

Social Science Class 10

Important Questions Economics

Chapter 2

Sectors of the Indian Economy

Very Short Answer Questions (VSA) 1 Mark

Question 1.

Classify the economy on the basis of ownership of enterprises.

Answer:

Public Sector and Private Sector.

Question 2.

Classify the economy on the basis of the nature of the activity.

Answer:

The economy is classified on the basis of economic activities into three sectors namely Primary sector, Secondary sector and Tertiary sector.

Question 3.

What is disguised unemployment?

Answer:

Disguised unemployment is a situation in which more people are employed on a job than the required number.

Question 4.

Production of a commodity, mostly through the natural process is an activity of which sector?

Answer:

Primary Sector

Question 5.

Name the sector in which the government owns most of the assets and provides all the services.

Answer:

Public Sector

Question 6.

Name the sector which continued to be the largest employer even in the year 2000.

Answer:

The primary sector continued to be the largest employer even in the year 2000.

Question 7.

How many days of guaranteed employment are provided under National Rural Employment Guarantee Act, 2005?

Answer:

100 days of employment are guaranteed under NREGA, 2005.

Question 8.

ATM is an example of which sector?

Answer:

Tertiary sector

Question 9.

Suggest any one way to create employment opportunity in the rural areas.

Answer:

Setting up a dal mill, opening a cold storage, starting or promoting honey collection are some of the ways of creating employment opportunities in rural areas.

Question 10.

Production of a commodity, mostly through the natural process is an activity of which sector?

Answer:

Primary Sector

Question 11.

Name the sector in which the government owns most of the assets and provides all the services.

Answer:

Public Sector

Question 12.

When was the Essential Commodities Act passed?

Answer:

In 1955.

Question 13.

What was the percentage of unemployed urban males in India during the year 1987-88?

Answer:

About 8.8%.

Question 14.

What was the percentage of unemployed rural females in India during 1999-

Answer:

About 7.

Question 15.

What was the percentage of the unemployed urban females during 1999-2000?

Answer:

About 7.3%

Question 16.

What is a primary activity?

Answer:

When we produce goods by exploiting natural resources, it is called primary activity.

Question 17.

What is a secondary activity?

Answer:

When a product is made or manufactured in a workshop or factory, it is a secondary activity.

Question 18.

What is a territory activity?

Answer:

It is an activity which provides aid or support for the production process. In itself, it does not produce any goods.

Question 19.

Give the meaning of GDP

Answer:

Gross Domestic Product is the value of all final good and services produced within a country during a particular year.

Question 20.

Suggest three measures for the solution of unemployment problem.

Answer:

Three most important measures for the solution of unemployment in India are the following

1. Expansion of employment exchange.
2. Increase in the rate of capital formation.
3. Encouragement for self-employment.

Question 21.

What is the condition of unemployment as data provided by the employment exchange?

Answer:

Data provided by the employment exchange is the second source of information about unemployment condition in 'India. The first one is conducting sample surveys and population censuses.

The data provided by employment exchanges is considered as the indirect method of estimating the educated unemployed in India. In 2001, near about 420 lakh job-seekers were registered with employment exchanges. Among these job Seekers 267% were women.

Question 22.

What is meant by the voluntary unemployment?

Answer:

Voluntary unemployment is meant by choosing not to work voluntarily. Voluntarily unemployed persons prefer leisure to work as they do not like the wage rates in practice.

However voluntary unemployment is not totally voluntary, there may be some hidden or obvious reasons behind it. Most these kind of unemployed choose to remain idle until they get work on their terms and conditions.

Question 23.

What is meant by Disguised Unemployment?

Answer:

Disguised Unemployment is a situation where more people are engaged in an activity than the required ones. Though these people appear to be employed, actually they are not fully employed.

In such cases even if the surplus labourers are removed from work, production does not suffer. In India this kind of problem is particularly acute in rural areas.

Question 24.

Define unemployment? What is seasonal unemployment?

