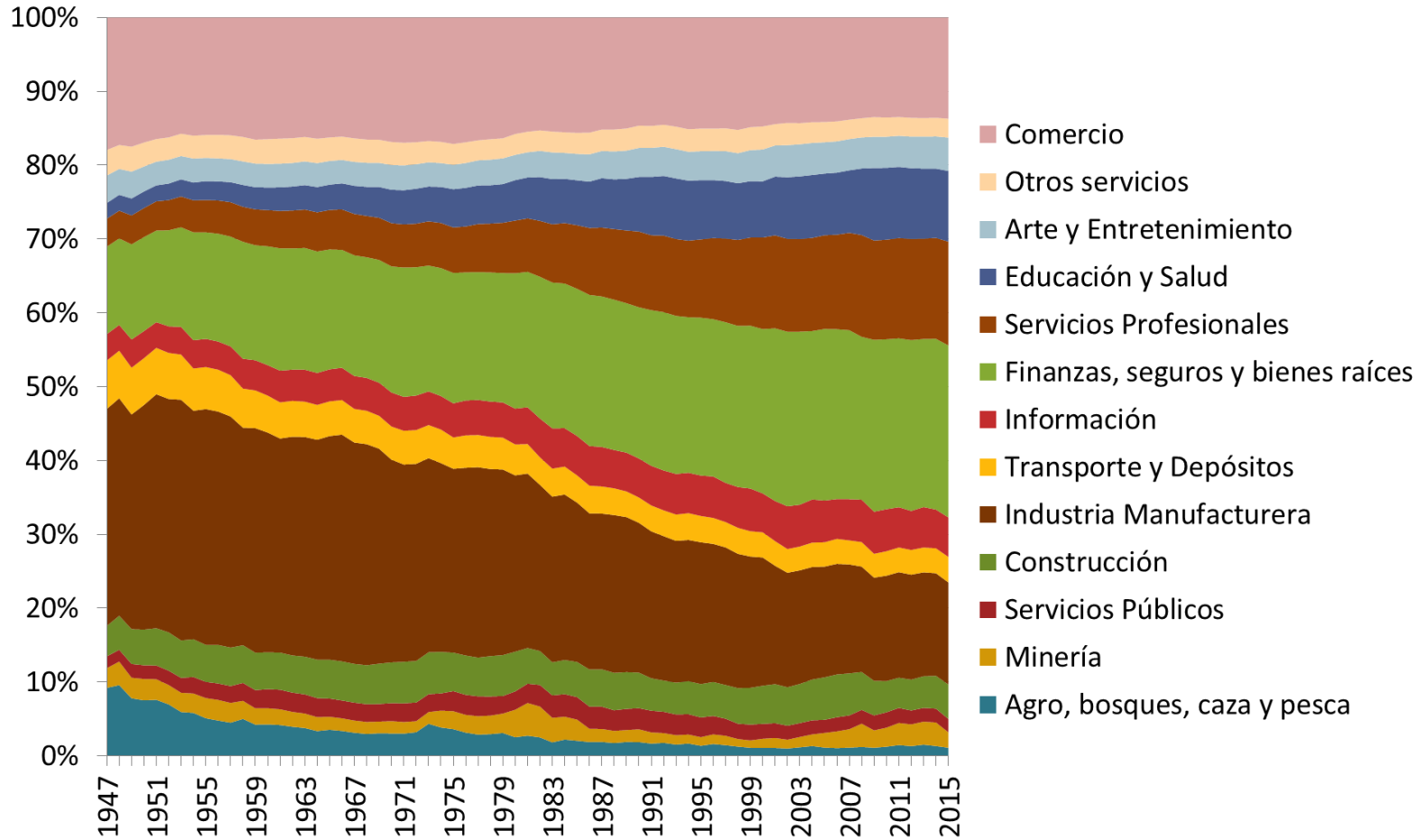
■ Primary Sector ■ Secondary Sector ■ Tertiary Sector

Employees / Total



■ Service-providing ■ Goods-producing

USA since 1947



Countries GDP Composition

List of countries by GDP sector composition

From Wikipedia, the free encyclopedia



This article needs to be **updated**. Please update this article to reflect recent events or newly available information. *(May 2017)*

This is a **list of countries by gross domestic product (GDP) sector composition**.

