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## Tertiary Activities

Tertiary activities refer to the service sector of the economy where services are provided rather than goods produced. These activities include plays a crucial role in the economic development of a country by facilitating trade, transport, communication, and various personal and pro

Tertiary activities involve both production and exchange of services, with output measured indirectly through wages and salaries. They do not important hubs for these activities. Rural marketing centres serve nearby settlements and often operate periodic markets, while urban centr

Transport and communication are vital components of tertiary activities. Efficient transport systems support production, distribution, and co television, and the internet. Tourism is a significant tertiary activity, contributing substantially to employment and GDP, and includes speciali

### Types of Tertiary Activities

Tertiary activities encompass a wide range of services provided by skilled professionals. These include health, education, law, governance, re

Trade involves buying and selling goods produced elsewhere and occurs in trading centres. Rural trading centres are quasi-urban and offer through intermediaries rather than retail stores.

Transport services satisfy the need for mobility and are essential for economic activities. Communication services facilitate the transmissio

Personal services range from low-order services like grocery shops and laundries to high-order specialized services such as those provided

### Exam Questions

**Q1:** What are tertiary activities and why are they important for economic development?

**Answer:** Tertiary activities are service-based economic activities that involve providing services rather than producing goods. They are impo

**Q2:** Differentiate between rural and urban trading centres.

**Answer:** Rural trading centres are quasi-urban centres that serve nearby settlements and often have periodic markets. Urban trading centre

## Quaternary Activities, Quinary Activities and Digital Divide

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Quaternary and quinary activities are advanced segments of the service sector focused on knowledge and decision-making. Quaternary activities include research, development, and administrative competence.

Quinary activities represent the highest level of decision-making and include senior executives, government officials, research scientists, and top-level managers.

Outsourcing is the practice of contracting work to external agencies to improve efficiency and reduce costs. When this work is transferred over borders, it is called offshoring.

The benefits of information and communication technology (ICT) development are unevenly distributed globally, leading to a digital divide.

### Exam Questions

**Q1:** What are quaternary activities and how do they differ from tertiary activities?

**Answer:** Quaternary activities are knowledge-based services involving research, information processing, and development, whereas tertiary activities are service-oriented and include retail, transport, and communication.

**Q2:** Explain the concept of digital divide.

**Answer:** The digital divide refers to the gap between countries or regions in access to information and communication technologies, where developed countries have higher access than developing countries.

### Solved Examples

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**Example 1:** Identify the main types of tertiary activities and give examples.

**Solution:** The main types of tertiary activities include trade and commerce (markets, retail stores), transport (road, rail, air), communication (telecom, media), and education.

**Example 2:** Describe the role of outsourcing in the modern economy.

**Solution:** Outsourcing allows businesses to contract out certain functions to external agencies, often in countries with cheaper skilled labour, to reduce costs and improve efficiency.

### Practice Set

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#### Easy

- Define tertiary activities.
- What is a periodic market?

#### Moderate

- Explain the difference between wholesale and retail trading.
- What are the main components of communication services?

## Challenging

- Discuss the impact of the digital divide on developing countries.
- How do quinary activities contribute to economic growth?

## Answer Key

- **Define tertiary activities:** Service-based economic activities providing services rather than goods.
- **What is a periodic market?** A market held at regular intervals in rural areas where no permanent market exists.
- **Difference between wholesale and retail trading:** Wholesale trading involves bulk sales through intermediaries; retail trading involves selling to individual consumers.
- **Main components of communication services:** Transmission of information via telephones, radio, television, internet, and other electronic means.
- **Impact of digital divide:** Limits access to technology and information in developing countries, hindering economic and social development.
- **Contribution of quinary activities:** High-level decision making and innovation that drive policy and economic growth.

## Quick Reference

- **Tertiary Activities:** Service sector activities including trade, transport, communication, and services.
- **Quaternary Activities:** Knowledge-based services like research and information processing.
- **Quinary Activities:** High-level decision making and executive roles.
- **Outsourcing:** Contracting work to external agencies to reduce costs.
- **Digital Divide:** Gap in access to digital technologies between developed and developing countries.

## Glossary

- **Tertiary Activities:** Economic activities that provide services rather than goods.
- **Trading Centres:** Places where buying and selling of goods and services occur.
- **Telecommunication:** Transmission of information over distances by electronic means.
- **Tourism:** Travel for recreation and leisure purposes.
- **Quaternary Activities:** Services involving knowledge and information processing.
- **Quinary Activities:** Services involving high-level decision making.
- **Outsourcing:** Contracting work to external agencies.
- **Digital Divide:** Inequality in access to digital technology.

Time Period / Year	Event / Change
Pre-Industrial Era	Dominance of primary and secondary activities
Industrial Revolution	Growth of secondary sector and beginning of tertiary services
20th Century	Expansion of tertiary sector and emergence of quaternary activities
Late 20th Century	Rise of quinary activities and outsourcing
21st Century	Digital divide becomes prominent

**Services against payment:** doctors, lawyers, teachers.

**Definition**



Rural and urban marketing centers, periodic markets, retail and wholesale trading.

**Trade and Commerce**



Modes: road, rail, water, air; factors affecting transport like population, routes.

**Transport**

Evolution from traditional methods, modern telecommunications, mass media.

**Communication**

**Types**

**Tertiary Activities**



Ranging from personal (barbers, housekeepers) to professional (consultants, lawyers).

**Services**

