

## GRADE 8

### BUSINESS STUDIES

#### TOPIC: Classification of Business

#### WEEK # 3

#### What are the different stages of business activity?

The three main stages are:

- 1) Primary stage: The primary sector of industry extracts and uses the natural resources of the earth. Activities in the primary sector of industry include:
  - Farming
  - Fishing
  - Forestry
  - And the extraction of natural resources such as oil, copper etc.
- 2) Secondary sector: this sector manufactures goods using raw materials provided by the primary sector. Activities included are:
  - Building and construction
  - Aircraft making
  - Computer assembling
  - Bread baking
- 3) Tertiary Sector of industry: provides services to consumers or the other sectors of industry. Activities include explain one reason for this.
- 4) d are:
  - Banking
  - Insurance etc

#### Explain the difference between Primary, Secondary and tertiary sectors.

Primary sector uses natural resources of land and produce raw material and food most of which will be used in the secondary sector.

Whereas, Secondary sector converts raw materials into products that can be used by other industries. And tertiary sector provides services to both business and final consumers.

#### Which sector of business activities is often the most important in the most developed economies? Explain one reason for this.

Tertiary sector because the countries have lost competitiveness in the secondary sector to other countries and a high proportion of consumers' incomes are spent on services sector.

**Which sector of business activities is often the most important in the least developed economies?  
Explain one reason for this.**

Primary sector of industry because there is limited capital to develop secondary production and incomes are low, so little is spent on services.

**Define Deindustrialization.**

It occurs when there is a decline in the importance of secondary, manufacturing sector of industry in an economy.

**Identify and explain one reason why the secondary sector of business activity might become less important to a country's economy over time.**

Due to deindustrialization, there is a decline in competitiveness of manufacture industries compared with newly developed or emerging economies.