Exercise walk-through

Classification of businesses ▪ 1.2

eXercise

You must be able to

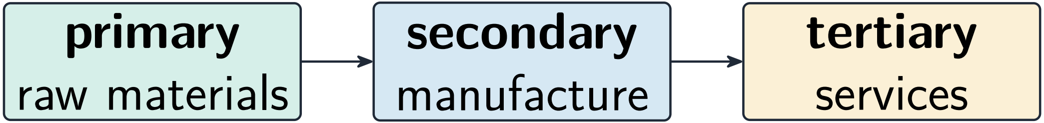
- describe the three sectors and give examples
- explain how the sectors change as a country develops
- distinguish the private sector from the public sector

Method — The three sectors

- **Primary 第一产业**: takes natural resources (farming, mining). **Secondary 第二产业**: makes goods (**manufacturing 制造业**). **Tertiary 第三产业**: provides services (shops, banks).
- **De-industrialisation 去工业化**: the secondary sector shrinks and the tertiary sector grows.
- **Private sector 私营部门**: owned by private people (usually for profit). **Public sector 公共部门**: owned by the government (to provide services).

Answer shapes: K + App + An + Ev (a justified judgement, for "do you think" questions).

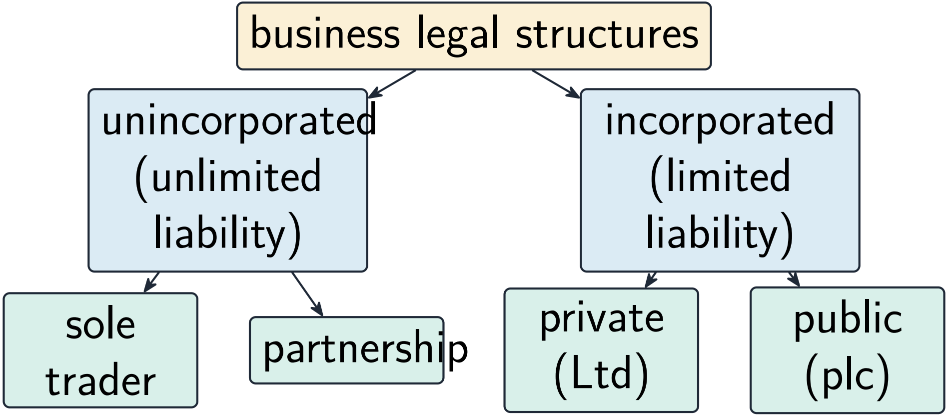
Method — The three sectors



farming, mining	factory, building	shops, banks

Business activity runs from the primary sector through to the tertiary sector

Method — The three sectors



Business types split by liability: unincorporated (unlimited) and incorporated (limited)

Practice 2.1 ▪ 2 marks

Define the term *secondary sector*.

Solution 2.1

Method: The three sectors

Worked steps

the sector that makes goods from raw materials, such as manufacturing and construction (2 for a clear definition; 1 for a partial idea).

Practice 2.2 ▪ 3 marks

Identify which sector each belongs to: (a) a fishing boat; (b) a bakery; (c) a hairdresser.

Solution 2.2

Worked steps

(a) primary; (b) secondary; (c) tertiary $(1 + 1 + 1)$.

Practice 2.3 ▪ 2 marks

State the difference between the private and the public sector.

Solution 2.3

Method: The three sectors

Worked steps

the private sector is owned by private people/companies (usually for profit); the public sector is owned by the government (to provide services) (2 for a clear difference; 1 for a partial idea).

Exam-style 3.1 ▪ 2 marks

Identify two examples of tertiary-sector businesses.

Solution 3.1

Method: The three sectors

Worked steps

any two of: shops; banks; transport; tourism; restaurants $(1 + 1)$.

Exam-style 3.2 ▪ 6 marks

Explain two features of the public sector.

Solution 3.2

Method: The three sectors

Worked steps

[6] For **each** of two features: K 1 + An up to 2 — e.g. *government-owned*: run by the state, not private owners $\rightarrow$ decisions serve the public, not just profit. *Service aim*: provides services to everyone (schools, hospitals) $\rightarrow$ even if unprofitable, because they are vital. Maximum 3 each.

Exam-style 3.3 ▪ 6 marks

Do you think de-industrialisation is always bad for a country? Justify your answer.

Solution 3.3

Method: The three sectors

Worked steps

[6] Both sides + judgement. **Against (bad):** lost factory jobs, structural unemployment, fewer exports of goods. **For (not always bad):** the growing tertiary sector creates new service jobs, often higher-skilled and cleaner. **Judgement (Ev):** deindustrialisation harms workers in declining industries in the short run, but a strong service sector can raise incomes — so it depends on whether new jobs replace the old ones.