

Subject: Business studies

Topic: Production

Class: JSS 1

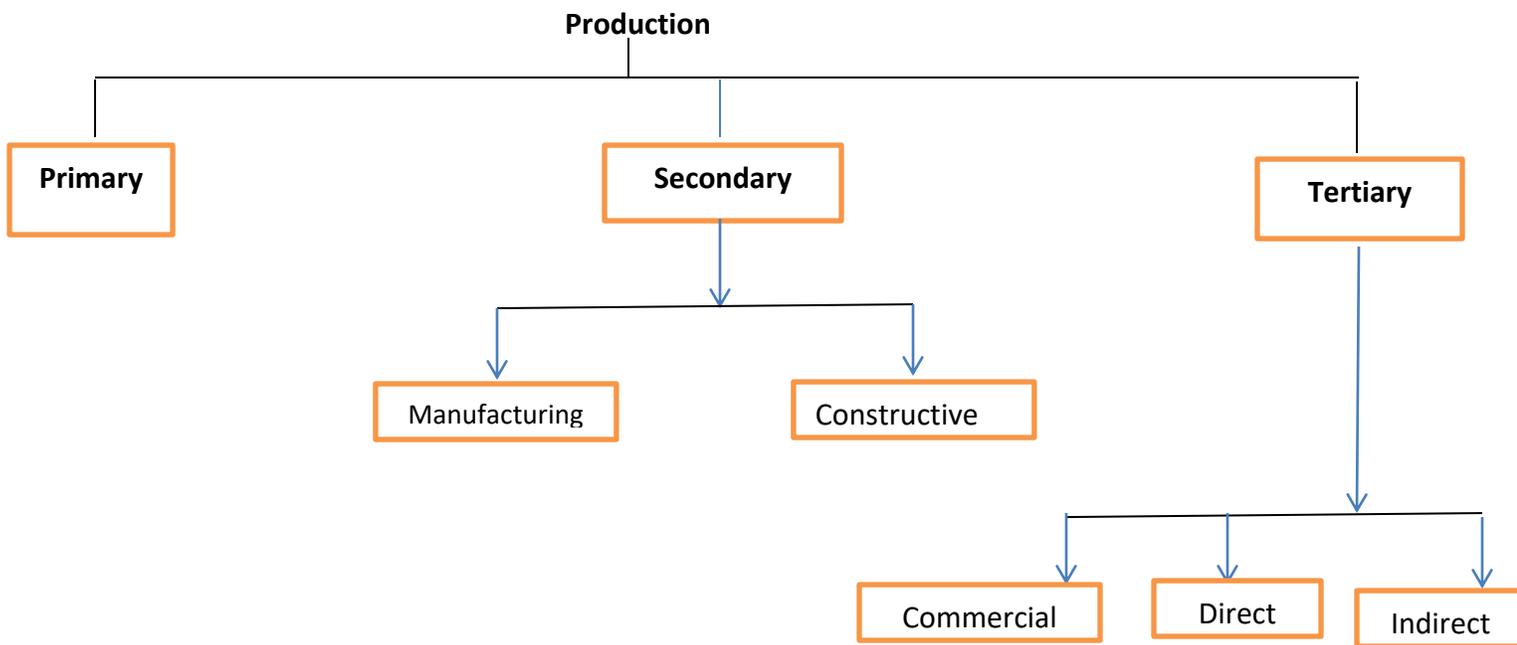
Week: 2

Learning objectives:

- I) Define production
- II) Explain the types of production
- III) Discuss the effects of production on the environment

Meaning of production

Production is the making of goods and provision of services that satisfies the needs of man. As individuals, we all have needs such as food, clothing etc., to enable us live. These human need fall into two categories, namely: goods and services. The growing and harvesting of crops like cocoa, cassava, groundnuts, cotton etc. can be classified as the making of the goods while selling them in the market or cooking the food items can be classified as provision of services. Medical doctors, Teachers and Lawyers render services.



Types of production

- a) Primary/Extractive production
- b) Secondary production
- Tertiary production

PRIMARY / EXTRACTIVE PRODUCTION

This involves digging up raw materials from the ground. Nigeria is known to be rich in crude oil, which turns into petrol, kerosene etc. The industries in this category are mainly concerned with the extraction of raw materials for processing. Other examples of extractive stage of production are farmers, fishermen, miners etc.

SECONDARY PRODUCTION

There are two major types of secondary production. They are manufacturing and constructive production.

a) Manufacturing production: this is the making of a particular product. It involves turning raw material into semi-finished or finished goods. E.g. rubber as a raw material is processed into tyres, tubes etc.

b) Constructive production: this involves the design and manufacture of capital goods. Capital goods are equipment that can be used for a long period of time. E.g. of capital goods are machines because they are used in the production of other goods that we need. The constructive industry is concerned with making capital goods to satisfy the needs of people for a long period of time. Here, several spare parts are put together to make a final product such as airplane, motor vehicle, houses etc.

TERTIARY PRODUCTION

This is also known as the production of services. Service as an aspect of production is what is offered in the society by groups or individuals. Tertiary production is divided into three main categories:

- a) **Commercial services:** this involves commercial activities. It involves the distribution and exchange of products. Distribution as an activity aids the growth of commerce while transportation helps these goods manufactured to move from one place to another.
- b) **Direct services:** this is a kind of service that individuals benefits directly from the producer. E.g. of direct services are doctors, teachers, lawyers etc.
- c) **Indirect services:** these are services that are rendered to an individual which he/she does not pay for directly rather pays through tax, example the services rendered by policeman and soldiers.

ADVANTAGES OF PRODUCTION ON THE ENVIRONMENT

1. It provides employment opportunities.
2. It brings development to the society.
3. Good roads, airports, and other means which makes transportation easy, is developed.
4. It helps goods to move from production area to areas where they are needed.
5. It increases the variety of products in the market.

DISADVANTAGES OF PRODUCTION ON THE ENVIRONMENT

1. Production, especially extraction, construction and manufacturing, can affect our clean air. Carbon dioxide is released into the air from industries.
2. Waste materials dumped in the environment can sink into our rivers to pollute them.
3. Production can lead to various health issues such as stress.
4. It can lead to natural disasters, e.g. mining activities can cause landslides, earthquakes, erosion, flooding, etc.

Assignment:

Using a table state two difference each of the primary, secondary and tertiary production.