Answer:

Unemployment is the situation in which a section of people, who are able and willing to work but do not find gainful work. Seasonal unemployment is meant by the situation where some people are employed during some parts of the year and remain without work during the rest of the year,

owing to the seasonal nature of work. For example if an agricultural worker or a farmer remains out of work in the lean season of a year, he is said to be seasonally unemployed.

Question 25.

Mention the most common type of unemployment.

Answer:

The most -common type of 'unemployment is structural unemployment as in this type of unemployment the economy has no capital or resource to provide employment to all of its labour force. It is a common feature of many of the developing countries. Even the nature of unemployment in our country is partly structural.

Question 26.

Why is the primary sector called as agriculture sector?

Answer:

Since most of the natural products we get are from agriculture (dairy, fishing, forestry) this sector is rightly called the agriculture sector.

Question 27.

Describe various types of unemployment

Answer:

{A}. Unemployment: Unemployment is a situation which a section of people, who are able and willing to work, not find gainful work. Unemployment is mainly of three types.

These are the following

1. Disguised Unemployment: It is a situation in which more people are engaged in an activity than the required ones.
2. Seasonal Unemployment: It is the situation in which people are employed during some part of the year and remain without work during the rest of the year.
3. Structural Unemployment: It is a common feature of many of the developing countries. It is an economy which has no capital or resource to provide employment to all of its labour force.

Other Types of Unemployment

- Unemployment due to slackening of demand for good.
- Technical unemployment which occurs due to the changes in technology..
- Cyclical unemployment which generally occurs in the capitalist countries.

However,, these types of unemployment are considered harmless and prevail for short durations only. On the other hand Main three types are very harmful. Seasonal Unemployment: It is one of the three main types of unemployment. It points out the situation where some people are employed during some parts of the year and remain without work during the rest of the year owing to the seasonal nature of work.

For example, for a considerable part of the year, the Indian farmers are out of work as agriculture in India is a seasonal activity as it depends on monsoon. If an agricultural worker or a farmer remains out of work in the lean season of a year he or she is said to be seasonally unemployed.

Question 28.

What are the strategies that the government has undertaken to reduce unemployment?

Answer:

The Strategies taken by the government to reduce unemployment part from the programmes which are mainly aimed at the development of infrastructure like construction of small and large dams, canals, roads etc., the government strategies to generate employment that is closely

associated with poverty alleviation programmes. The government of India has undertaken many special programmes to generate, employment opportunities.

Following are the major ones;

Rural Works Programme: This programme aims at construction of civil works of permanent nature in rural areas integrated Dry Land Agricultural Development-Under this scheme permanent works like soil conservation, development of land and water harnessing etc. are undertaken.

National Rural Employment Programme: This is the programme which aims to create community assets for strengthening rural infrastructure. Like drinking water well works, community irrigation wells, village tanks, minor irrigation works rural roads and schools.

The Rural Landless Employment Guarantee Programme aims at generating gainful employment. It creates productive assets in rural areas and improves the overall quality of rural life.

Skill Development: One of the major issues relating to unemployment is skill development. Change in the production Methods has led to increase in demand for skilled labour. A skilled labourer is one who has proper training and 1 education to work in a particular field.

Training and education in fact increase the productivity of workers. With a view to impart skills through training, the Government of India has taken many steps. For example:

The Central Board of Workers Education was formed in 1958. It is doing significant work by creating understanding and enthusiasm among workers for the success of industrial growth.

Various ministries of the government of India are providing vocational education and training.

Vocational education has been integrated at the school level as well. The government has also implemented a number of schemes for providing low cost capital to the small enterprises and employed persons.

Financial institutions like banks have helped in this process by providing credit facilities at 1 concessional rates.

Question 29.

Write a detailed note on public and private sector

Answer:

There are several things needed by the society a whole but which the private sector will not provide at a reasonable cost. Some of these need spending large sums of money, which is beyond the capacity of the private sector. Also, collecting on from thousands of people who use these facilities is not transfer if they do provide these things they would charge a big their use.

