

Unit 1

(M2) Explain areas of growth or decline in the primary, secondary and tertiary classifications of business activities.

Over the years the primary, secondary and tertiary have changed in the way that they are used. For example in the 1900 the primary sector was used more because people produced their own food and had their own animals for meat, but as the years have gone on people started to trade the food that they produced and the animals they owned for other products. In 1993 the percentage of people working in the tertiary sector was 73.8%, and then this figure started to increase as the years past. In 1998 it was 75.0%, in 2000 it was 76.5%, in 2003 it was 78.7% and in 2005 it was 81.6%, but as the tertiary sector was increasing the primary sector was decreasing. In 1993 it was 2.2%, in 1998 it was 2.0%, in 2000 it was 1.7%, and in 2003 it was 1.4. The figure in 2003 did not change in 2005, it was still 1.4%, and this is how people came to work in more in the tertiary sector rather than the primary. The secondary business was at 24.0% in 1993, but then soon started to decrease in 1998 it was 23.0%, in 2000 it was 21.8, in 2003 it was 19.9 and in 2005 it was 17.0. These figures can be found in the table below.

To prove this point I collected this table from a book called BUSINESS 2nd edition by Carol Carysforth and Mike Neild, this table is on page 17. The table below shows how the number of people working in primary and secondary sectors has decreased and the number of people working in the tertiary sectors has increase from 1993 to 2005.

Year	Primary (%)	Secondary (%)	Tertiary (%)
1993	2.2	24.0	73.8
1998	2.0	23.0	75.0
2000	1.7	21.8	76.5
2003	1.4	19.9	78.7
2005	1.4	17.0	81.6

All businesses produce output. A fisherman's output is the number of fish caught, a manufacturer's is the number of goods made and a retailer is the number sold, and so on. It is possible for the output of a sector to be growing but for the sector to be declining in relation to other sectors.

This is the case with manufacturing in the UK. Output has steadily increased because of modern technology and greater efficiency - so more goods are now made by fewer people. However, manufacturing's share of output in relation to the other sectors has fallen considerably. Below is a table that I have taken from the BUSINESS 2nd edition by Carol

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Carysforth and Mike Neild showing the decrease of people working in primary and the increase of people work in tertiary.

Year	Primary (%)	Secondary (%)	Tertiary (%)
1993	4.1	28.9	67.0
1998	4.0	28.7	67.3
2000	3.5	26.5	70
2003	3.1	22.5	74.4
2005	3	22	75