



Ch-9 :- Tertiary Sector.

Good Morning students,

Today we will discuss the chapter Tertiary sector which is at Chapter of your book Economics.

Now children open the page number 105 of your book and listen to me attentively.

Children, do you know what a service is?

Service means an intangible act or performance that can satisfy some human needs and can be offered for sale. for example services of a teacher, doctor, lawyer etc.

Tertiary sector or the service sector forms the backbone in the socio-economic development of a region or nation. It covers a wide range of services such as trading, transportation and communication, financial, real estate and business services e.g. services of lawyers, Chartered accountants and social services as well as community (e.g. provision of drinking water, sanitisation facilities, health and training, defence and police services) and personal services (e.g. services of domestic servants)

Teacher:- (ask these beauty parlour, dry cleaner etc.)

Services can broadly be divided into two categories.

(1) Productive Services :-

Productive services include trading, transportation, communication, financial and banking services etc. These services directly contribute to the system of production and distribution of goods. These are also known as economic services.

(2) Consumer Services :-

Consumer services include education and health services, services of domestic servants etc. These services indirectly support the economic system. For example, well developed health services facilitate an increase in the efficiency of labour. These services are also known as social services.

Children now we will discuss the role/importance of services.

Services hold huge potential to accelerate the growth of an economy and promote welfare of the people. They offer a large number of business opportunities to the investors.

They have the capacity to generate substantial (huge) employment opportunities in the economy.

The importance of service sector in Indian economy can be judged from the following points:-

(1) Contribution to National Income:-

The service sector presently is the largest sector of the Indian economy. At present (2018-19) it contributes 54.3% in the country's national income. It has shown phenomenal growth from 24.5% in 1950-51 to 54.3% in 2018-19.

(2) Contribution to Employment:

Service sector employs about 31.45% of the labour force. The share of service sector in employment has increased from 18% in 1950-51 to 31.45% in 2018-19.

(3) Supplement to Agriculture sector:-

Service sector plays a significant role in growth and development of agriculture sector. It provides good transportation system for the supply of agriculture produce to different parts of country. It also makes provisions for finance and irrigation facilities for agriculture sector.



(4) Supplement to Industrial Sector:-

The development of industrial sector is also dependent on the various services that includes transportation, communication, energy, power, banking, insurance, marketing etc. Full industrial development of the economy is not possible without service sector.

(5) High standard of living:-

High standard of living among people is possible only when they enjoy all such personal and public services. A well developed infrastructure provides a good quality of life to the people which in turn improves their efficiency and ability to work.

(6) Reduces Regional Disparities (Imbalance):-

Regional disparities refer to inequality of economic growth and level of per capita income in different parts of the country. The development and expansion of infrastructural facilities e.g. transport, communication, banking etc. plays an important role in reducing regional disparities.

(6) Rural Development:-

India is a country of villages which are (excepting a few) in backward state due to lack of facilities

Sub:- Economics

Class: 9th

Ch: 9th

Teacher: Latesh Kumar

Date 14/10/2024

Page 5

my companion

like transportation, communication, electrification, education, water, sanitation etc. Rural development is possible only when we provide all these services like transportation, communication, education, health etc. in rural areas. Therefore, development of rural areas depend upon the service sector.

Students I am ending the topic here I will give you some questions. All the students are required to answer the questions in their note books.

Answer the following questions:-

1. What do you mean by services?
2. What are productive services?
3. Explain the role of services in the economic development of India.

Best Page