

8. Service Activities in India

Improve your learning

1. Question

What is meant by the term 'service activities'?

Answer

Service sector is one of the three sectors of the economy, the other two are primary sector and the secondary sector. It provides services (intangible). They provide services which are required by the people and business to maintain their level of activity. The main focus is the deal with customers and not producing physical products. It includes many services such as banking, transport, communication, trade etc

2. Question

List five service activities and give your reasons for why they can not be considered as either agriculture and industrial activities related to services?

Answer

The five examples of service sector activities are

- A) Education
- B) Health services
- C) Banks
- D) Tailors
- E) People working in the newspapers

Agriculture sector is the sector that uses natural resources to produce goods. The natural resources play a very important part in this sector. For example, agriculture, fishing, mining, quarrying, forestry etc are a part of this sector.

Industrial sector is the sector that transforms 1 physical good into another. This is important because the primary sector is unable to give us all the goods required to make our life comfortable. For example manufacturing, electricity, water supply etc are included in this. It is also called the manufacturing sector or secondary sector.

These are not considered as either agriculture or industrial activities related to services because they do not use the natural resources to make any product nor do they transform one good into another.

3. Question

How can service activities help in the overall development of a country?

Answer

The service sector is the sector which provides its services to people such as banking, insurance, education etc. It has also helped in the overall development of the country. This can be explained in two ways:

1. The service sector has been responsible for providing employment opportunities to one-fourth of all the working population in India.
2. It helps to increase the per capita Gross Domestic Product of the country.
3. It leads to the creation of new services which are not required with the development of the country. For example transportation, health services, professional training etc.
4. India is a developing country and in this level, it is extremely important to have a well-developed system of education and health in the country, provided by this country. It is the responsibility of the government to provide such services.

4. Question

How are agricultural and industrial activities related to services?

Answer

Service sector is directly related to agriculture and industrial sector activities.

- Without a service sector providing transportation , the foodgrains will not be able to reach the market place.
- It would be difficult to transfer raw material from the agriculture sector to the industrial sector, without any means of transporting them.
- Service sector is also required to provide its services to create awareness in the market regarding the goods.

5. Question

'The growth of service sector activities becoming important?

Answer

Service sector is one of the three sectors of the economy, the other two are primary sector and the secondary sector. It provides services (intangible). The main focus is the deal with customers and not producing physical products. It includes many services such as banking, transport, communication, trade etc. It is one of the growing sectors in India due to the following reasons :

1. India is a developing country and in this level, it is extremely important to have a well developed system of education and health in the country, provided by this country. It is the responsibility of the government to provide such services.

2. It helps to create a large number of employment opportunities in different areas.

3. The growth of this sector is also required for the efficient and smooth working of the primary and secondary sector.

4. With the increase in income, especially in urban areas, the demand for certain services such as professional training, communication, tourism etc arises.

Thus, service sector is extremely crucial for India's growth.

6. Question

Why are service sector activities becoming important?

Answer

The tertiary sector is the service sector of the economy. It is extremely important in developed countries. For example, health, trade, transport etc. It brings more than 60% of GDP while employing less than 27% of the workforce. Although there is a significant increase in the GDP, enough jobs are not provided. This is termed as 'Jobless growth'. The main reasons behind the growth of this sector are :

1. With the increase in population, the number of hospitals, schools, banks, tourism facility demands has also increased.

2. With the increase in the number of working women, the demand for certain facilities like cook, housekeeper, daycare has increased.

3. The development of agriculture and industries have increased the demand for transportation, warehouse, retail etc

7. Question

Service activities cannot expand beyond a level without agriculture and industries. Explain.

Answer

The primary sector uses natural resources to form a good. The secondary sector uses this good and transforms it into another. The primary sector consists of agriculture and the secondary sector consists of industries. Both these provide the basic infrastructure which is the foundation of the service sector. All the three sectors are linked together. For example, if you purchase a car, the services of cleaning it are also necessary. Thus, the service activities cannot expand beyond a level without agriculture and industries

8. Question

How can the service sector reduce educated unemployment in India?

Answer

The service sector is developing at a fast pace in India. It has successfully provided many employment opportunities for the educated youth of the country in the following ways:

1. Business Processes Outsourcing or BPO employs many people who are able to provide their services across the globe through telecommunication.
2. Information technology or IT sector has set up many companies in metropolitan cities. They employ skilled engineers for software services all over the world.
3. The entertainment industry has also been providing many jobs in areas such as print, film, television etc.
4. People have also employed in the advertising sector as well as the banking and Insurance sector.

All of the above-mentioned factors required a high level of skill as well as an advanced knowledge of the technical types of equipment. Thus, they have been able to reduce the problem of educated unemployment in the country.

9. Question

Is there any migration of labours from your area? Find out the reasons for the migration.

Answer

Yes, there is a significant level of migration in my area. This is due to two reasons:

1. The people involved in primary sector activities such as agriculture and shifting from rural areas to urban areas in search of better opportunities.
2. Many industries have shut down, industry. As forced the workers of the factories to be employed as small vendors rickshaw puller or any other low-income service profession.
3. If they are able to get any job in the service sector they continue to work or they go back to the agriculture sector or work in an unskilled low earning job in the service sector

10. Question

Read the 9th paragraph of this chapter 'Working people engaged' and answer the following.

What are the service activities required for agricultural and industries?

Answer

The people who are involved in the service sector activities do not produce any commodity to provide intangible services and like the agriculture or the industry. The activities of the service sector help for the growth of the agriculture and industry and they also provide many other services which are necessary for the people and the businessman to work.

For example communication commercially comedy, public and many other public services.

There are many service activities which are required by the agriculture and industries. A few examples on given below:

1. Suppose a farmer has grown a particular amount of food grain. Now he has to transfer this good to the market. This can be done with the help of transportation facilities provided by the service sector.
2. Suppose an industry has introduced a new good in the market. It will require the advertising facilities of the service sector to promote and create awareness about the same.
3. Suppose a person you want to build a house. He will not be able to do so unless the railway is able to transport the raw material from the factory through the service sector.

Thus, the activities of the service sector is extremely crucial for the existence of agriculture and the industrial sector

11. Question

Observe the map given on page 104. Locate the software technology parks of our country in the outline map of India.

Answer

