

Shifts in Aggregate Supply: Task 1

Like AD, AS can shift.

One way is that the full employment output could improve, in one of three ways:

- (i) It could get more factors of production
- (ii) Its factors of production might become higher quality
- (iii) Existing factors might be used more efficiently

In other words, the quantity, quality or efficiency of use of factors of production in the economy might improve, because this is what determines the position of the PPF.

Come up with some examples of how this might happen using the printable grid or using the digital resource and the pen tool. If you think that they will not manage to come up with anything, you could use the digital resource and have the suggested prompts placed into the grid or cut up the printable cards and use them with the printed grid.