Examples are construction of roads, bridges, railways harbours, generating electricity, providing irrigation through dams etc. Thus, governments have to undertake such heavy spending and ensure that these facilities are available for everyone.

Similarly, the government in India buys wheat and rice from farmers at a 'fair price'. This it stores in its godowns and sells at a lower price to consumers through ration shops. The government has to bear some of the cost. In this way, the government supports both farmers and consumers, There are a large number of activities which are the primary responsibility of the government.

The government must spend on these. Providing health and education facilities for all is one example. We have discussed some of these issues in the first chapter. Running proper schools and providing quality education, particularly elementary education, is the duty of the government.

India's size of illiterate population is one of the largest in the world. Similarly, we know that nearly half of India's children are malnourished and a quarter of them are critically ill. We have read about Infant Mortality Rates.

The infant mortality rate of Orissa (87) or Madhya Pradesh (85) is higher than that of the poorest regions of the world such as the African countries. Government also needs to pay attention to aspects of human development such as availability of safe drinking water, housing facilities for the poor and food and nutrition. It is also the duty of the government to take care of the poorest and most ignored regions of the country through increased spending in such areas.

Question 30.

Why is the tertiary sector becoming important in India? Give reasons?

Answer:

The tertiary sector is becoming important in India there are several reasons. Some such reasons are First, in any country several services such as hospitals, educational institutions, post and telegraph services, police stations, courts, village administrative offices, municipal corporations, defence, transport, banks, insurance companies, etc. are required.

These can be considered as basic services. In a developing country the government has to take responsibility for the provision of these services.

Second, the development of agriculture and industry leads to the development of services such as transport, trade, storage and the like, as we have already seen. Greater the development of the primary and secondary sectors, more would be the demand for such services.

Third, as income levels rise, certain sections of people start demanding many more services like eating out, tourism, shopping, private hospitals, private schools, professional training etc. One can see this change quite sharply in cities, especially in big cities, fourth, over the past decade or so, certain new services such as those based on information and communication technology have become important and essential. The production of these services has been rising rapidly. In Chapter 4, we shall see examples of these new services and the reasons for their expansion.

Question 31.

Who in the unorganised sector needs protection? Explain.

Answer:

The organised sector offers jobs that are the most sought after, But the employment opportunities in the organised sector have been expanding very slowly. It is also common to find many organised sector enterprises in the unorganised sector. They adopt such strategies to evade taxes and refuse to follow laws that protect labourers. As a result, a large number of workers land up in low-paid jobs. They are often exploited and not paid a fair wage. Their earnings are low and not regular. These jobs are not secure and have no other benefits.

In the rural areas, the unorganised sector mostly comprises landless agricultural labourers, small and marginal farmers, sharecroppers and artisans (such as weavers, blacksmiths, carpenters and goldsmiths). Nearly 80% of rural households in India are in small and marginal farmer category.

These farmers need to be supported through adequate facilities for timely seeds, agricultural inputs, credit, storage facilities and market outlets. In the urban areas, unorganised sector comprises trade and transport etc., and those who work as street vendors, workers in small-scale industry; casual workers in vendors, head load workers, garment makers, ragpickers etc. Small-scale industry also needs government support for procuring raw material and marketing of output. The casual workers in both rural and urban areas need to be protected.

Short Answer Questions (SA) 3 Marks

Question 32.

Explain how public sector contributes to the economic development of a nation.

Answer:

In the public sector, ownership of assets and delivery of services is under the government. The government spends huge amounts of money in providing various services to the public at reasonable costs.

The government thus contributes towards the economic development of the nation:

By development of infrastructure, i.e.,

1. Construction of roads, national highways, flyovers, metro-rails, railway lines, irrigation through dams, etc.
2. The government provides an impetus to industrial growth by supplying electricity at affordable rates.
3. By running schools and providing good quality of education, the government is trying to remove illiteracy and taking the nation forward.

