

Ans. GDP is the sum total of all final goods and services produced during a particular year.

(iv) In terms of GDP the share of tertiary sector in 2003 is

- (a) Between 20% to 30% (b) Between 30% to 40%
 (b) Between 50% to 60% (d) 70%

Ans. In terms of GDP the share of tertiary sector in 2003 is 50% to 60%.

3. Match the following:

Problems faced by farming sector	Some possible measures
(i) Unirrigated land	(a) Setting up agro-based mills
(ii) Fluctuations in income	(b) Cooperative marketing societies
(iii) Debt burden	(c) Procurement of food grains by government
(iv) No job in the off season	(d) Construction of canals by the government
(v) Compelled to sell their grains to the local	(e) Banks to provide credit with law interest

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(iv) No job in the off season	(a) Setting up agro-based mills
(v) Compelled to sell their grains to the local	(b) Cooperative marketing societies traders soon after harvest.

4. How is the tertiary sector different from other sectors? Illustrate with a few examples.

- Ans.** (i) These are activities that help in the development of the primary and secondary sectors.
 (ii) These activities, by themselves, do not produce a good but they are an aid or a support for the production process.

For example, goods that are produced in the primary or secondary sector would need to be transported by trucks or trains and then sold in wholesale and retail shops. At times, it may be necessary to store these in godowns. He also may need to talk to others over

telephone or send letters (communication) or borrow money from banks (banking) to help production and trade. Transport, storage, communication, banking, trade are some examples of tertiary activities. Since these activities generate services rather than goods, the tertiary sector is also called the service sector.

5. Make a long list of all kinds of work that you find adults around you doing for a living. In what way you can classify them? Explain your choice.

Ans. The list of work that the adults do for the living is given below. They are classified into three sections :

PRIMARY	SECONDARY	TERTIARY
1. Dairy	Tailor	Priest
2. Agriculture	Workers in a match factory	Courier delivering person
3. Fishing	Money lender	
4. Forestry	Astronaut	
5. Gardener	Call centre employee	
6. Potter		
7. Basket wearer		

6. Do you think the classification of economic activities into primary secondary and tertiary is useful? Explain how?

Ans. Yes the classification of economic activities is useful. This is because.

- (i) It gives us a clear picture about the share of each sector in the Gross Domestic Product of the country.
- (ii) It gives us an idea about the employment opportunities created by each sector and number of people are engaged in different sectors.
- (iii) It also helps to understand how the different sectors are interdependent on each other.
- (iv) It also helps us to know the level of development of a country.

7. What do you understand by disguised unemployment? Explain with an example each from the urban and rural areas.

Ans. (i) When more people are engaged in an activity which actually can be done by few then such a situation is called as disguised unemployment.

(ii) Disguised unemployment is more common in rural areas than urban.

(iii) In rural areas it is more common amongst the labour working in agriculture. The labour working in agriculture are mainly disguised

unemployed. This is because the farmers of India are poor and they cannot afford to buy machines. As a result the work that can be done by few labours and is done by more labour leading to disguised unemployment.

- (iv) In urban areas disguised unemployment is observed in the government sector. Even if the government company is making losses it will never remove people who are unproductive leading to disguised unemployment.

8. “Tertiary Sector is not playing any significant role in the development of Indian Economy.” Do you agree? Give reasons in support of your answers.

Ans. The above statement is not 100% correct statement. No doubt that the contribution of tertiary sector was not satisfactory upto the year 2000 but after 2000 the tertiary sector has contributed towards employment on a large scale. This sector plays a significant role in the development of India. This is because of following reasons.

- (i) The government takes responsibility of developing hospital, educational institutions, post office etc. which has too led development of tertiary sector.
- (ii) Due to the development in agriculture and industries the demand for services like trade and transport has increased considerably.
- (iii) As the level of income rise people demand services like shopping, hotels, tourism, eating out, private hospitals, private schools, professional training etc.
- (iv) New services such as information technology and communication technology have become important and essential. The production of these services has been rising rapidly.