







# Knowledge organiser: Y8—How does the UK earn a living?

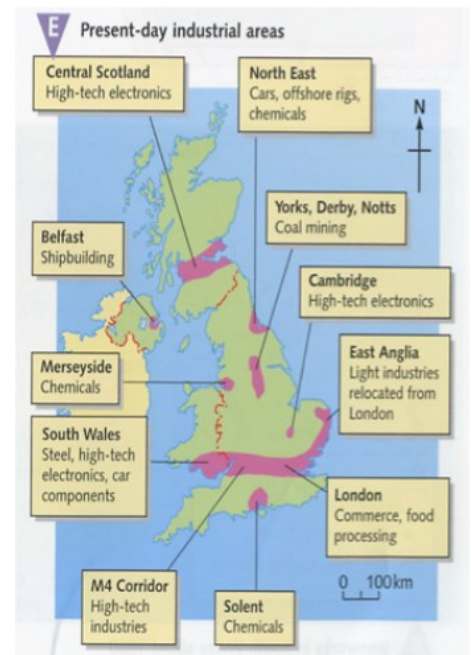
<b>KEY VOCABULARY</b>	<b>Mechanisation</b> —the process of using machines to carry out tasks and jobs that were originally done by humans.
<b>Containerisation</b> —the system of transporting goods around the world using a standard size container that can be easily moved between different modes of transport and countries.	<b>Primary sector</b> —the part of the economy that includes jobs and activities where people extract raw materials.
<b>Deindustrialisation</b> —the decline of traditional, heavy manufacturing (eg ship building, steel work) within an area.	<b>Quaternary sector</b> —the part of the economy that includes jobs and activities in science and research.
<b>Exports</b> —goods and services that are sold to businesses in other countries.	<b>Raw materials</b> —materials that are found naturally on the planet that can be used by humans.
<b>Globalisation</b> —The increasing links between countries around the world, as a result of the movement of people, goods, ideas and money worldwide.	<b>Secondary sector</b> —the part of the economy that includes jobs and activities where people manufacture goods from raw materials or other products.
<b>Imports</b> —goods and services from overseas that are brought by businesses in the UK.	<b>Tertiary sector</b> —the part of the economy that includes the jobs and activities which provide a service to people.

## Sectors of the economy

Sector	Example
Primary 	Farming, mining, logging
Secondary 	Manufacturing
Tertiary 	Teachers, doctors, shop assistants, cleaners
Quaternary 	Scientists

Industry locates where there are advantages for that industry. For example

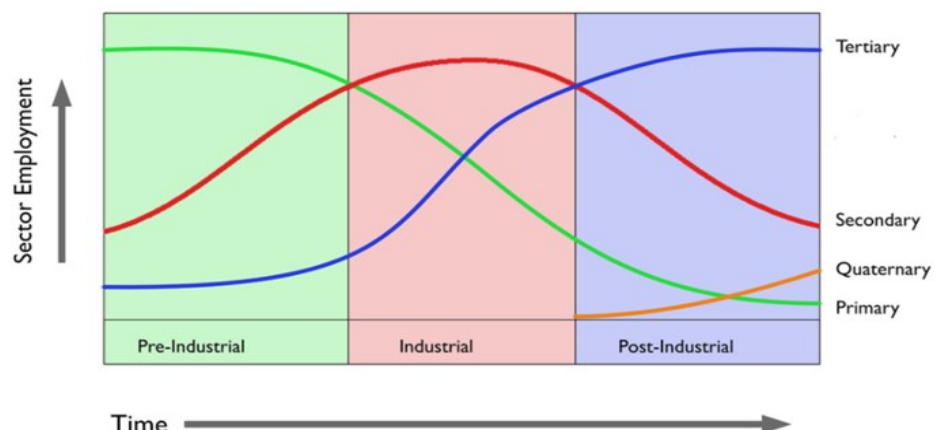
- Fishing in coastal areas;
- Mining in areas where there was raw materials such as coal;
- Ship building on the coast;
- Farming on flat fertile land..
- Tourism occurs in areas where there are physical and human attractions.
- This means different places in the UK have different economic structures.



## Changing sectors of the economy over time.

The economic structure of a country changes overtime.

The UK once relied on primary jobs for most of it's income but today most people are employed in the tertiary sector.



	Reason for change in sector	Impacts
Primary	Mechanisation. Improvements in transport globally and containerisation.	UK primary sector jobs have declined. Increased food miles and increase food choice.
Secondary	Improvements in transport globally and containerisation. Cheaper to produce goods in other countries—eg cheaper labour	Decline of traditional UK industrial town and cities leading to job losses and decline. Water and Air Pollution. Exploitation of NEE and LIC workers.
Tertiary	Increased income for UK workers. Improvements in transport. Improvements in technology.	Increase in service sector jobs e.g coffee shops/baristas. Increase in tourism—cheap air travel. Growth of research and scientific jobs to invent new products.

### Impact of improved transport

Air transport means people and goods move quickly from one place to another. In recent years the cost of air travel has reduced.

