



# ECONOMIC GEOGRAPHY



## TERTIARY ACTIVITIES

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### Contribution of tertiary activities to South African economy

- Definition of tertiary activities
- Examples of tertiary activities
- Interpretation of graphs and tables
- The role of transport in economic development
- Interpretation of graphs and tables



## Tertiary activities

Deals with the provision of services to the consumer.

### Some examples

- Telecommunication.
- Hospitality industry/tourism.
- Transport.
- Mass media.
- Social services.
- Public health.
- Financial
- Pharmacy.
- Waste disposal.
- Retail activities.

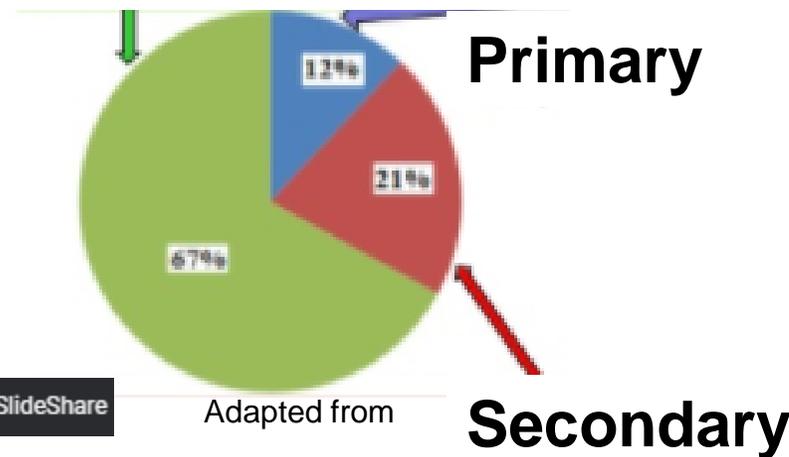
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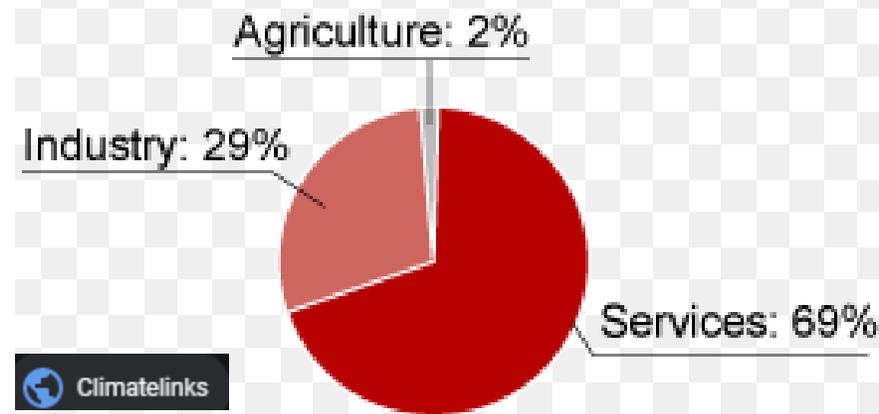
# Significance of Tertiary activities

- Large contribution to GDP. Contributed 67% to GDP in 2012 and 69% in 2015.