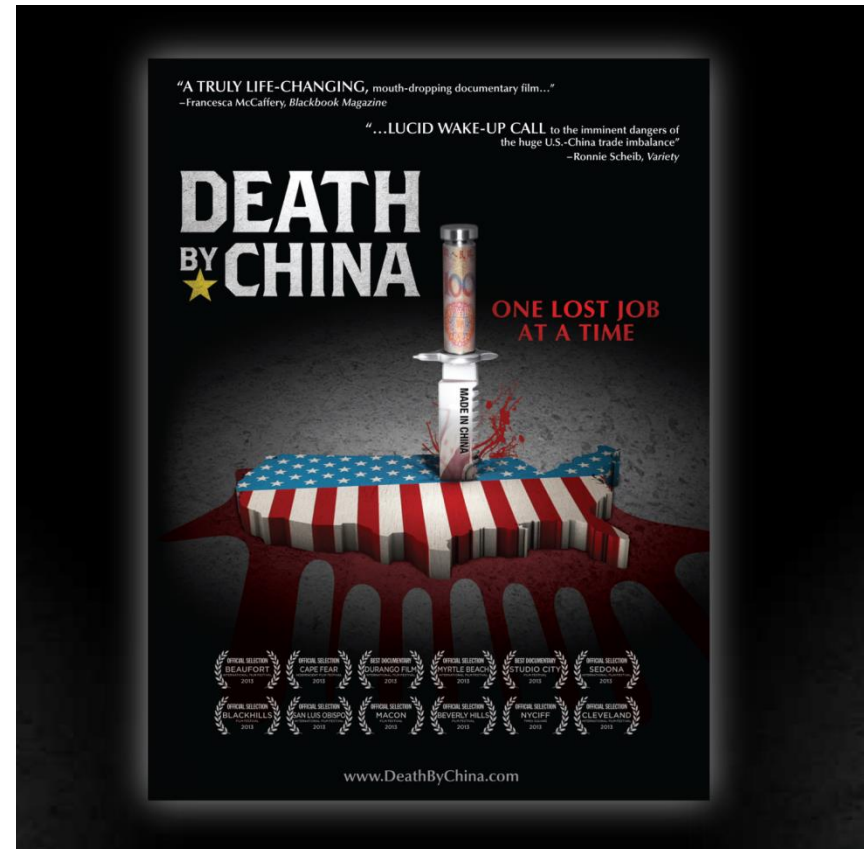
Contents [hide]

- 1 [Methodology](#)
- 2 [By economic sector](#)
 - 2.1 [Nominal GDP sector composition](#)
 - 2.2 [Nominal GDP sector composition \(2005 Constant Prices\)](#)
 - 2.3 [PPP GDP sector composition](#)
- 3 [GDP from natural resources](#)
- 4 [List by Alphabetical Order](#)
- 5 [References](#)
- 6 [Sources](#)