Improving roads and railways so journey times are faster and more places are connected.

Container ships make transporting bulky goods quick and easy.



### Trade in the UK

Globalisation and improvements in global transport have led to an increase in trade.

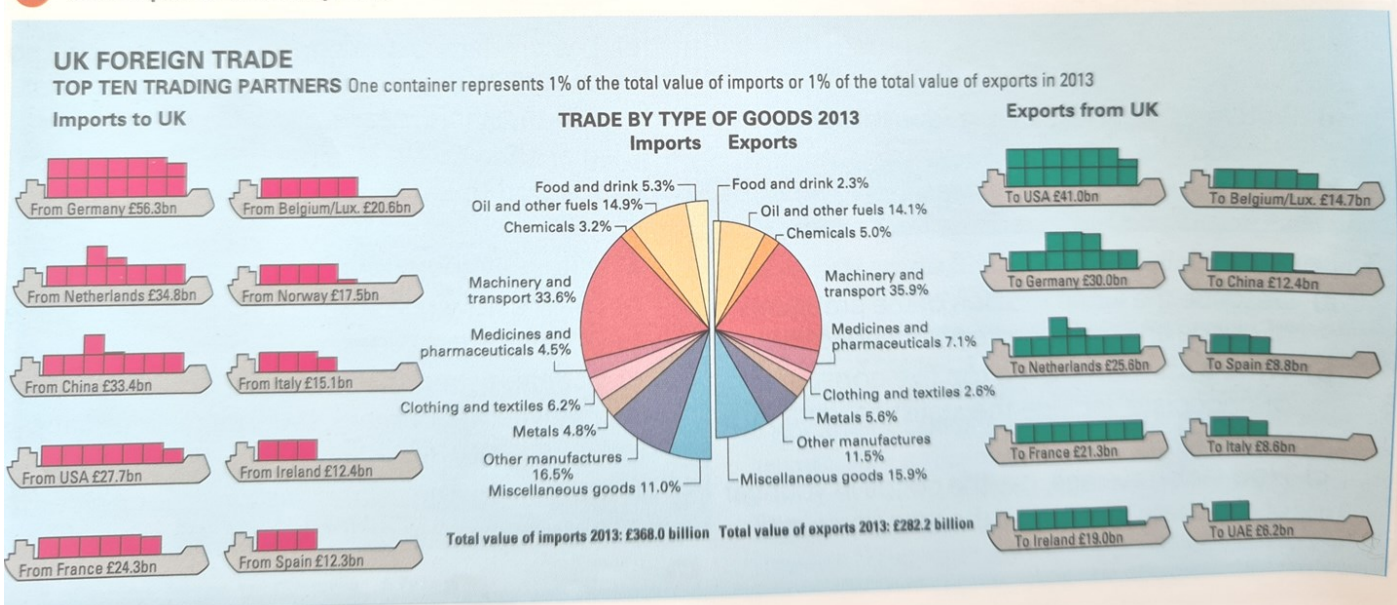
No single country has everything it needs and so countries need to trade with each other. Countries that rely on each other to trade goods and services are interdependent.

Businesses in the UK can earn money from selling their goods and services to consumers overseas, these are called exports.

When a business buys goods and services from a company overseas these are called imports.

The government can charge businesses tax on imports to raise money and protect UK businesses.

### **A** UK exports and imports

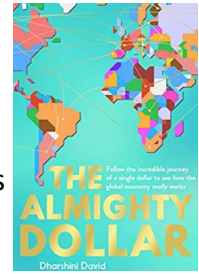


## The UK as part of a global economy.

Globalisation and the growth of trade & TNCs has created a global economy where money is continually transferred between countries.

A dollar spent on a radio in the USA can then travel through several other countries as it is used to buy goods or for investment.

TNCs help transfer money around the world by investing in other countries where they can take advantage of cheaper labour, government incentives and large workforces.



## Role of TNCs in the UK economy

TNCs or multinational corporations are companies that operate in more than one country.

TNCs take advantage of location factors and improved transport to locate in places around the world which will maximise profit.

Nissan is an example of a TNC that has set up a factory in Sunderland in the UK. Nissan is a Japanese car make but is owned by a French car company.

In 1994 Nissan set up a car factory in Sunderland. The reasons for this included:

- Cheap, available land
- Government incentives
- Large, skilled workforce
- Close to large markets to sell cars to.



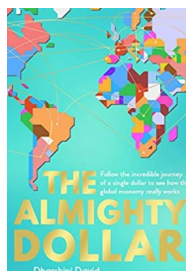
The advantages of TNCs in areas like Sunderland include: Job creation, improved infrastructure, regeneration and training opportunities.

## Jobs in the future

Technology and changing attitudes are changing potential jobs for the future. Growing sectors include:

- Knowledge based sectors, including artificial intelligence;
- The gig economy—short term temporary work found online;
- Green economy and green jobs—for example jobs in recycling, renewable energy production, and low energy consumption housing design.

Want to know more or check your learning? Use these websites to help!



Link to extra reading on economic sectors on BBC bitesize.