## Tertiary



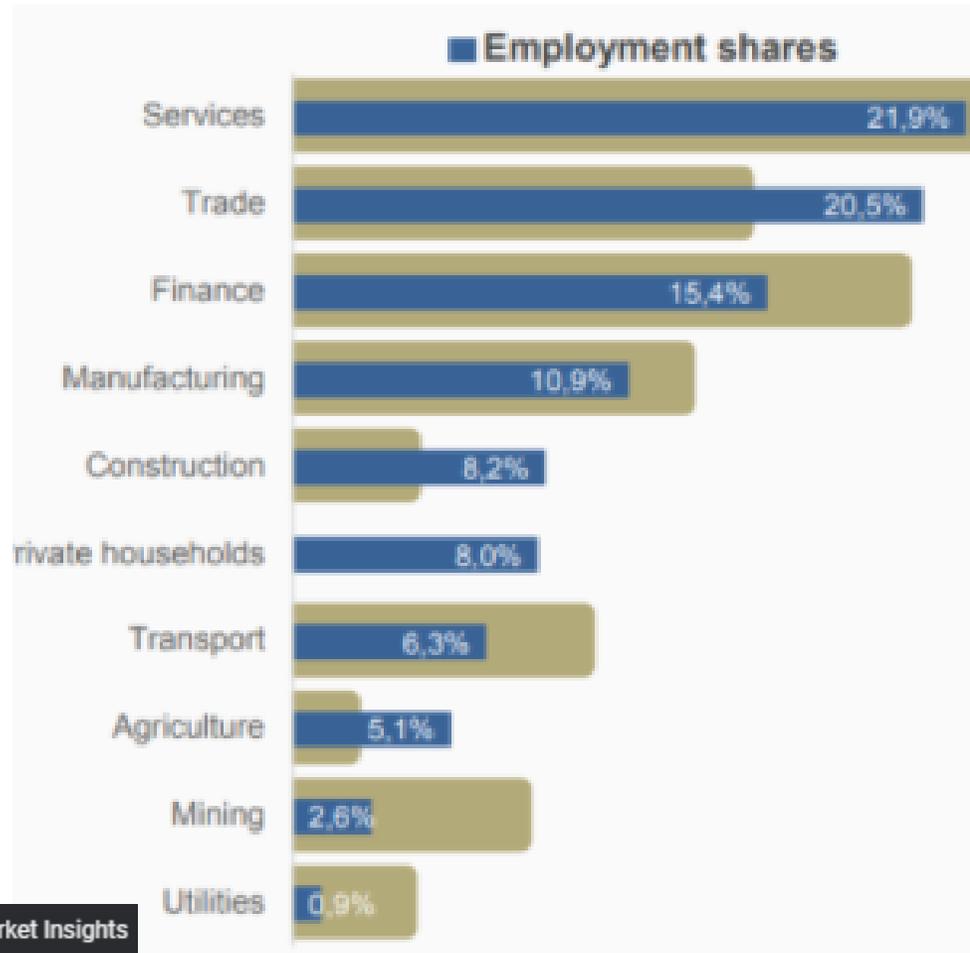
South Africa GDP by Sector (2015)



- Stimulates development of other economic activities e.g. manufacturing of goods to be sold.



- Employs a lot of people



Quarter1 2019



- Health and social services contributed to the health and productivity of the people.



 IMTJ

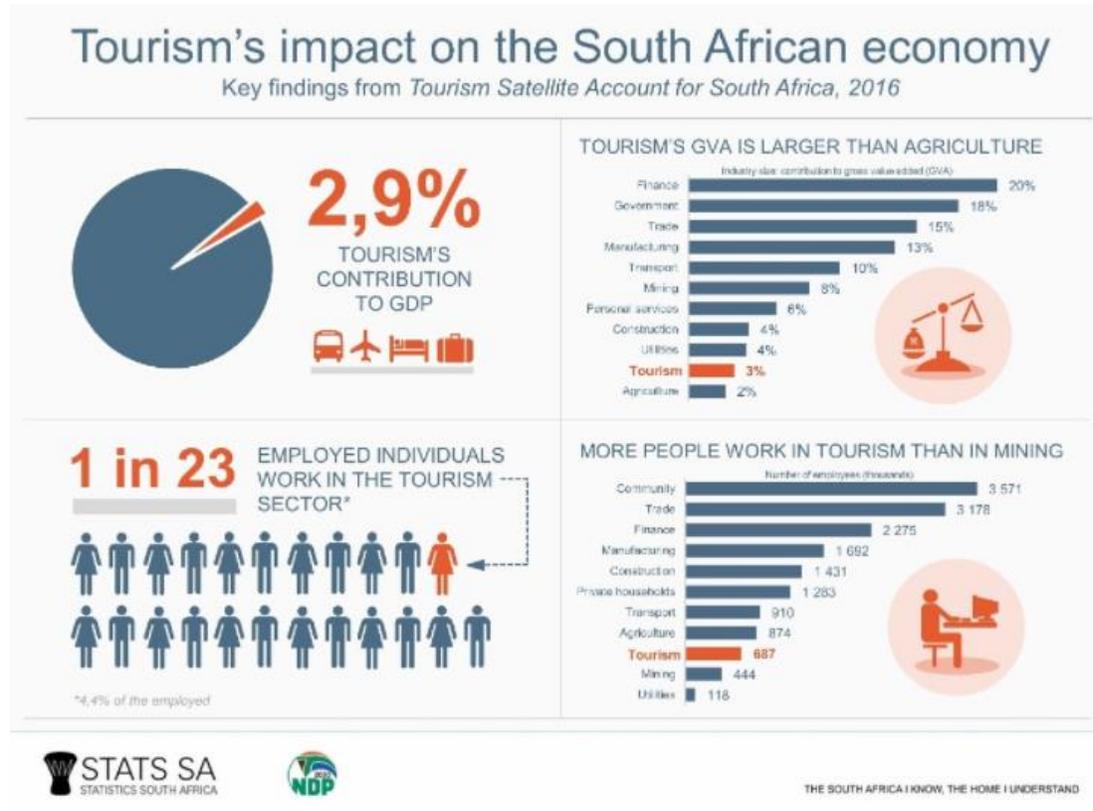
- Education provides skilled labour.



