

UK Economic Activity

SCQF: level 5 (6 SCQF credit points)

Unit code: J293 75

Unit outline

The general aim of this Unit is to enable learners to understand the different ways that the UK Government raises taxation revenue and how it spends it. It will enable learners to understand the economic aims of the government, the concept of economic growth, and the causes and effects of inflation and unemployment. Learners will also gain knowledge and understanding of economic activity from a UK and Scottish perspective.

Learners who complete this Unit will be able to:

- 1 Apply knowledge and understanding of the UK Government's economic aims relating to inflation, unemployment and economics growth
- 2 Describe key aspects of government taxation and spending in the UK economy
- 3 Apply knowledge and understanding of the role of Scotland in the UK economy

This Unit is available as a free-standing Unit. The Unit Specification should be read in conjunction with the *Unit Support Notes*, which provide advice and guidance on delivery, assessment approaches and development of skills for learning, skills for life and skills for work. Exemplification of the standards in this Unit is given *in Unit Assessment Support*.

Recommended entry

Entry to this Unit is at the discretion of the centre. However, learners would normally be expected to have attained the skills, knowledge and understanding required by one or more of the following or equivalent qualifications and/or experience:

- ◆ National 4 Business Course or relevant component Units
- ◆ National 4 Numeracy Unit

Examples of other such relevant prior learning and experiences would include an interest in the workings of the economy and current affairs.

Equality and inclusion

This Unit Specification has been designed to ensure that there are no unnecessary barriers to learning or assessment. The individual needs of learners should be taken into account when planning learning experiences, selecting assessment methods or considering alternative evidence. For further information, please refer to the *Unit Support Notes*.

Standards

Outcomes and assessment standards

Outcome 1

The learner will:

- 1 Apply knowledge and understanding of the UK Government's economic aims relating to inflation, unemployment and economic growth by:**
 - 1.1 Outlining a method of measuring unemployment, inflation and economic growth
 - 1.2 Describing causes of unemployment and outlining effects of unemployment on individuals, firms or the UK economy
 - 1.3 Describing a cause of inflation and outlining effects of inflation on individuals, firms or the UK economy
 - 1.4 Outlining briefly how economic growth can be achieved

Outcome 2

The learner will:

- 2 Describe key aspects of government taxation and spending in the UK economy by:**
 - 2.1 Distinguishing between types of taxation
 - 2.2 Distinguishing between types of government spending
 - 2.3 Outlining briefly the impact of government taxation and spending on the UK economy

Outcome 3

The learner will:

- 3 Apply knowledge and understanding of the role of Scotland in the UK economy by:**
 - 3.1 Identifying a main industry in the Scottish economy and outlining its contribution to the UK economy
 - 3.2 Describing briefly types of specialism in the Scottish economy
 - 3.3 Identifying Scottish entrepreneurs and describing the importance of their business on the UK economy

Evidence Requirements for the Unit

Assessors should use their professional judgement, subject knowledge and experience, and understanding of their learners, to determine the most appropriate ways to generate evidence and the conditions and contexts in which they are used.

Evidence can be drawn from a variety of sources and presented in a variety of formats including short written responses and/or recorded oral evidence. Learners should use appropriate economic terminology in their responses at all times and, where appropriate, make use of relevant examples.

Evidence may be presented for individual Outcomes, or gathered for the Unit. If the latter approach is used, it must be clear how the evidence covers each Outcome.

Exemplification of assessment is provided in *Unit Assessment Support*. Advice and guidance on possible approaches to assessment is provided in the *Unit Support Notes*.

Assessment standard thresholds

If a candidate successfully meets the requirements of the specified number of Assessment Standards they will be judged to have passed the Unit overall and no further re-assessment will be required.

The specific requirements for this Unit is as follows:

- ◆ 8 out of 10 Assessment Standards must be achieved.

It should be noted that there will still be the requirement for candidates to be given the opportunity to meet all Assessment Standards. The above threshold has been put in place to reduce the volume of re-assessment where that is required.

Development of skills for learning, skills for life and skills for work

It is expected that learners will develop broad, generic skills through this Unit. The skills that learners will be expected to improve on and develop through the Unit are based on SQA's *Skills Framework: Skills for Learning, Skills for Life and Skills for Work* and drawn from the main skills areas listed below. These must be built into the Unit where there are appropriate opportunities.

