Skills Build Output

Trace how education and training can affect GDP per person.

SS6E3.b "Explain the relationship between investment in human capital (education and training) and gross domestic product (GDP per capita)."

NAME ______________________ DATE ______________

1 READ AND MARK

Read it twice

YOUR JOB Underline examples of education or training that build human capital. Circle the sentences that describe how these investments can change GDP per capita.

Learning, Work, and GDP

(1) Gross domestic product, or GDP, is the value of final goods and services made in a country during a year. GDP per capita is GDP divided by the number of people, so it is a way to compare economic output per person. Human capital means the useful knowledge and skills people gain through education, health, and training. In Canada, schools, colleges, apprenticeships, and workplace programs can build human capital. Workers use these skills to make products, provide services, solve problems, and use technology.

(2) Investment in human capital happens when governments, businesses, families, or workers use time and money for education and training. For example, a business may train workers to operate new equipment safely. A government may support technical schools that teach computer repair, nursing, or skilled trades. These investments can help workers do tasks more accurately and efficiently. Businesses may produce more valuable goods or services in the same amount of time. When total production rises faster than population, GDP per capita can rise.

(3) Countries in Latin America also invest in human capital. In Costa Rica, education and training can prepare people for work in tourism, manufacturing, health care, and technology services. Better-trained workers may help these industries improve quality or adopt new methods. That can add to a country's GDP and, if output grows faster than population, its GDP per capita. However, education alone does not guarantee growth. Jobs, tools, transportation, stable institutions, and demand for goods and services also affect GDP per capita.

2 ANSWER WITH EVIDENCE

Use the passage

1. Identify one investment in human capital from the passage. What skill can it help workers develop?

2. How can training workers to use new equipment affect the value a business produces?

3. What must happen for a rise in total production to raise GDP per capita?

4. Why does education alone not guarantee that GDP per capita will grow? Name two other factors from the passage.

3 YOUR TURN

Your own words

Choose a community in Latin America or Canada. In 4 or 5 sentences, propose one investment in education or training, explain how it could increase output, and name one other condition needed for GDP per capita to rise.

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PART 1 · READ AND MARK

Underline examples of education or training that build human capital. Circle the sentences that describe how these investments can change GDP per capita. Accept any marking that follows this job and points at the right text.

PART 2 · ANSWERS

#	QUESTION	ANSWER
1	Identify one investment in human capital from the passage. What skill can it help workers develop?	**A business can train workers to operate new equipment safely. This develops skills for using equipment.**
2	How can training workers to use new equipment affect the value a business produces?	**Training can help workers do tasks more accurately and efficiently. The business may produce more valuable goods or services in the same amount of time.**
3	What must happen for a rise in total production to raise GDP per capita?	**Total production must rise faster than the population.**
4	Why does education alone not guarantee that GDP per capita will grow? Name two other factors from the passage.	**Other factors also affect GDP per capita. Any two: jobs, tools, transportation, stable institutions, or demand for goods and services.**

PART 3 · YOUR TURN (SAMPLE ANSWER)

A community in Colombia could fund training for solar-panel technicians. The training would give workers skills to install and repair systems safely. More skilled workers could provide more reliable services, increasing the value of services produced. GDP per capita could rise if this output grows faster than population and businesses have equipment and customers.

Accept any accurate cause-and-effect explanation that connects education or training to stronger worker skills, greater output, and possible growth in GDP per capita. For the open response, students should include an investment, a clear output effect, and one additional condition such as jobs, tools, transportation, institutions, or demand.