1. Ade’s Engineering Company (AEC) makes parts for cars and trucks. These are sold to car manufacturers in different countries. The parts include metal brake components and rubber seals to fit around windows. AEC operates in country X, which, until a few years ago, had an economy dominated by agriculture and tourism. Over the last 20years the relative importance of the primary sector has declined, to be successful AEC requires natural resources to make car parts and the services provided by other businesses. Consumer incomes are rising rapidly in Country X.
2. What is meant by “Primary Sector”? [2]
3. Identify 2 examples of services that a business such as AEC requires [2]
4. Identify and explain 2 reasons why a business such as AEC could not be successful without other firms providing natural resources [4]
5. Identify and explain 2 likely reasons why the relative importance of the primary sector of Country X’s economy has declined? [6]
6. A government minister in Country X recently said “The secondary sector of industry will always be more important than the tertiary sector to our economy.” DO you agree with this view? Justify your answer. [6]
7. The Government of Country Y owns and controls many businesses. “The Public sector always produces goods and services more efficiently than private owned businesses,” a Government minister recently said. Other ministers disagree and want privatise many state-owned businesses. The private business sector in Country Y produces 55% of total output – mainly in services such as transport, tourism and finance. The secondary sector of industry produces 35% of total output.
8. What is meant by “Public sector?” [2]
9. Identify **2** industries in the secondary sector. [2]
10. Identify and explain **2** reason why the tertiary sector of industry is becoming more important in economies. [4]
11. Identify and explain **2** possible reasons why some ministers want to privatise some businesses in the public sector. [6]
12. Do you agree with the Government Minster’s view that: “The Public Sector always produces goods and services more efficiently than privately owned businesses?” Justify your answer. [6]