

What are the five classifications of industry?

There are five main classifications of industry which refer not only to five different types of industry, but also to the process a product can go through. On this page, each classification is outlined and defined, with general examples of the types of industries that would be expected and one example product taken through to show how all of the industries can be involved in the production of one output.

The Five Classifications

1 - Primary

Primary industries work to extract raw materials from the land. They are essentially working with the earth in some way. Examples of this type are: mining, quarrying, forestry, fishing and agriculture.

2 - Secondary

Secondary industries make products using raw materials from the primary industries. Examples are construction, factories, assembly lines, etc.

3 - Tertiary

Tertiary industries provide a service. There are two types of tertiary industry:

1. profit-making: those industries which make money. Examples include restaurants, cinemas, supermarkets, etc.
2. profit-utilising: those industries which provide a service but do not make money. Examples include education, hospitals, emergency services, etc.

To have the profit-utilising industries, it is important to have the profit making industries.

4 - Quaternary

Essentially, quaternary industries can be considered new in the last 30 years, although one of the principles that led to the formation of a fourth classification is much older. Quaternary industry is a type which deals with information using technology (such as computers). Information has been required by industries since the Industrial Revolution, but the now-widespread use of computers to do this much more efficiently has made this an industry in its own right.

5 - Quinary

Some consider there to be a branch of the quaternary sector called the quinary sector, which includes the highest levels of decision making in a society or economy. This sector would include the top executives or officials in such fields as government, science, universities, nonprofit, healthcare, culture, and the media.

One Product Through the Process

This section looks at how each stage can contribute to the industrial process of the making and eventual destination of one product - a can of baked beans. It is only intended to show how each industrial type may contribute and is not designed to be inclusive of all of the contributions each stage makes to the product, nor is it designed to include all ingredients.

1 - Primary Process

- Agricultural inputs: growing and harvesting tomatoes and beans
- Mining / quarrying inputs: mining the metals for the can
- Forestry inputs: growing trees that will be pulped to make paper for the can label



2 - Secondary Process

Factory based processes:

- making the baked beans
- removing the metals from the ore and shaping them to make a can
- paper printed to make can labels
- dye / ink industry prints the labels.
- glue industry makes the glue to stick the label to the can



3 - Tertiary Process

Tertiary industries provide a service. There are two types of tertiary industry:

- transport industry takes the finished cans to supermarkets, shops and wholesalers
- the advertising industry advertises the product to make consumers aware of it
- shops sell the products to customers
- cans are taken to cafés and restaurants and are used for customer meals
- the refuse industry deals with the empty can and any wasted contents



4 - Quaternary Process

This primarily deals with the information relating to the processes in the previous three sections. Examples are:

- supermarkets, shops and wholesalers bar-code scan the can when bought and this sets up a list of amounts that need to be ordered
- the information from the bar-code scanning tells the manufacturing industries how many more cans needs to be made to keep up with demand
- the information tells the primary industries how many more trees, beans, tomatoes and how much metal will be needed to be extracted in the future
- information can be used by the advertising industry to see how well a product is doing after a particular campaign and whether to stop / carry on / develop the campaign further



5 - Quinary Process

This primarily deals with the highest levels of decision making in the company. The top executives make decisions on the running of the company relating to the processes in the previous four sections.

Examples are:

- where to locate the primary industries (countries)
- how much to pay the workers (union/non-union)
- where to locate the factories (close to the raw materials or close to the customers)
- labour decisions
- location of wholesale and retail chains
- labour decisions
- public or private company status
- investment decisions (profit margins; profit sharing; research and development decisions; opening/closing facilities)

EMPLOYMENT BY CLASS OF WORKER AND
INDUSTRY – SEPTEMBER 2007-2010

Industry	# of workers ('000) 2007	# of workers ('000) 2010	% Change	% of total
Primary	679.1	628.4		
Agriculture	350.0	300.4		
Natural Resources	329.1	328.0		
Secondary	3,320.7	3,107.0		
Utilities	141.9	147.8		
Construction	1,143.7	1,223.7		
Manufacturing	2,035.1	1,735.5		
Tertiary	12,923.3	13,454.5		
Trade	2,680.8	2,716.4		
Transportation and warehousing	812.9	798.5		
Finance, insurance, real estate and leasing	1,057.9	1,122.1		
Professional, scientific, and technical services	1,159.8	1,287.2		
Business, building and other support services	718.7	702.3		
Educational services	1,196.2	1,229.0		
Health care and social assistance	1,832.6	2,049.1		
Information, culture and recreation	784.6	767.5		
Accommodation and food services	1,083.5	1,067.7		
Other services	715.5	764.5		
Public Administration	880.6	950.2		
TOTAL FOR CANADA	16,923.0	17,189.9		

1. Calculate the % change and % of total for each of the industries.
2. Identify the trends taking place in Canada's economic sectors.
3. What do these changes mean for employment in Canada?