

English for Life in the UK: Episode 13, The Economy

Welcome to Episode 13 of the Podcast English for Life in the UK. This podcast is for intermediate-level learners of English and is produced by a group of volunteer teachers from the St. Augustine's Centre in Halifax, Yorkshire, where we provide a range of support and advice to those in need and in particular to asylum seekers, refugees and migrants. This podcast follows and supports the course we are teaching at the Centre, but we hope it will be helpful to anyone wanting to improve their English and at the same time learn more about life in this country.

A reminder that the transcript - that is the written version of this episode - will be available soon on our website ...www.staugustinescentrehalifax.org.uk

Today's episode is about the economy and it's brought to you by Christine, John and myself, Mark.

[Music]

- M: So, this week we are doing about the economy and we are going to look at the public sector and the private sector parts of the economy. So Christine - what do we mean by the public sector?
- C: Well, that's the part of the economy that's paid for by the government, either central government or by local government. They collect taxes in lots of different ways, but they collect money in and then they spend it on the good of society - for example, health care, education, defence.
- M: OK - And when we were talking with our students - we asked them what did they think would be the highest areas of spending in the public sector by the Government, and that was interesting, wasn't it?
- C: It was very interesting because they all thought that the highest, the biggest, expense would be defence, where actually, that's really quite a small part of public spending - it's about 6%. So I asked them why they thought it was defence and they see a strong army - they see it and that's why they think it. Interestingly, when we had the exercise, I invited them to say which areas they would like to spend - which areas of spending they would like to see increased. They didn't want defence spending to be increased. They were glad it was only 6%.
- M: What were the areas they came up with that they would want to see ...

(3:32 minutes)

- C: Let me tell you what the current spending is, at the moment, the current proportion of spending, approximately, and then we could talk about how they would change it. At the moment, the UK government spends almost 20% of revenue on pensions; 18% on health care; 14% on welfare
- M: Tell us what do we mean by welfare and what would that include?
- C: It means a whole range of things - care for older people, extra support for people who can't work, so unemployed people perhaps, some people with disabilities, and also personal and social care for elderly people or other people who can't look after themselves.
- M: So that's welfare.
- C: Yeah. Education is 11% or has been 11% of the public spending; defence 6%; Protection, it's called, but that means the Police, fire fighters, prisons - 4% of the public purse is spent on that; Transport, likewise, is 4%; and then of course, 6% - similar to the amount spent on defence - is spent on servicing the national debt, paid in interest.

M: So that's the money that the government has borrowed and that's the other way it gets money in, as well as taxes; it borrows money, and that's the interest that the government has to pay on that money it's borrowed.

C: It does. And we chose to consider the economy *today*, that was because, yesterday, was the budget and that's the day when the Chancellor reveals plans for spending for the year ahead, or for years ahead, in some cases - plans for future spending. And so, I invited them to imagine that they were the Chancellor and asked them to say what spending they would like to increase and what to decrease.

M: That was interesting, wasn't it? I remember I think that one of them argued for more money for education and her argument was that actually, a more educated workforce would actually be more productive and that science - uses of science - would help to improve things in society, so we need scientists, so education is important for that. I thought that was a good argument.

[6:05 minutes]

C: I did as well. And also, somebody argued for healthcare to be increased, money to healthcare. And essentially the argument is, of course, without good health, one can't do anything else. It's essential. I expected them to suggest that they'd spend less money on pensions - 20% seems rather a lot, but no - nobody argued for that.

M: Christine and I were pleased with that because we are pensioners, we were delighted to hear that

C: We were laughing about that!

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M: Money to be spent - so that was good

C: But also, nobody wanted to increase defence spending but we looked also at what the Chancellor, himself, came up with and it was interesting that, in this budget, this year, there has been a large, very substantial increase in public spending. And I am talking about this without having all the facts in front of me, so I won't go into detail, but he is planning on a big increase in education spending, a big increase in health spending, but, he said that, of course, because of the corona virus emergency at the moment, that spending for the national health service can be whatever is required.

M: What else did the chancellor do yesterday?

C: Well, he's promised a lot of - a big investment into the regions as well. I know that West Yorkshire, this region is going to get several £ billions to spend locally on improved transport, and like Manchester, in future, they will have their own mayor and become a separate region.

M: I think we'll talk about that in the next session, when we will talk about local government, so we can give more information about that there ...

C: Yeah. Good idea. There was also increased spending on transport, on rail and on roads.

M: You said it was - you said "unusually" - why did you say "unusually big increase" in public spending?

C: Well I think, John, I think you explained that and very, very well, about the traditional spending patterns of the Conservative and Labour Governments.

J: Broadly speaking, we explained that traditionally, the Labour Party would be more inclined to spend more money on public services, so more money on education, health, social care whereas the

Conservatives, broadly speaking, would not spend quite as much on public services and would push for lower taxes for people and corporations, ...they see that as a better way to grow the economy.

C: So, it was very surprising yesterday, when the Chancellor put forward such a massive increase in public spending.

J: I think it has been on the cards, so to speak, for a while because, the current government has been in power for 10 years and the austerity programme has seen quite a large drop in public spending I think they realize that people have had quite enough of that and they are trying to rebalance things a little bit.

[10:00 minutes]

M: So, then we went on to look at the private sector. John you looked at different aspects of the private sector so tell us a bit about that.

