

SUVA SANGAM COLLEGE

YEAR 11

ECONOMICS

WORKSHEET 3

1) Use the article below and your knowledge to answer the questions that follow.

The mining industry has always had an effect on the rest of the economy. Gold rushes lead to an increase in population and bring about the need for additional infrastructure. Industries are set up to supply machinery and transport for the mines. Towns grow to provide commercial and service industries. The surrounding farming industries benefit from the towns as well. However, latest global figures reveal that employment in the mining industries decline steadily despite the growth in the mining sector.

Source: *Economic Fundamentals Vol 1*, William Boyes, 1999.

- a. Explain why mining is an example of an extractive industry.
 - b. Explain why employment has declined in the mining industries over the years.
 - c. State **two** examples of auxillary industries that benefit from the development of mining activities.
- 2) Explain the term diversification in regards to sugar industry
- 3) Discuss one way in which agriculture industry can be assisted by the government.