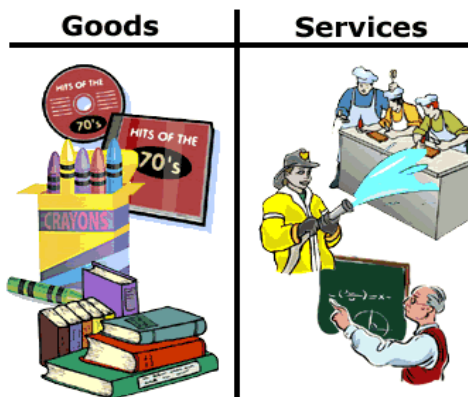


2. While You Read

Goods and Services

As you read, stop at the beginning of each sentence that contains words in bold. Then guess the meaning of the vocabulary.

- **Goods** are products that people or companies make or grow. Some examples of goods are food, televisions, gasoline, etc.
- **Services** are jobs that help others by giving something that is needed or wanted. Teaching would be an example of a service. Doctors provide a service by helping when people are sick.



In the reading you learned about Goods and services; Work with a partner or small group. Discuss the following questions.

- Can you think of goods that you might have created yourself?
- Have you ever provided some type of service to someone?

Jobs that provide services

In general the workers are employed in the different sectors. The key areas of working in these sectors are:

- Retail: is selling goods produced by the secondary sector in shops.
- Tourism: is providing services to people who are travelling for fun.
- Education: is teaching people new skills in schools and colleges.
- Health: is providing services to sick people.
- Banking: is providing financial services, such as lending people money and helping them to invest their money.
- Civil servant, law and other services





Read each scenario and tell whether you are purchasing goods or a service. Write the word **goods** or **service** on each line.

Read each sentence and tell whether you are purchasing goods or a service. Write the word **goods** or **service** on each line.

1. You get your hair cut. 1.
2. You buy a book from a garage sale. 2.
3. You buy your mother a flower from a flower shop. 3.
4. You hire someone to cut your lawn. 4.
5. You visit the doctor for a checkup. 5.
6. You purchase a game to give as a birthday gift. 6.
7. You pay your sister \$5 to clean your messy bedroom. 7.
8. You buy an ice cream cone from an ice cream truck. 8.
9. You take an airplane when you go on a trip. 9.
10. Your brother sells you his old baseball mitt for \$2. 10.

Organize the following words into their appropriate areas of Economic sectors.

Teacher	nurse	shop assistant	baker	dentist
Hairdresser	policeman	waiter	receptionist	fireman
Fishmonger	doctor	cashier	accountant	butcher
Judge	Postman	secretary	Lawyer	

Retail	Tourism	Education	Health	Banking	Civil servant, law and other services
		Teacher	nurse		Baker, Fireman
					Postman, Hairdresser
					Fireman, Policeman
					Fishmonger, butcher

Goods and services

People begin to learn about economics when they are still very young. Even before they start school, they make two very important economic discoveries. They find that there are a lot of things in the world they want. They also find that they cannot have them all. There is a big gap between what they **want** and what they can have.

Later, young people learn another lesson. When they watch television commercials, they discover that there are thousands of things they or their parents could buy. Gradually, they settle into the two major economic roles: consumer and producer.

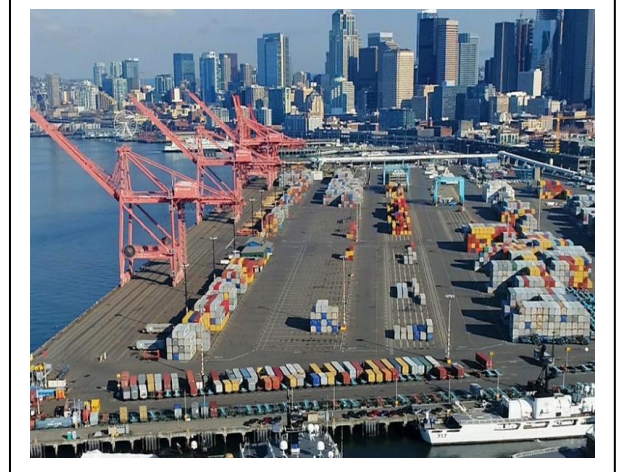
A primary function of television commercials is to help people discover that there are thousands of things they could buy.

In the role of **consumer**, a person buys goods and services for personal use, not for resale. Consumer goods are **products**, such as food, clothing, and cars that satisfy people's economic needs or wants. Some consumer goods, such as food, do not last a longtime. Other goods, such as cars or notebooks, last longer. Sooner or later, consumer goods are used up. **Services** are actions, such as haircutting, cleaning, or teaching. Services are used up at the time they are provided.

A **producer** makes the goods or provides the services that consumers use. A person who shovels snow during the winter or clerks in a store is providing a service. Students working after school or during the summer earn money to buy some of the things they want – players, notebooks, or a car. They are learning about the role of the producer.



Capital goods are goods that are used to produce other items. Tools, machines on a production line, and buildings are examples of capital goods. Some items can be either capital or consumer goods.



The decision on the relative amounts of consumer and capital goods to produce is very important, for it will shape a country's economy for years to come. On the one hand, by creating more capital goods (machines, tools, and factories) the country is adding to its capital resources. With more capital resources, the country will be able to produce more consumer goods and services in the future. On the other hand, by deciding to produce more consumer goods the country will be able to satisfy some of the immediate needs and wants of its population.

