

Solutions

2.1 The slope gives $40/20 = 2$ chairs per desk. Five desks therefore cost $5 \times 2 = 10$ chairs per day. Reallocating existing resources moves along the frontier. More usable resources or better technology can shift it outward; demand alone does not increase physical capacity. Authored points for method, application and relevant qualification.

3.1 No. With usable idle capacity, production may move from inside towards the existing frontier. A capacity increase requires evidence about available resources or technology, while a new order changes demand. Compare feasible combinations before and after rather than equating actual output with potential output. Authored points for judgement, case-linked reasoning and justified qualification. Accept supported alternatives.