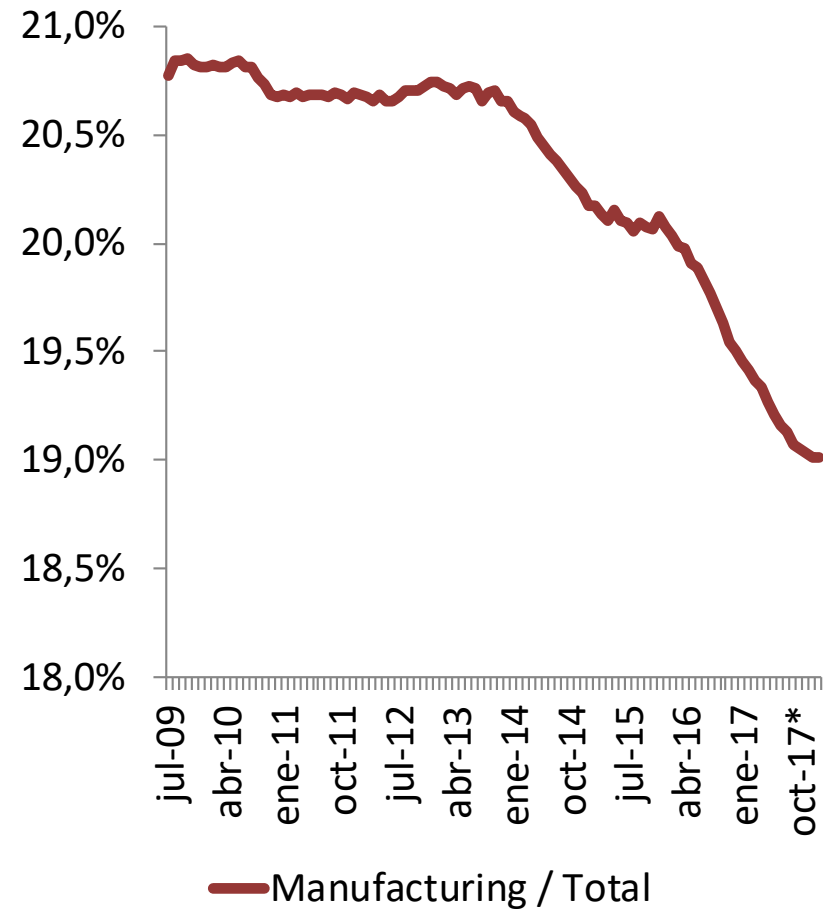
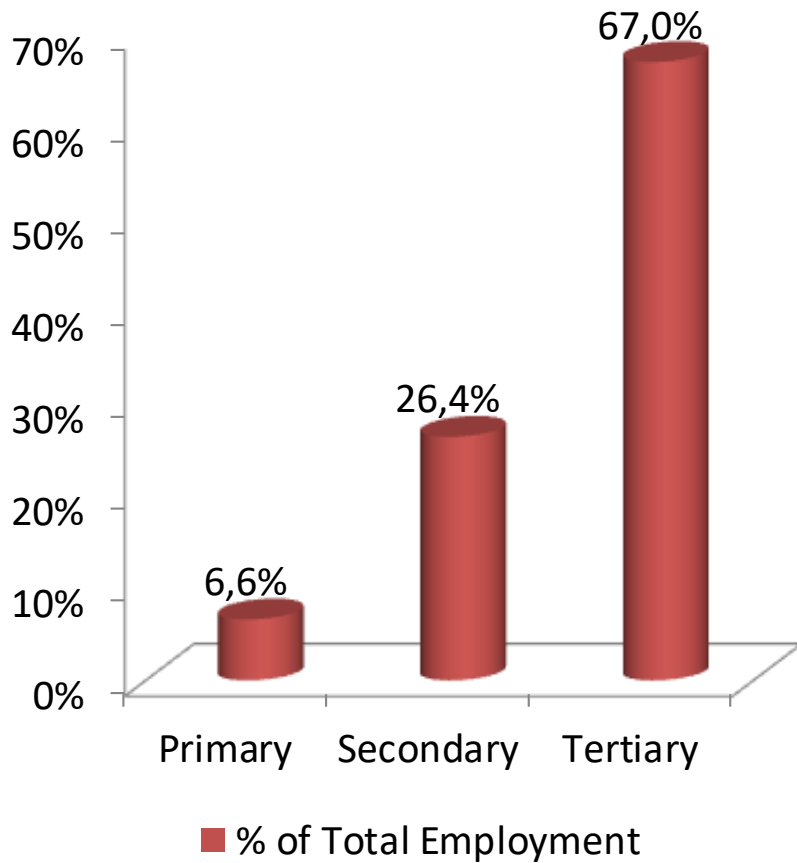
[Methodology](#) [edit]

De-Industrialisation

- A decline in the importance of the secondary sector of industry in a country.



De-Industrialisation in Argentina



Classification by Ownership

Private Sector

- Business *not owned by the government*. Make their own decisions on what to produce, seek for profit.
 - Microsoft
 - Facebook
 - Mc Donald's
 - Apple

Public Sector

- Government or *state owned and controlled businesses* and organisations. Decide on what to produce and which price to charge.
 - Healthcare
 - Education
 - Defense
 - Public Transport

Private sector in Argentina



Public sector in Argentina



Activity – Page 19

Exam-style questions – Paper 1

- 1 Ade's Engineering Company (AEC) makes parts for cars and trucks. These are sold to car manufacturers in many countries. The parts include metal brake components and rubber seals to fit around windows. AEC operates in Country X, which, until a few years ago, had an economy dominated by agriculture and coal mining. Over the last 20 years the relative importance of the primary sector has declined. To be successful AEC requires natural resources to make car parts and the services provided by other businesses. Consumer incomes are rising rapidly in Country X.
- a) What is meant by 'primary sector'? [2]
 - b) Identify **two** examples of services that a business such as AEC requires. [2]
 - c) Identify and explain **two** reasons why a business such as AEC could not be successful without other firms providing natural resources. [4]
 - d) Identify and explain **two** likely reasons why the relative importance of the primary sector of Country X's economy has declined. [6]
 - e) A Government minister in Country X recently said: 'The secondary sector of industry will always be more important than the tertiary sector to our economy.' Do you agree with this view? Justify your answer. [6]

Questions/ Debate

Iván Carrino

icarrino@cardenal-newman.edu



@ivancarrino



/carrinoivan