The differentsectors of economy

Sectors are used by economists to classify economic activity by grouping companies that are engaged in similar business activities. For example, some sectors are engaged in activities that involve the earliest stages of the production cycle, such as extracting [raw materials](https://www.investopedia.com/terms/r/rawmaterials.asp). Other sectors involve the manufacturing of goods using those raw materials. Still, other companies are engaged in service activities. Although there is some debate about the true number of sectors that represent business activity in an economy, typically, sectors are broken out into four main categories. However, please bear in mind that there can also be sub-sectors within each of the four major sectors listed below.

The main sectors of the economy are:

1. [**Primary sector**](https://www.economicshelp.org/concepts/primary-sector/)– extraction of raw materials – mining, fishing and agriculture.
2. [**Secondary / manufacturing sector**](https://www.economicshelp.org/concepts/manufacturing-secondary-sector/) – concerned with producing finished goods, e.g. Construction sector, manufacturing and utilities, e.g. electricity.
3. [**Service / ‘tertiary’ sector**](https://www.economicshelp.org/tertiary-service-sector/) –  concerned with offering intangible goods and services to consumers. This includes retail, tourism, banking, entertainment and  I.T. services.
4. **Quaternary sector** (knowledge economy, education, research and development)

**Primary sector**

The [primary sector](https://www.economicshelp.org/concepts/primary-sector/) is sometimes known as the extraction sector – because it involves taking raw materials. These can be renewable resources, such as fish, wool and wind power. Or it can be the use of non-renewable resources, such as oil extraction, and mining for coal. Examples include:

* Mining, farming, fishing.

**Secondary sector**

The secondary sector makes and distributes finished goods.

* Manufacturing – e.,g producing cars from aluminium.
* Construction – building homes, factories
* Utilities – providing goods like electricity, gas and telephones to households

The manufacturing industry takes raw materials and combines them to produce a higher value added finished product. For example, raw sheep wool can be spun to form a ball of better quality wool. This wool can then be threaded and knitted to produce a jumper that can be worn.

### Tertiary Sector/Service

The tertiary sector of the economy is the service industry. This sector provides services to the general population and to businesses. Activities associated with this sector include retail and wholesale sales, transportation and distribution, entertainment (movies, television, radio, music, theater, etc.), restaurants, clerical services, media, tourism, insurance, banking, healthcare, and law. The service sector is concerned with the intangible aspect of offering services to consumers and business.

**Quaternary/knowledge sector**

* Education
* Research and development
* Public sector bodies

The quaternary sector is said to the intellectual aspect of the economy. It includes education, training, the development of technology, and research and development. It is the process which enables entrepreneurs to innovate better manufacturing processes and improve the quality of services offered in the economy. Without this growth of technology and information, economic development would be slow or non-existent.

It is also known as the [knowledge economy](https://www.economicshelp.org/blog/27373/concepts/the-knowledge-economy/) – this is the component of the economy based on human capital – IT, knowledge, education. It is primarily related to the service sector, but also is related to the high tech component of manufacturing.

Your task is to find the fifth sector