 Mail & Guardian



- Tourism makes a significant contribution to South Africa's economy.



- Financial intuitions, e.g. banks, offer important financial support to businesses like loans



- Electricity supply provides power for all economic activities/sectors and domestic needs.





**Export** is a good or service produced in one country that is sold into another country.

**Import** is a good or service bought in one country that was produced in another.

- Imports and exports are the components of international trade.
- If the value of a country's imports is greater than the value of its exports, the country has a negative balance of trade.
- If the value of a country's imports is less than the value of its exports, the country has a positive balance of trade.

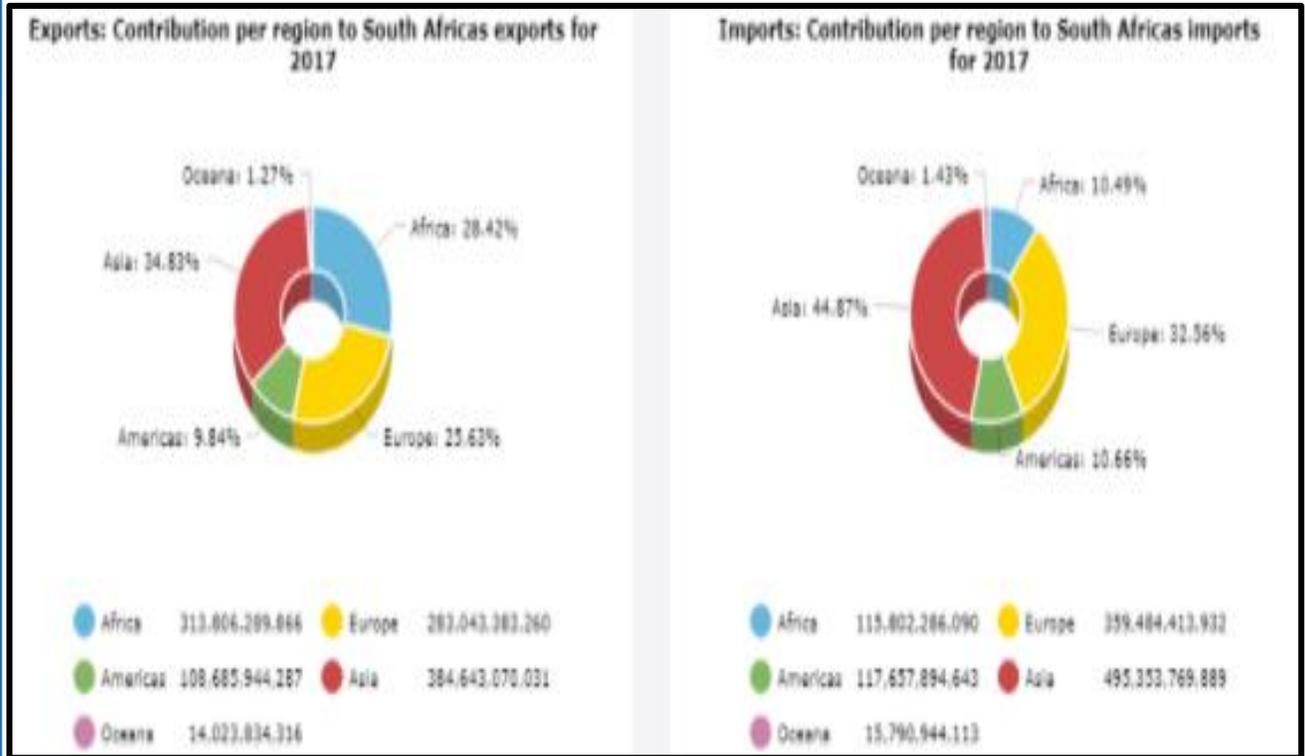




**International trade** is the exchange of goods and services between countries.



 Credit Guarantee



 South African Market Insights



## The role of international trade in economic development.

- Goods and services are exported earning foreign exchange.
- Importing raw materials and technology required for manufacturing.