Question 33.

Why NREGA is also called the Right to work? Explain the objectives of National Rural Employment Guarantee Act 2005.

Answer:

Every state or region in India has potential for increasing the income and employment in that area. Recognising this, the Central Government in India has passed an act called the National Rural Employment Guarantee Act 2005,

Main objectives of the NREGA 2005 are:

- to implement the Right to Work in 200 districts of India.
- to guarantee 100 days of employment in a year by the Government. In case the Government fails, it offers unemployment allowance.
- to give preference to the type of work that will help increase the production from land.

Question 34.

With the example of sugarcane, explain the interdependence of all the three sectors of the economy.

Answer:

The primary sector involves production at the most basic level, i.e., through exploitation of natural resources. Cultivation of sugarcane is an agricultural activity which comes under the primary sector. Raw materials from the primary sector are converted into processed goods through manufacturing in the secondary sector. Using sugarcane as raw material, jaggery and sugar is made in the factories. The tertiary or service sector provides support to the process of production. It includes transportation, storage, marketing and sale of products. For instance, transportation of sugarcane from the fields to the sugar mills. Further on, the transportation of jaggery and sugar from factories and sugar mills to the markets.

The farmer (Primary sector) also needs fertilisers and seeds which are processed in some factory (Secondary sector) and which will be delivered to his doorstep by some means of transportation (Tertiary sector). In this way, for every little process there is interdependence of the three sectors of the economy on each other.

Question 35.

“The problem of underemployment is not confined only to agriculture”. Support the statement with

examples.

Answer:

The problem of underemployment is not confined only to agriculture. It can also happen in other sectors.

1. For example, there are thousands of casual workers in the service sector in urban areas who search for daily employment. They are employed as painters, plumbers, repair persons and other odd jobs. Many of them don't find work every day.
2. Similarly, we see other people of the service sector on the street pushing a cart or selling something where they may spend the whole day but earn very little. They are doing such work only due to the lack of better employment opportunities.
3. The unorganised sector includes small and scattered units outside the government control. Employment is not secure. People can be asked to leave without any reason. When there is less work, such as during some seasons, some people may be asked to leave.

Question 36.

What are final goods and intermediate goods? How do they help in calculating (GDP) Gross Domestic Product?

Answer:

Final goods are goods that are ultimately consumed by the consumer rather than used in the production of another good.

Intermediate goods are goods used as inputs in the production of final goods and services. For example, a car sold to a consumer is a final good; components such as a tyre sold to the car manufacturer is an intermediate good. The value of final goods already includes the value of all intermediate goods that are used in making the final good.

The value of final goods and services produced in each sector during a particular year provides the total production of the sector for that year. And the sum of production in the three sectors gives the Gross Domestic Product (GDP) of a country. It is the value of all final goods and services produced within a country during a particular year.

Question 37.

Explain any three ways to solve the problem of underemployment.

Answer:

There are people who are capable of better work and earning more than what they are getting. The reason for this is that better jobs for which they are qualified are not available. Such people are termed as underemployed, e.g., a graduate teacher driving a taxi. Underemployment is most prevalent in the primary or agricultural sector.

Three ways to solve the problem of underemployment:

1. Provision of loans may help in creating jobs for disguised unemployed and underemployed workers.
The loan money can be used for the promotion of economic activity of the family adding to the family's earning or for setting up a cottage industry.
2. Another way is to promote and locate industries and services in semi-rural areas where a large number of people may be employed.
Example, Setting up a dal mill, opening a cold storage, starting or promoting honey collection.
3. If local banks give credit to farmers at a reasonable rate of interest, they will be able to buy agricultural inputs and increase productivity.

4. Centres for vegetables and fruit processing, health centres, educational institutions, tourism and IT centres will certainly help in creating jobs.

Question 38.

Why didn't shift out of primary sector happen in case of employment although there has been a change in the share of the three sectors in GDP?

Answer:

A remarkable fact about India is that while there has been a change in the share of the three sectors in GDP, a similar shift has not taken place in employment.

1. A similar shift out of primary sector did not happen in case of employment because not enough jobs were created in the secondary and tertiary sectors.
2. Even though industrial output or the production of goods went up by eight times during the period, employment in the industry went up by only 2.5 times.
3. While production in the service sector rose by 11 times, employment in the service sector rose less than three times.
As a result, more than half of the workers in the country are working in the primary sector, mainly in agriculture, producing only a quarter of the GDP.

Question 39.

Classify the economic sectors on the basis of nature of activities. Mention the main feature of each.

Answer:

On the basis of nature of activities, economic sectors are classified into:

1. Primary sector
2. Secondary sector
3. Tertiary sector

Primary sector forms the base for all other products that we subsequently make. Since most of the natural products we get, are from agriculture, dairy, fishing, forestry, this sector is also called sector for agriculture and related activities (stone quarrying, animal husbandry, etc.).

Secondary sector covers activities in which natural products are changed into other forms through ways of manufacturing. It can take place in a factory, workshop or at home.

Examples:

- (a) Spinning yarn from cotton fibre from plants.
- (b) Making sugar from sugarcane.

It is also called the Industrial sector.

Tertiary sector. Activities in this sector do not produce any goods. This sector produces services that act as aid and support to the Primary and Secondary sectors. Services like administration, police, army, transport, hospitals, educational institutions, post and telegraph, courts, Municipal Corporation, insurance companies, storage, trade communication and banking are some of the examples of activities of the Tertiary sector. This sector is also known as Service sector.

Question 40.

What is meant by Gross Domestic Product (GDP)? How is GDP measured in India?

Answer:

Gross Domestic Product (GDP) of a country is the value of all the final goods and services produced in each sector within a country during a particular year. This indicates how big the country's economy is. GDP is measured by the Central Government Ministry. This Ministry, with

the help of all the Indian States and Union Territories, collects information relating to total volume of goods and services and their prices and then makes an estimate of the GDP.

Long Answer Questions (LA)

Question 41.

Describe the importance of Primary sector in the Indian economy.

Answer:

Importance of Primary sector:

1. Primary Sector provides the basic needs of economy for food and mineral ores.
2. It produces some of the raw materials (like jute, cotton, coal extracted from mines) for the industrial sector.
3. The Primary sector continued to be the largest employer in the economy even in the year 2000, the reason being that Secondary and Tertiary sectors still do not create enough jobs.
4. The agricultural population in the Primary sector provides a very large market of consumers for the Secondary sector (for buying finished products like clothes, goods of daily need, fertilizers, etc.).

Question 42.

How can we create more employment in secondary and tertiary sectors in rural India? (2012)

Answer:

1. Investing in basic agricultural infrastructure like construction of dams and canals for irrigation can lead to a lot of employment generation within the agricultural sector itself reducing the problem of under employment.
2. If the government invests some money in the storage and transportation of crops, or makes better rural roads so that mini-trucks reach everywhere, several farmers can continue to grow and sell these crops throughout the year. This activity can provide productive employment to not just farmers but also others such as those in services like transport or trade.
3. Providing credit at a reasonable rate of interest to help farmers buy seeds, fertilisers, agricultural equipments, pumpsets etc. can generate employment in rural banking.
4. The government/banks can provide loans at cheap rates to the small farmers to improve their irrigational facilities like constructing a well so that they can irrigate their land well and get two to three crops a year instead of one. Thus more people can be employed in the same field.
5. Another way is to promote and locate industries and services in semi-rural areas where a large number of people may be employed. For example, setting up a dal mill, opening a cold storage, starting or promoting honey collection, etc.

Question 43.

Explain the importance of the service sector.

Or

Explain reasons for the rising importance of the tertiary sector in India.