3. Reading Skill Development

❖ **State which of the sentences are true and which are false:**

no	sentences	T or F
1	In the role of consumer, a person can buy goods and services for resale.	
2	Some consumer goods, such as food, do not last a longtime.	
3	Tools, machines on a production line, and buildings are used to produce other items.	
4	There is a big gap between two major economic roles – consumer and producer.	
5	A primary function of television commercials is to help people discover that there are thousands of things they could buy.	
6	Services are products, such as haircutting, cleaning, or teaching.	
7	A producer provides the services that consumers use.	
8	Some items can be both capital and consumer goods.	
9	The decision on the relative amounts of consumer and capital goods to produce will shape a country's economy for years to come.	
10	With more capital resources, the country was able to produce more Consumer goods and services	

❖ **Fill in the blanks with the appropriate words**

clothing	resources	adding	resale
relative	capital	producer	shovels

1. Gradually, people are divided into two major economic roles: consumer and _____ **producer** _____ .
2. Consumer buys goods and services for personal use, not for _____
3. Consumer goods are products, such as food, _____ , and cars.
4. A person who _____ snow during the winter is providing a service.
5. Buildings are examples of _____ goods.
6. The decision on the _____ amounts of consumer and capital goods to produce is very important.
7. The country is _____ to its capital resources.
8. With more capital _____ , the country will be able to produce more consumer goods.

❖ **Match the words in the right column with the words in the left column to make word combinations.**

no	Words		words	Answer / word combinations
1 -	economic	a	a service	Economic discoveries
2 -	television	b	money	
3 -	services	c	commercial	
4 -	to provide	d	line	
5 -	to earn	e	a country's economy	
6 -	to produce	f	for personal use	
7 -	production	g	amount	
8 -	relative	h	discoveries	
9 -	to shape	i	needs	
10 -	immediate	j	other items	

Answers

Read each sentence and tell whether you are purchasing goods or a service. Write the word **goods** or **service** on each line.

- | | |
|---|-------------------|
| 1. You get your hair cut. | 1. service |
| 2. You buy a book from a garage sale. | 2. goods |
| 3. You buy your mother a flower from a flower shop. | 3. goods |
| 4. You hire someone to cut your lawn. | 4. service |
| 5. You visit the doctor for a checkup. | 5. service |
| 6. You purchase a game to give as a birthday gift. | 6. goods |
| 7. You pay your sister \$5 to clean your messy bedroom. | 7. service |
| 8. You buy an ice cream cone from an ice cream truck. | 8. goods |
| 9. You take an airplane when you go on a trip. | 9. service |
| 10. Your brother sells you his old baseball mitt for \$2. | 10. goods |

no	sentences	T or F
1	In the role of consumer, a person can buy goods and services for resale.	F
2	Some consumer goods, such as food, do not last a longtime.	T
3	Tools, machines on a production line, and buildings are used to produce other items.	F
4	There is a big gap between two major economic roles – consumer and producer.	F
5	A primary function of television commercials is to help people discover that there are thousands of things they could buy.	T
6	Services are products, such as haircutting, cleaning, or teaching.	F
7	A producer provides the services that consumers use.	T
8	Some items can be both capital and consumer goods.	F
9	The decision on the relative amounts of consumer and capital goods to produce will shape a country's economy for years to come.	T
10	With more capital resources, the country was able to produce more Consumer goods and services	T

❖ Fill in the blanks with the appropriate words

clothing	resources	adding	resale
relative	capital	producer	shovels

1. Gradually, people are divided into two major economic roles: consumer and _____ **producer** ____ .
2. Consumer buys goods and services for personal use, not for ___ **resale** _____
3. Consumer goods are products, such as food, ___ **clothing** _____ , and cars.
4. A person who ___ **shovels** ___ snow during the winter is providing a service.

5. Buildings are examples of ___ **capital** _____ goods.
6. The decision on the ___ **relative** _____ amounts of consumer and capital goods to produce is very important.
7. The country is ___ **adding** _____ to its capital resources.
8. With more capital ___ **resources** _____ , the country will be able to produce more consumer goods.

❖ **Match the words in the right column with the words in the left column to make word combinations.**

no	Words		words	Answer / word combinations
1 - h	economic	a	a service	Economic discoveries
2 - c	television	b	money	Television commercial
3 - f	services	c	commercial	Services for personal use
4 - a	to provide	d	line	to provide a service
5 - b	to earn	e	a country's economy	to earn money
6 - j	to produce	f	for personal use	to produce other items
7 - d	production	g	amount	Production line
8 - g	relative	h	discoveries	Relative amount
9 - e	to shape	i	needs	to shape a country's economy
10 - i	immediate	j	other items	Immediate needs

❖ **Put the words in the correct order to make sentences.**

1. 90% / new/ would/ a/ of/ type/ bank/ revenue/ that/ of/ its/ earn
2. course/ a/ of/ organization/ particular/ be/ action/ advantageous/ would/ or/ to/ profitable/ an
3. wants/ to/ encourage/ the/ exports/ government
4. discovering/ priceless/ name/ can/ many/ that/ well-recognized/ companies/ a/ brand/ are/ be
5. gap/ the/ the/ new/ small/ range/ market/ cars/ of/ fills/ a/ in
6. are/ and/ Canada/ of/ France/ major/ Germany/ industrial/ Italy/ group/ Japan/ the UK/ the US/ a/ nations/ central
7. consumables/ have/ because/ used/ up/ they/ are/ are/ items/ the/ to/ that/ be/ on/ regular/ bought/ a/ basis
8. students/ business/ vocabulary/ basic/ book/ this/ provides/ the/ with/ the/ used/ in
9. bill/ include/ does/ service/ the
10. calculated/ exchange/ bank/ clerk/ dollar/ the/ the/ the/ rate/ of/ for

