**WEEK FOUR**

**TOPIC: DIVISION OF LABOUR, SPECIALIZATION AND EXCHANGE**

**CONTENT**

* Definition of terms
* Advantages and disadvantages of Division of Labour/ Specialization
* Limitation of Division of Labour

Division of Labour is the breaking down of production processes into different stages so that each stage is undertaken or handled by an individual. For example, division of labour occurs in a textile factory where separate processes like spinning, weaving and dyeing are undertaken by separate workers in each case.

Specialization is the process whereby an individual, a firm or a country concentrates or limits its productive efforts on particular areas of production in which it has the greatest advantage over others.

The principal aim of both division of Labour and specialization is to increase output at a lower cost of production.

**ADVANTAGES OF DIVISION OF LABOUR/ SPECIALIZATION**

(1) Greater skill and dexterity of workers

(2) Increased total output

(3) It saves time.

(4) Less fatigue

(5) It makes possible the use of machines.

(6) Reduction in the cost of production i.e. per unit cost

(7) It enhances the development of technology.

**EVALUATION**

1. Divine the term Division of Labour

2. State five advantages of Division of Labour.

**DISADVANTAGES OF DIVISION OF LABOUR/SPECIALIZATION**

1. It makes work monotonous .

2. The use of machines reduces employment opportunities .

3. It brings about labour immobility .

4. Decline of craftsmanship .

5. Danger of increased inter-dependence among individuals, industries or countries.

**LIMITATIONS OF DIVISION OF LABOUR**

1) The size or extent of the market i.e. the extent of demand for the particular commodity

2.) The availability of Labour

3) The nature of the product being produced

4) The availability of capital i.e. to pay the various workers involved, buy raw materials, machines e.t.c

5) Government policy

**EXCHANGE**

Division of Labour and specialization create a situation where people have to depend on others to get the goods and services they do not produce.

This inter-dependence gives rise to exchange between individuals, firm or countries.

**EVALUATION**

1. Define Specialization.

2. Explain the difference between Division of Labour and Specialization

3. State three limitations of Division of Labour

**READING ASSIGNMENT**

1. Essential Commerce for SSS by O.A Longe page 16-18

2. Comprehensive for SSS by J.U Anyaele page 53-57

**WEEKEND ASSIGNMENT**

1. Who among the following engages in manufacturing occupation? (a) Bricklayer (b) Carpenter (c) Miner (d) Spinner

2. The factor of production that has a relatively fixed supply is (a) Capital

(b) Entrepreneurship (c) Land (d) Labour

3. Which of the following activities involves the extraction of raw materials?

(a) Baking (b) Building (c) Dressmaking (d) Fishing

4. At what time is production said to be complete? When the product (a) is made (b) is in the warehouse (c) is in the market (d) Gets to the consumer

5. Any human effort which leads to the satisfaction of wants is (a) Consumption (b) Organization (c) Production (d) Specialization.

**THEORY**

1. State four disadvantages of Specialization

2. List three Limitations of division of Labour.

**GENERAL EVALUATION**

1. State the difference between industry and commerce.
2. Mention and explain five types of commercial occupations.
3. With the aid of a diagram, illustrate the scope of commerce.
4. List seven factors that delayed the development of commerce in Nigeria.
5. State seven characteristics of land as a factor of production.