Answer:

Tertiary sector or service sector plays a very significant role and its importance is rising day by day:

1. Greater the development of primary sector and secondary sector more would be the demand for Services.
2. Tertiary sector has become the largest producer in India because various kinds of Services such as hospitals, educational institutions, post and telegraph services, police stations,

courts, village administrative offices, transport, banks, insurance companies, etc. are required.

3. Even development of agriculture and industry leads to the development of services such as transport, trade and storage, etc.
4. With the rise in income, demand for more services is rising.
For example, eating out in restaurants, tourism, malls and shopping complexes, schools, professional training, etc.
5. New services like Information Technology and outsourcing have become very important for modern day trade and industry.
Unfortunately, the rapid growth of the service sector in India has not yet shown the expected corresponding increase in employment.

Question 44.

How can employment be increased in both rural and urban areas? Explain.

Answer:

Ways to provide more employment opportunities in rural areas:

1. Promote and locate industries and services in semi-rural areas where a large number of people may be employed. Example, setting up a dal mill, opening a cold storage, starting or promoting honey collection.
2. Promoting small-scale industries, small-scale manufacturing units, agro-processing industries and providing loans for the same. The government/banks can provide loans at cheap rates to the small farmers to improve their irrigational facilities so that they can get two or three crops a year instead of one. Thus more people can be employed in the same field.
3. If more dams are built and canal water is provided to all the small farmers, then a lot of employment can be generated in the agricultural sector.
4. If more money is spent on transportation and storage, then not only small farmers will be benefitted but many more people can be employed in transport and storage sector.
5. Investing more in tourism and employing more youth in this sector.

Question 45.

“There are several things needed by the society as a whole”. In the light of this statement explain as to who can provide them at a reasonable cost, the private or the public sector and why?

Or

Explain any three demerits of private sector.

Answer:

Society as a whole needs several things which the private sector will not be able to provide at a reasonable cost.

Reasons for this are:

1. Activities in the private sector are guided by the motive to earn profits and not welfare of the people,
2. There are several services needed by the society which the private sector cannot provide at a reasonable price. Activities like construction of roads, bridges, railways, irrigation through dams etc., require huge amount of money which is beyond the capacity of the Private sector. Private sector charges high rates for the use of these services.
3. It is difficult for the Private sector to collect money from thousands of people who use these services.
4. The Private sector sometimes ignores regional balanced development, equality of income and development of basic industries.
5. Private sector charges include profit margins whereas the government will charge a reasonable price for services. It is the primary duty of the government to ensure the provision of public facilities with a service motto.

Question 46.

Describe any five conditions or aspects that you would consider before accepting a job?

Answer:

Before accepting a job many factors need to be considered apart from income—

1. These include factors such as facilities for families, working atmosphere, or opportunity to learn.
2. In another case, a job may give less pay but may offer regular employment that enhances sense of security. Another job however, may offer high pay but no job security and also leave no time for family.
3. The terms of employment are as per government rules and regulations.
4. The enterprise also gives several other benefits like paid leave, provident fund, gratuity, etc.
5. The employer also makes provisions for medical benefits and safe working environment. A safe and secure environment may allow more women to take up a variety of jobs.

Question 47.

'There has been a big change in the three sectors of economic activities, but a similar shift has not taken place in the share of employment.' Explain the above statement on the basis of facts. (2014)

Answer:

Though there has been a change in the share of the three sectors in GDP, similar shift has not taken place in the structure of employment. The Primary sector continues to be the largest employer even in the year 2000. The reason for this is that not enough jobs are created in the Secondary and Tertiary sectors. More than half of the workers in the country are working in the Primary sector, mainly in agriculture, producing only a quarter of GDP. In contrast to this, Secondary and Tertiary sectors produce three- fourths of the produce though they employ less than half of the people.

Reasons:

1. During the last thirty years in the Indian economy, not enough jobs have been created in the Secondary and Tertiary sectors, although their output has increased many folds. As a result more than half of the workers in the country are working in the primary sector, mainly agriculture, causing gross underemployment due to overcrowding in the sector.
2. There are more people engaged in agricultural activities than is necessary. The situation is such that even if we remove a lot of people from agriculture, the production of this sector will not be affected.