- Exporting goods increases production, which increases employment.
- Exporting of goods stimulates further development in the infrastructure of a country.
- Improves relationships between countries.
- Increases competition and lowers world prices.
- Exposed to goods and services not available in their own countries, or which would be more expensive domestically. Raising consumers purchasing power of their own income.

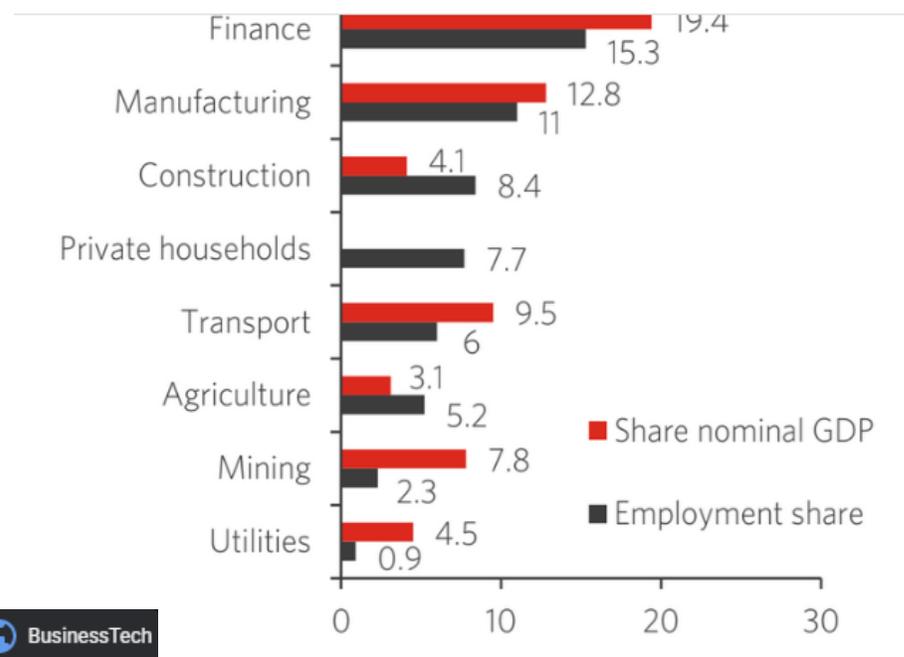




# Role of transport in economic development

- Provides access
  - Movement of raw materials for processing.
  - Movement of finished goods to markets (domestic and international).
  - Labour/people transportation.
- Stimulates development across a country e.g. SDIs
- Creates employment.
- Contributes to GDP
- Stimulates international trade. South Africa is in a good position of having the ocean on three sides resulting in cheaper exports and imports.

Jobs vs GDP share in South Africa's biggest sectors



(The 9.5% may include transport, storage and communication. Transport contributes approximately 6.5% to GDP)