Sector of Economy

introduction

- Sector defines a large segment of the economy in which businesses share the same or a related product or service
- The Indian economy can be classified into various sectors on the basis of ownership, working conditions and the nature of the activities.
- All economic activity was in the primary sector during early civilisation.
- After the surplus production of food, people's need for other products increased which led to the development of the secondary sector.

Primary Sector

- When we produce a good by extraction and collection of natural resources, it is known as the primary sector. Eg: Farming, forestry, hunting, fishing and mining.
- It is called so because it forms the base for all other products.
- People engaged in primary activities are called red-collar workers due to the outdoor nature of their work.

Secondary Sector

- The secondary sector covers activities in which natural products are changed into other forms through ways of manufacturing.
- It is also called the industrial sector. For example, using cotton fibre from the plant, we spin yarn and weave cloth.
- People engaged in secondary activities are called blue collar workers.

Tertiary Sector

- The tertiary sector more commonly called the service sector parts of the economy that focus on providing a service as opposed to a product.
- Tertiary sector includes activities that help in the development of the primary and secondary sectors. Example: Teachers, doctors, washermen, barbers, Cobblers, lawyers etc.
- Job in this sector are called white collar jobs.