Question 48.

Define tertiary sector. Describe about the different kinds of people employed in this sector in India.

Answer:

Tertiary sector. Activities in this sector do not produce any goods. This sector produces services that act as aid and support to the primary and secondary sector. Services like administration, police, army, transport, hospitals, educational institutions, post & telegraph, courts, Municipal Corporation, banking & insurance, storage, trade and communications are examples of activities in the tertiary sector. This sector is also known as the Service Sector.

1. The first kind of people are the highly skilled and educated people providing specialised services. E.g., doctors, lawyers, accountants, etc. There are a limited number of services that employ highly skilled and educated workers and offer big salaries.
2. There are also a very large number of workers engaged in services, such as small shopkeepers, repair persons, transport persons. These people barely manage to earn a living and yet they perform these services because no alternative opportunities for work are available to them.

Hence, only a part of this sector is growing in importance.

Question 49.

State any five features each of public sector and private sector.

Answer:

Public Sector:

1. The government owns most of the assets.
2. All the services are provided by the government.
3. The main motive of the public sector is the welfare of the people (masses). Activities are guided by the interest of the nation as a whole.
4. Employees feel secured and there is discipline and regular work.
5. Governments raise money through taxes and other means.
6. For example, railways, post offices, construction of roads, bridges, harbours, dams, etc.

Private Sector:

1. In the private sector, ownership of assets is in the hands of private individuals or companies.
2. Services are provided or are in the hands of individuals.
3. Activities in the private sector are guided by the motive to earn profits and not welfare of the people.
4. Jobs of the employees are less secured and the whims of the owners are above all.
5. Private sector charges high rates for the use of services provided by them.
6. For example, Companies like Tata Iron and Steel Co. (TISCO), Reliance Industries, etc.

Question 50.

Explain with suitable examples how public sector contributes to the economic development of the nation.

Answer:

Role of Public sector in economic development. The Public sector is that sector of the economy in which the government owns most of the assets and provides all the services, e.g., railways, post and telegraph.

1. It promotes rapid economic development through creation and expansion of infrastructure.
2. The public sector provides various services and facilities like construction of roads, bridges, railways, irrigation through dams, etc. where heavy spending is required.
3. A large number of activities are a primary responsibility of the government like schools, hospitals, housing, safe drinking water, etc.
4. Certain activities are meant to be supported by the government, like providing electricity to small scale industries at low prices, supply of food to the poor, etc. It encourages development of small, medium and cottage industries.
5. It ensures availability of goods and services at moderate rates and also contributes to community development through creation and expansion of infrastructure.

Question 51.

How can workers in the unorganised sector be protected? Explain giving examples of rural and urban areas.

Answer:

There is need for protection and support of the workers in the unorganised sector:

1. In the rural areas, this sector comprises of landless agricultural labourers, small and marginal farmers, share croppers and artisans (weavers, carpenters, goldsmiths). These farmers need to be supported through adequate facility for timely delivery of seeds, agricultural inputs, credit, storage facilities and marketing outlets.
2. In urban areas, workers in the small scale industry, casual workers in construction, trade and transport, street vendors, head load workers, garment makers, ragpickers etc. are all a part

of the unorganised sector. Small scale workers need government aid for procuring raw materials and marketing of their goods.

3. The government must make concerted efforts to ensure that workers in this sector are not exploited and earn fair wages. They must also be provided with job security and other benefits.

Question 52.