J: Yes - We explained that broadly, the economy is split into public and private sectors, so in terms of - Christine examined the public sector spending in the budget, in government and local government. So, I went on to look at the private sector, so extraction of raw materials, coal mining, the oil industry, things like that - but basically, we broke it down into three sectors in the private sector - So the primary sector, so we looked at farming, oil extraction, coal extraction in the UK and explained how historically they'd been important factors in the UK economy. We went on to look at the secondary sector - or the manufacturing sector - so we looked at manufacturing, automotive plants, commonly known as the service sector, which is increasingly important in the UK economy, so we looked at things like tourism, retail, restaurants. and ...the big one we examined was the financial sector.

M: What will the financial sector include?

J: Well, we explained that it's quite often referred to as the City of London and high street banking, the banks that we use for our money, industrial banking and the insurance sector, things like that. So we explained what a big part of the UK economy that is - how it links us with economies across the world.

M: So, in fact, those three sectors have changed significantly over time?

J: Yeah, we looked at the modern, contemporary economy and some of the most important things are the things that people as they come to live here will be finding jobs in, and will be finding employment in, but we looked at it from a historical perspective, if you like - a primitive economy would be very heavily invested in the primary sector. So most people would work in farming, agriculture, fishing, then raw material extraction as our economy developed through the industrial revolution, people were freed up to work in manufacturing, so people moved into mass production of clothing, machine tools, eventually transportation, automotive, things like that. And we kind of explained that in that century, the economy sort of reached its sort of apex, in the late 19th and early 20th century we went on to explain that in the post-war world, things like ship building, manufacturing, textiles had dropped off considerably and they were very quick to realize we went through the iPhones we were using, the clothes we were wearing - they recognized very quickly, these things are probably made in Taiwan, Vietnam, Bangladesh, China - and the UK economy has developed into being more reliant on the service sectors, things, as you say, like banking, finance, retail.

M: Tourism is the big one.

J: Tourism yeah, I was quite surprised, I think they said it were 10% of the UK economy is based around tourism. I knew it was a large part but I was surprised it was that -

- C: Is it because that we are here, in Halifax - it doesn't really get its share of tourism.
- J: Well we looked at ... we always try and put a local spin on things - when we are walking through town, we walk past lots of empty textile mills, don't we? Which 40 or 50 years ago, they would have produced all the clothes we wear, now these buildings and areas have been turned over to perhaps, IT offices, advertising offices, and we explained about the Piece Hall.
- C: Gyms
- J: Things like that
- C: Restaurants, service centres
- J: And we looked at the Piece Hall, the things that had been done in and around the Piece Hall - the retail section within the Piece Hall, the cinemas, the attractions that they put on. So, you can see Halifax as a kind of microcosm of moving away from manufacturing and moving towards being more reliant on the service economy.

[Music 14:49 minutes]

Language Support

In this part of the Podcast, I'm going to identify a few pieces of vocabulary and phrases from this episode and provide a bit of additional explanation and help with them.

So I'm going to start with the Chancellor - Christine talked about the Chancellor - the Chancellor - his full title is Chancellor of the Exchequer. He is a politician - he or she, 'he' at the moment, is a politician - a member of the Government, of the Cabinet and next to, after the Prime Minister, the Chancellor of the Exchequer is usually regarded as the next most important member of the government. And his or her responsibilities are for the economy, and for the public finances.

When John was talking about different parts of the private sector, he referred to automotive plants. And just to explain that basically means car factories - places where cars are made.

And that is one example of another phrase that John used which is mass production. Mass production is when lots of the same product or thing are made in the same place using a common process, so most factories operate some kind of mass production.

When we were talking about the local issues, we talked about the Piece Hall in Halifax. Now for those of you who are not from Halifax or didn't listen to our earlier episode about the Industrial Revolution, the Piece Hall is a magnificent 18th century building in Halifax which used to be a place where pieces of cloth were traded. It was large market for cloth and it's called the Piece Hall - as in a 'piece' of cloth. Today, it is a tourist attraction: the building has been well looked after and restored. There are shops, there are restaurants and other attractions there. So that is the Piece Hall in Halifax. You can Google it and have a look at the information about it if you are interested. It is well worth a visit if you are local or in this area.

Next I wanted to pick up on two interesting phrases or idioms - that John used.

He said, speaking of the fact that the government had decided to spend quite a lot more money in this year's budget, that this had been "on the cards, so to speak". When something is "on the cards" it means its likely to happen: people have been thinking about doing it, planning to do it, it was on the cards.

John then said, "one the cards, so to speak" and that is because it is an expression or an idiom; it's not a literal translation, so nobody had actually written something on a card, but it was something that was likely to happen and the phrase that's used, the expression is 'that something is on the cards'.

The second one that John used was also, he said that we were going to put a "local spin on things". To "put a spin on" something is to present something differently - in this particular case, we were talking about the economy and so we then spent some time thinking about how this applied locally, in the case of the Piece Hall, for example, so we put a local spin on what we had been saying about the economy, generally. This is also used often in political talk where we would say that a particular political party or the government has put a spin on something and that means very often they have tried to present something in rather a better light than it might otherwise have been, to look like make something better than it really was. And in fact, there is an expression -

a person who works at the government, who helps them to get their case across, is often called a "spin doctor". That is someone who works for a politician and helps to get their case over to the public, generally often by slightly over-emphasizing the good things about something and underplaying the bad things.

So that's it for this week, I hope those expressions have been useful. Just a reminder again that the transcript for this episode will be available in a few days' or weeks' time on our website, If you google St. Augustine's Centre, Halifax, then you will be able to find a link to our website and on the website, on the front page, is information under the heading of English for Life in the UK - and there is a link there to both the Podcasts and the transcripts.

Thank you again for listening. Good bye.