education

Department:
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REPUBLIC OF SOUTH AFRICA

BUSINESS STUDIES

GRADE 11

TERM ONE

CHAPTER FOUR

BUSINESS SECTORS

2024 (WEEK 7)

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CONTENT DETAILS FOR TEACHING, LEARNING AND ASSESSMENT PURPOSES

BUSINESS SECTORS

Learners must be able to:

- Explain the meaning of the primary, secondary and tertiary sectors.
- Visit any local business enterprise and establish the link/relationship between these sectors
- Discuss/Explain/Describe the link/relationship between the primary, secondary and tertiary sector.

Terms and Definitions

TERM	DEFINITION
Forestry	The industry that serves the processing of wood and related processes including preservation of indigenous forests.
Mining	Extraction of valuable minerals from the earth.
Forward link	Enterprises from a sector sells goods to other enterprises in the same sector or another sectors.
Backward link	Enterprises from a sector buys goods from other enterprises in the same sector or another sectors.
Manufacturing	Transformation of raw materials into something useful.
Insurance	Two parties sharing a risk in the event of a financial loss being incurred and where some form of compensation is paid to the suffering party.
Interdependent	Two businesses, sectors or industries that rely on each other to achieve their best outputs.
Interrelated	Two businesses, sectors or industries are connected.

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1 Meaning of business Sectors

Business sectors are sub divisions/subsets of economic activities, e.g. primary, secondary and tertiary.

1.1 Meaning of the primary sector

- The primary sector is responsible for the extraction of raw material from the nature.
- This sector deals with extraction of raw materials and natural resources
- Natural resources which are not man made like coal, gold, fish and livestock are extracted from this sector
- The resources that they extract are forwarded to the secondary sector of the economy for the production of goods.
- Examples the primary sector industries; mining, mining, fishing, agriculture, forestry and farming

1.2 Meaning of the secondary sector

- This business sector is responsible for changing the raw materials acquired from the primary sector into useful products.
- It includes the manufacturing factories, construction and energy generation.
- The secondary sector will involve the actual manufacturing on the furniture.
- This business would buy the raw material (The timber) from the suppliers and turn them into finished products.
- Examples of the secondary sector industries; manufacturing, clothing, food processing, building and construction are found in this sector.

1.3 Meaning of tertiary sector

- This sector renders services to the public and businesses.
- Provides services and bring finished products to the final consumer.
- It includes services from transport, banking, legal and health.
- Examples of the tertiary sector industries; distribution, banking, insurance, tourism, transportation, entertainment, retail and legal services.

2 The relationship between the primary, secondary and tertiary sector

- The primary sector depends on the secondary sector for manufactured goods such as machinery/equipment/fertilisers e.g. a farmer may require seeds from another farm
- The primary sector is dependent on the tertiary sector for its customer needs.
- The secondary sector processes the raw materials obtained from the primary sector into more useful products.
- The secondary sector depends on the primary sector for raw materials and products.

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- The secondary sector depends on other secondary industries e.g. BMW needs tyre from DUNLOP another secondary sector player
- Secondary sector needs the tertiary sector to sell their processed or manufactured goods and also for services such as banks, insurance, transport and communication
- The tertiary sector depends on the primary sector for raw materials that do not need processing by the secondary sector.
- The tertiary sector depends on the secondary sector for manufactured goods such as office machines/office furniture/stationery etc.

3 Examples of statement on business sectors.

Primary sector

Duka Mines specialises in the extraction of platinum

Secondary sector

Super Energy Enterprise produces maize meal and instant soft porridge

Tertiary sector

Timothy Distributors has employed four drivers to deliver goods to various customers.

4 Example of a scenario on the relationship between the business sectors

TENDANI FURNITURES (TF)
Tendani Furnitures sells exclusive launch suits and tables to consumers. Tendani buys his furniture from Andries Manufacturers who buys his raw material from Kobus Timbers.

Example of questions that may be asked on the scenario above.

- Identify THREE business sectors from the scenario above. Motivate your answer by quoting from the scenario.
  Use the table below as a guide to answer this question.

BUSINESS SECTOR	**MOTIVATION**
1.	
2.	
3.	

- Explain the relationship between the business sectors identified from the scenario above.

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