Describe certain activities of public interest on which the government has to focus on priority basis. (Board Question)

Answer:

Activities of public interest on which the government needs to focus on a priority basis:

1. Education. The government must provide adequate education facilities in all rural and urban areas. The government must necessarily focus on education for girls so that all girls are able to acquire atleast secondary level schooling. Running proper schools and providing quality education, particularly elementary education, is the duty of the government.
2. Health and Nutrition,
 1. Basic health care facilities are a must for all. Establishment of government hospitals, clinics and dispensaries, especially in rural areas, to provide subsidized and unadulterated medicines to the poorer sections of society.
 2. An effective Public Distribution System—proper functioning of ration shops and equitable distribution of food grains is very essential.
3. Transportation. A well-developed public transport system to make it easy for general public to commute.
4. Electricity. It is the duty of the government to provide electricity and water at reasonable rates to the common man and prevent him from exploitation by private companies.

Question 53.

Compare the employment conditions prevailing in the Organized and Unorganized sectors.

Answer:

Organized sector:

1. In this sector, terms of employment are regular and people have assured work.
2. They are registered by the government.
3. Workers enjoy security of employment, they have to work for fixed hours, they are paid overtime and enjoy several other benefits like paid leave, payment during holidays, Provident Fund, gratuity, pension, retirement benefits, medical benefits, etc.
4. Entities under Organized sector have to follow the rules and regulations which are given in various laws (Factories Act, Minimum Wages Act, Payment of Gratuity Act, Shops and Establishment Act).

Unorganized sector:

1. In this sector, employment is not secure and jobs are irregular.
2. Here government rules are not followed as they are outside the control of the government.
3. Usually, they offer low-paid jobs, no provision for overtime, paid leave, holiday leave or sick leave.
4. Employees can be asked to leave without any reason. One can also see a large number of under-employed workers in this sector.

Question 54.

Explain the importance of the service sector.

Answer:

Tertiary sector or service sector plays a very significant role and its importance is rising day by day:

1. Greater the development of primary sector and secondary sector more would be the demand for Services.
2. Tertiary sector has become the largest producer in India because various kinds of services such as hospitals, educational institutions, post and telegraph services, police stations, courts, village administrative offices, transport, banks, insurance companies etc. are required.
3. Even development of agriculture and industry leads to the development of services such as transport, trade and storage etc.
4. With the rise in income, demand for more services is rising.
For example, eating out in restaurants, tourism, malls and shopping complexes, schools, professional training.
5. New services like Information Technology and outsourcing have become very important for modern day trade and industry.
Unfortunately, the rapid growth of the service sector in India has not yet shown the expected corresponding increase in employment.

Question 55.

How can employment be increased in both rural and urban areas? Explain.

Answer:

Ways to provide more employment opportunities in rural areas:

1. Promote and locate industries and services in semi-rural areas where a large number of people may be employed. For example, setting up a dal mill, opening a cold storage, starting or promoting honey collection.
2. Promoting small-scale industries, small-scale manufacturing units, and agro-processing industries and providing loans for the same. The government/banks can provide loans at cheap rates to the small farmers to improve their irrotational facilities so that they can get two or three crops a year instead of one. Thus more people can be employed in the same field.
3. If more dams are built and canal water is provided to all the small farmers, then a lot of employment can be generated in the agricultural sector.
4. If more money is spent on transportation and storage, then not only small farmers will be benefitted but many more people can be employed in transport and storage sector.
5. Investing more in tourism and employing more youth in this sector.

Question 56.

“There are several things needed by the society as a whole”. In the light of this statement explain as to who can provide them at a reasonable cost, the private or the public sector and why?

Answer:

Society as a whole needs several things which the private sector will not be able to provide at a reasonable cost.

Reasons for this are:

1. Activities in the private sector are guided by the motive to earn profits and not welfare of the people.
2. There are several services needed by the society which the private sector cannot provide at a reasonable price. Activities like construction of roads, bridges, railways, irrigation through dams, etc., require huge amount of money which is beyond the capacity of the Private sector. Private sector charges high rates for the use of these services.
3. It is difficult for the Private sector to collect money from thousands of people who use these services.

4. The Private sector sometimes ignores regional balanced development, equality of income and development of basic industries.
5. Private sector charges include profit margins whereas the government will charge a reasonable price for services. It is the primary duty of the government to ensure the provision of public facilities with a service motto.