1 Literacy

1.1 Writing

2 Numeracy

2.3 Information handling

4 Employability, enterprise and citizenship

4.1 Employability

5 Thinking skills

5.1 Remembering

5.2 Understanding

5.3 Applying

Amplification of these is given in SQA's *Skills Framework: Skills for Learning, Skills for Life and Skills for Work*. The level of these skills should be at the same SCQF level of the Unit and be consistent with the SCQF level descriptor. Further information on building in skills for learning, skills for life and skills for work is given in the *Unit Support Notes*.

Appendix: Unit support notes

Introduction

These support notes are not mandatory. They provide advice and guidance on approaches to delivering and assessing this Unit. They are intended for teachers and lecturers who are delivering this Unit. They should be read in conjunction with:

- ◆ the *Unit Specification*
- ◆ the *Unit Assessment Support packs*

Developing skills, knowledge and understanding

Teachers and lecturers are free to select the skills, knowledge, understanding and contexts which are most appropriate for delivery in their centres.

Approaches to learning and teaching

Topic	Examples of possible learning	Suggested experiences and activities for learners
Government finance	<ul style="list-style-type: none"> ◆ Describing different sources of government income. ◆ Describing the difference between direct and indirect taxation — the main ones reported in the media. ◆ Understanding how recent changes in the balance between direct and indirect taxes affect individuals, businesses and the government. ◆ Describing the main areas of government expenditure and understanding why there is a need for government expenditure. ◆ Understanding the difference between current and capital expenditure and describing what is meant by a transfer payment. ◆ Describing trends in Government spending. ◆ Describing the circular flow of income in a closed economy. 	<ul style="list-style-type: none"> ◆ Working in groups to research information on government spending and sources of income. ◆ Creating graphs/charts illustrate their findings. ◆ Debating current spending issues, eg government debt, how Scotland is dealing with debt. ◆ Use of interactive websites; eg Bank of England education. ◆ Using a diagram to describe equilibrium level of national income in a closed economy.
Government aims (only aims — not how to achieve them)	<ul style="list-style-type: none"> ◆ Describing the main government aims. ◆ Defining real and money income. ◆ Understanding the main causes of inflation. ◆ Understanding the effects of inflation on individuals, firms and the economy. ◆ Defining the unemployment rate and level of unemployment. ◆ Describing ways of measuring unemployment — claimant count, labour force survey, seasonally adjusted. ◆ Understanding the causes of unemployment. 	<ul style="list-style-type: none"> ◆ Giving learners 10 minutes to produce a list of the consequences of inflation. ◆ Allocating one or more of the identified consequences to groups who then make a presentation to the class on the effects of these consequences on prices, savings, wages and unemployment. ◆ Discussing for example the causes and constraints on economic growth in various countries, trends in unemployment. ◆ Researching unemployment rates in different regions of Scotland and presenting the findings using graphs or charts.

	<ul style="list-style-type: none"> ◆ Understanding the effects of unemployment on individuals, firms and government income and expenditure. ◆ Describing what is meant by growth in the economy increase in — total output (GDP), standards of living. ◆ Describing ways of increasing output. 	
Place of Scotland in the UK economy	<ul style="list-style-type: none"> ◆ Describing the different types of industry in Scotland and where it is located, employment, understanding why Scotland specialises in certain types of industry. ◆ Impact of entrepreneurship on Scottish economy. 	<ul style="list-style-type: none"> ◆ Researching Scottish industries. ◆ Researching why multinationals choose to locate in Scotland (eg Avaloq) highlighting the costs and benefits to Scotland. ◆ Researching Scottish entrepreneurs and their impact on the UK economy.

Combining assessment within Units

Assessment could be combined in this Unit by holistically assessing all the Outcomes of the Unit in a single assessment. When assessment within the Unit is holistic, teachers and lecturers should take particular care to track the evidence for each individual Outcome.

Administrative information

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Superclass: EB

History of changes to National Unit Specification

Version	Description of change	Authorised by	Date
1.1	Assessment standard thresholds added Unit Support Notes added	Qualifications Manager	September 2018
2.0	Unit code updated	Qualifications Manager	July 2019

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