

Economic Activity: factors affecting location.

Industry (theory)

How can industry be classified?

Industrial Systems

What affects the location of industry?

Multinational Companies

How can industry be classified?

There are four types of industry. These are primary, secondary, tertiary and quaternary.

Primary industry involves getting raw materials e.g. mining, farming and fishing.

Secondary industry involves manufacturing e.g. making cars and steel.

Tertiary industries provide a service e.g. teaching and nursing.

Quaternary industry involves research and development industries e.g. IT.

Industrial Systems

Factories have inputs, processes and outputs. Inputs can be the raw materials need to make something. Inputs can also be labour, buildings, capital and machinery. Processes are the things which go on within the factory. This is usually the manufacturing of goods. It can also be design and research - anything needed to make something. Outputs are the things which leave the factory. This can include the finished product, profit or even waste.

What affects the location of industry?

There are many factors which affect the location of industry. These include raw materials, labour supply, markets, transport and Government Policy.

Multinational Companies

MNCs or Multinational companies are large companies which are located in more than one country. Examples include Coca Cola and Nike.

Agriculture

What is the farming system?

How can farms be classified?

What is shifting cultivation?

What is the Common Agricultural Policy (CAP)?

What is the Green Revolution?

What is the farming system?

Farming is an example of a primary industry. Like a factory, a farm can be seen as a system with a series of inputs, processes and outputs.

Inputs can be divided into human and physical factors. Human inputs include labour, capital (money), machinery, seeds, fertiliser and young stock. Physical inputs include climate and weather, soil, relief (shape of the land) and slope.

Processes are the things that go on within the farm. This includes harvesting, ploughing, rearing animals and milking.

How can farms be classified?

Farming systems are determined by the type of farm. Farms can be classified as being arable, pastoral, mixed and market gardening.

Arable farms grow crops. **Pastoral** farms specialise in rearing animals. **Mixed** farms are both pastoral and arable.

Farms that have a high level of inputs are **intensive**. These achieve a high yield per hectare. An example would be arable farming in East Anglia or rice farming in South East Asia.

Those farms that have low input and output per hectare are **extensive**. An example would be a sheep farm in North Wales or a cattle ranch in Brazil.

Farms can also be classified by what happens to their outputs. On **subsistence** farms the produce is consumed by the farmer. Any surplus is usually sold to buy other goods. Farms that sell the majority of their produce are known as **commercial** farms.

Examples of farm types:

	Extensive	Intensive
Commercial	Hill sheep farming in Snowdonia. The poor	Market gardening in the Netherlands.

	soils and harsh climate make this area ideal for hill sheep farming.	
Subsistence	<u>Shifting cultivation</u> in the Amazon rainforest Nomadic pastoralism in central Africa	Rice farming in the Punjab region of India. The system requires a large amount of inputs e.g. labour, seeds and fertilisers. Usually the produce is consumed by the farmers. Any food left over is traded for other food, machinery or other resources.

Secondary Industry

Hi-Tech Industry

[What is a footloose industry?](#)

[What is the Hi-Tech Industry?](#)

[Science Parks](#)

[Case Study - Cambridge Science Park](#)

What is a footloose industry?

Footloose industries are those that do not have to locate close to raw materials (unlike the early iron and steel industry that had to locate close to iron ore and coal etc). Footloose industries locate in pleasant environments near transport routes and near the markets. An example of a footloose industry would be a hi-tech industry such as computing. Footloose industries have to locate close to research centres like universities. Development in the hi-tech industry happen so fast that companies need to stay up to date to survive e.g. Science Parks around Cambridge. Footloose industries are usually non-polluting and can locate close to residential areas.

What is the Hi-Tech Industry?

A High technology (Hi-tech) industry is one that produces sophisticated products. There is a significant emphasis on research and development. Often the 'raw materials' are electrical components. Examples of Hi-tech industries include:

- Computers
- Telecommunications
- Aerospace and military equipment

Science Parks

Science Parks are located on the edge of cities in greenfield locations. Many of the firms located in science parks are connected with information, high-technology, and electronic industries. Science parks have direct links with universities for research. They have attractive layouts with grassy areas, ornamental gardens, ponds etc. An example is The Cambridge Science Park.

The Cambridge Science Park

The Cambridge Science Park is on the edge of Cambridge, alongside the M11 and the A10. It is located here because it is very accessible, land values are lower on the edge of an urban area and there is plenty of open space for expansion. A number of companies have links with research departments at Cambridge University. You can find out more about the Cambridge Science Park [here](#).

Secondary Industry

Steel Industry

Why is there a modern coastal steel works at Redcar-Lackenby?

Why is there a modern coastal steel works at Redcar-Lackenby?

The initial advantage of this area was the availability of raw materials such as coal (Durham Coalfield), Lime stone (North Yorkshire and Durham) and Iron Ore (Cleveland Hills) for the early iron and steel industry.

Nowadays the main heavy industry in this area is steel manufacturing. In 1976 one of the four remaining integrated iron and steel works in The UK was constructed at Red-Car Lackenby on the River Tees. The steel works is located at the mouth of the River Tees. Can you find it on the map below? (Move your mouse over its location)

There are a number of reasons for this location:

1. There are large areas of flat, reclaimed land near the mouth of the river.
2. The River Tees is a deep water port. This is essential for importing raw materials (coals, iron ore and Limestone) from cheaper markets in Europe and exporting steel around the world.
3. The river provides water necessary in the manufacturing process
4. The estuary is downwind from the main urban areas on Teeside. Therefore air pollution disperses over the North Sea
4. Skilled labour force

Shopping Hierarchy

What is a shopping hierarchy?

What was the British shopping hierarchy of the 1960's and 1970's?

What is today's British shopping hierarchy?

What is a shopping hierarchy?

Shops can be placed into a hierarchy based on the services they provide. At the bottom of the hierarchy are small shops selling low order, convenience goods (e.g. bread and milk). At the top are the shops selling high order goods (e.g. furniture and electrical goods).

What was the British shopping hierarchy of the 1960's and 1970's?

The shopping hierarchy for Britain in the 1960s/70s. At the bottom are corner shops. These sell low order goods. They are greater in number than any other shopping area. Above the corner shops are suburban parades and secondary centres. These sell middle order goods. This is usually a mixture of convenience and specialist goods. There are usually several of these areas within a large settlement. At the top is the CBD (central business district - town/city centre). There is usually only one CBD in a town or city. The CBD contains shops which sell comparison goods (shops containing goods which you will compare the prices of - due to their expense!), luxury and specialist shops.

What is today's British shopping hierarchy?

The CBD is no longer at the top of the shopping hierarchy It has been superseded by regional shopping centres (e.g. Meadowhall, The Metro Centre and Merryhill). Due to increased mobility (the result of increased car ownership)

people can travel further to shops, visit shops with a wider range and volume of stock and buy in bulk.

There have also been other, less obvious, changes in the settlement hierarchy. For example the number of corner shops have reduced. This is the result of greater mobility, the limited and often expensive range of goods available and due to more people being paid monthly they buy in bulk from supermarkets.

In some areas CBDs have declined due to competition with regional shopping centres. Dudley is an example of this. The construction of the Merryhill Shopping Centre has caused huge problems in Dudley the local CBD. Many shops have closed or moved to the shopping centre.

Factors effecting the location of industry

Flat land with good stable soil

Good power supply e.g. near power station

A market near by where the goods can be sold

Government policies (grants and incentives)

Technology available in the area

Local facilities

Transport links

Labour (workers living near by)

Raw materials

Natural route for transport