

GCSE



CCEA GCSE: Student Worksheets
3.1 Basic Economic Ideas
Economics

The Private and Public Sectors



For first teaching from September 2017

GCSE Economics - 3.1 Basic Economic Ideas

Topic: The private and public sectors

Learning outcome: – Distinguish between the private and public sectors of the economy.

Activity 1: Which sector of the economy is being described in each case, the private or public sector?

This part of the economy includes services which are controlled by central or local governments	This part of the economy included businesses which are owned and controlled by private individuals. They abide by government laws but are not owned and controlled directly by the government.

Activity 2: Below is a table of characteristics associated with both private and public sector organisations. Tick the appropriate box to match the characteristic to the correct sector being described.

	Public Sector	Private Sector
This sector aims to maximise profits		
This sector aims to make their services accessible to all		
This sector encourages competition between firms		
This sector is owned by private individuals such as shareholders		
This sector may fund their goods and services through tax which has been collected.		

Private sector industries are normally characterised as having a more efficient allocation of resources than those in the public sector. This is because the aim of most private sector organisations is to maximise profits and satisfy shareholder demands. To achieve this costs must be kept as low as possible e.g. through reducing wastage or increasing efficiency of workers.

Activity 3: Sort the following organisations into the 2 groups below;

Oil refinery	Police
Refuse Collection	A farm
An estate agents	Railways
NHS	Fishing
PC manufacturer	Leisure centre
Library	Construction company

Private Sector Organisations	Public Sector Organisations

Activity 4: The public sector can be divided into two categories local and central government. Central government makes decisions regarding taxation and spending across the whole of the UK e.g. defence, whereas local government makes decisions about spending in their local areas e.g. Belfast City Council spent approximately £71m on Leisure and Recreational Services in 2014/2015.

Can you list 3 public services which may be provided by each type of government.

Central Government	Local Government
Defence	Leisure Centres

Activity 5: Put the 9 areas of government spending in order of importance (in **your opinion**) from top to bottom

Military	Education	Healthcare
Refuse Collection	Leisure and sporting facilities	Public Transport
Parks and other recreational areas	Grants and support for new businesses	Grants for agriculture

Most Important

Least Important



Activity 6: Answer the following questions:

1. Explain the main differences between the private sector and the public sector.

2. Why is the existence of the public sector important in the UK?

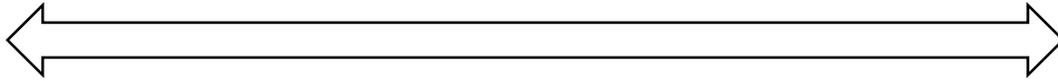
3. Explain one way in which consumers might benefit from the existence of private sector organisations.

Activity 7: For each of the following statements mark your position on the continuum representing the extent to which you agree or disagree with the statement. You must be able to justify your answer.

“The health service in the UK should be provided by the private sector”

Agree

Disagree

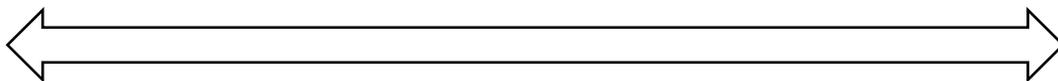


Explain your answer:

“It is important for the government to continue funding services such as libraries and leisure centres in Northern Ireland”

Agree

Disagree



Explain your answer:
