Chapter 11: The Atlantic Economy

* All the goods and services that you use in a day are related to different types of activity in our economy. These activities are broken into four sectors:

1. **Primary Industry** which refers to activities in which people *use, extract or harvest* natural resources such as water, soil, fish, animals, plants and trees. Their products are *only slightly altered* before they are used. Fishing, mining, forestry, and agriculture are all primary industries.
2. **Secondary industries** process raw materials into finished goods. During this manufacturing, raw materials are processed into products that are substantially different from the original materials. The materials are worthy more in their manufactured form than they were in their unprocessed or raw form. This increase in value is known as **value added.**
3. **Tertiary industries:** This sector enables consumers to obtain and use the finished goods. Workers in the tertiary sector of the economy provide services rather than goods. Sales, repair services, banking, and insurance are all part of this sector.
4. **Quaternary Industries:** This sector involves specialized technology. Research scientists and computer software designers are examples of people who work in this sector. Because this sector usually provides services rather than goods, they are often grouped together with tertiary industries.

The above industries combine together to form the Gross Domestic Product (GDP). This is the total value of goods and services within a given area in a given year. This can be given for a province, a region or a country. Economists pay close attention to the GDP, because it indicates whether an economy is growing, staying the same or getting smaller. GDP is measured per capita (this means per person)

Natural resources are the materials found in the natural environment that humans can use to satisfy their needs and wants. A natural material is considered to be a resource only if three conditions are met:

1. Society feels it needs the material
2. Technology is advanced enough to extract or harvest the material
3. It must be economical enough to extract the material and put it to use

For centuries, primary resources have formed the basis of the Atlantic region’s economy. However, recently most of the primary resources are becoming depleted – this means used up (as is the case with the fisheries). Others are in decline because of the changing consumer demand (as is the case with coal mines). Others have suffered because of stiff competition (as is the case with lumbering).

Technology has also made a difference in primary industry. At one time some of these industries required many skilled workers, whereas now machinery has taken over many of these jobs.

The three main industries in New Brunswick that are associated with natural resources are:

1. Forestry
2. Mineral production
3. Farming

Forestry is the most important industry in New Brunswick as it contributes a large percentage of the province’s GDP.

Aquaculture or “fish farming” is a popular industry in all Atlantic provinces. This practice helps to replace declining fish stocks. It has proven to be a successful activity in our region

**Activity**:

Use the maps and legends on pages 160 and 161 and answer these questions:

1. Where are the pulp and paper mills located in our region (Miramichi)? Are these still in operation?
2. What types of farming do we do here and near here?
3. What types of farming are found in New Brunswick?
4. What types of mining are done in New Brunswick?
5. Why is there such a large area of non-agricultural area in New Brunswick?

**Primary Industry**

**Fishing**

The waters of the Atlantic are ideally suited as fish habitat. In these waters, the warm Gulf Stream and the cold Labrador current mix together and attract a large array of fish. Also, the continental shelf off the coast of Atlantic Canada creates good conditions to help microscopic floating plants that form the foundation of a complex food chain that supports fish.

**Forests, Farming and Mining**

Our forests are consumed by fires, making lumber and making pulp and paper. Our forests provide us with materials we need and they create employment. They produce oxygen, protect the soil from erosion and provide a habitat for birds and other wildlife. They also provide many opportunities for people to enjoy a natural environment.

Mining refers to taking minerals from the earth. These can be metallic, non-metallic, or fossil fuels. We use these minerals to create heavy equipment, heating fuel, household appliances and many more items. We mine using the “open-pit” method or the shaft method.

Farming is a set of activities devoted to producing foods and other products from the land. There are six types of farming in Atlantic Canada;

1. vegetable
2. livestock
3. dairy
4. egg
5. fur
6. mixed farm

**Mining at Voisey’s Bay** Read pp. 164-165 on

1. Briefly describe what happened at Voisey’s Bay.
2. What kind of minerals did they find?
3. What do you think mining will do to the environment of Voisey’s Bay.

**Potato Farming in PEI** Read pp.166-167

1. Describe Gordon Sobey’s farm.
2. What is crop rotation? What is contour plowing?
3. Focus on Figure 11.10, question #2.
4. Figure 11.12 – question

**Secondary Industry**

1. Name 4 secondary industries.
2. There are two types of manufacturing. Name and describe, with an example, each type.
3. Question for Fig.11.13

**Processing Potatoes: Have a French Fry!** Read pp.170-172

1. Question for Fig. 11.14 & 11.15
2. Do question 1b from p.172

**Homework for Weekend: Question 6A p.172-**

* ***use visuals to show the types of facilities and equipment used in the industry;***
* ***include a list of jobs in this industry;***
* ***maybe a map to show where the industry gets it raw materials or where it sells its products.***
* ***A large, well-printed title with headings can draw attention to the poster and its components***

Secondary industries include:

* Manufacturing – two types of this are first-stage (processing raw materials) and second-stage (using processed materials to make finished products)
* Construction
* Transportation
* Utilities (hydro and gas)

Secondary industries are related to primary industries often being a direct effect of that primary industry; eg: a lumber mill or a canning plant growing out of forestry or fishing industries.

**Tertiary & Quaternary Industry**

This sector provides services rather than goods and includes jobs in tourism and hospitality, stockbrokers, business consultants, accountants, nurses, teachers, and many more.

There is sometimes a close link with primary and secondary industries. For example, forestry relies on mechanics and technicians to fix the harvesting machines. Agriculture needs weather forecasters/meteorologists.

* Read p.172

1. What do these two types of industries provide?

Tertiary and Quaternary industries provide services rather than goods.

* Read p.173

1. On p.174, do questions 1 a+b

Nutritional labelling is information on the contents of food, including percentages of protein, fat, vitamins, etc.

The nutritional labelling tells you the **units of measurement** used and the **percentage/amount of contents** (ie: protein, carbs, sugar, fat), it gives warnings (ie: ‘Not an excellent source of iron or protein’) and it provides the **serving size**.

2C) From looking at the pie chart created in class, overwhelmingly the Tertiary sector is the most important to the economy of New Brunswick. However, we could not survive without having a primary economy and a secondary economy because you need the products/goods from the first two to provide services in the third sector. Specifically, forestry would the primary industry that is the most important to New Brunswick. You can’t make any of the secondary goods without the original wood. And you wouldn’t be able to sell that product, or provide services to the employees of the primary and secondary industry connected to forestry. While one of the smallest sectors of NB’s economy, the primary sector is the beginning building block that everything else is built on.

1. On p.174, do 2C (make this paragraph 5-8 sentences in length, it will be assessed)

* Read pp.174-177

1. On p.177, do questions 1, 3 (see sample below), 4a+b

Explorations p.177

|  |  |
| --- | --- |
| Characteristics of the New Economy | How JOT exemplifies them |
| *Main industry*: Knowledge based | Depend on a workforce trained in technology who train others in technology, They use tech, software, etc. |
| *Labour Force*: Information processors | Use advanced information technology; their students are trained to use these technologies for the workplace |
| *Education*: Advanced | Employees need a good academic background; need to be highly qualified and specialized |
| *Literacy*: Essential | Employees need to be able to communicate effectively with clients; need written and verbal skills as well as computer literacy |
| *Reliance*: Self-reliant | The company started with a contract that provided up-front financing. Their training promotes self-reliance in new workers |
| *Main organizations*: Small firms | 25-50 employees working on projects |
| *Entrepreneurship*: Highly developed | JOT keeps an eye on marketplace, adapts to market conditions and uses broad-based marketing strategies |
| *Labour relations*: Cooperative | Ms. Misener recognizes “employees are the most important resource the company has.” Rely on teamwork to remain successful |
| *Number of industries*: Many | Serves many industries; constantly looks for needs and how to fill them. |
| *Technology*: Rapid change; merging fields | JOT employees use the latest technologies to provide different types of service; train in latest tech |