Bakery Supply Trouble

Trace how a shortage can affect a business and its customers.

6.6.B "identify problems that may arise when one or more of the factors of production is in relatively short supply; and"

NAME ______________________ DATE ____________

1 READ AND MARK

Read it twice

YOUR JOB Underline every factor of production that is described as being in short supply. Circle each problem that results from a shortage.

When a Bakery Runs Short

1 Every Friday, Harbor Town's bakery makes bread for the weekend market. Its owner combines four factors of production: natural resources, labor, capital, and entrepreneurship. Wheat, water, and electricity are resources used to make bread. Bakers provide labor, or human work. Ovens, mixers, and delivery vans are capital, tools made and used to produce goods. The owner uses entrepreneurship by planning, taking risks, and deciding how to use the other factors. Together, they turn ingredients into loaves customers can buy.

2 One week, heavy rain damages wheat fields near Harbor Town. The bakery cannot get enough wheat for its usual batches. Even though its ovens and bakers are ready, fewer loaves can be made. The owner may buy wheat from farther away, but shipping costs more. The bakery might raise prices, limit each customer's purchase, or close early. Stores that sell the bakery's bread may have empty shelves, and some workers may have fewer hours. That shortage affects customers and businesses.

3 Later, the bakery's oven stops working, and a replacement part will not arrive for two weeks. With less capital equipment available, bakers must share the smaller oven and produce bread slowly. Cafes may have delayed orders. If the problem lasts, the owner could lose customers and earn less money. A short supply of any factor can create connected problems. A labor shortage can reduce production, while a shortage of fuel, a natural resource, can delay deliveries. Businesses often seek substitutes, adjust schedules, or change prices, but these choices can add costs or reduce sales.

2 ANSWER WITH EVIDENCE

Use the passage

1. What factor of production is in short supply after the heavy rain? Give one problem this shortage causes.

2. Why can the bakery make fewer loaves even though its bakers and ovens are ready?

3. What capital shortage happens later? Give one effect it has on the bakery or cafes.

4. According to the passage, how could a labor shortage differ from a fuel shortage?

3 YOUR TURN

Your own words

Invent a shortage at a business other than a bakery. Write exactly three sentences that name the factor in short supply and explain two connected problems the shortage could cause.

Bakery Supply Trouble

PART 1 · READ AND MARK

Underline every factor of production that is described as being in short supply. Circle each problem that results from a shortage. Accept any marking that follows this job and points at the right text.

PART 2 · ANSWERS

#	QUESTION	ANSWER
1	What factor of production is in short supply after the heavy rain? Give one problem this shortage causes.	**Wheat, a natural resource, is in short supply. The bakery can make fewer loaves, and it may face higher shipping costs, raise prices, limit purchases, or close early.**
2	Why can the bakery make fewer loaves even though its bakers and ovens are ready?	**The bakery does not have enough wheat for its usual batches.**
3	What capital shortage happens later? Give one effect it has on the bakery or cafes.	**The bakery has less oven equipment because its oven is broken. Bread is produced more slowly, cafes have delayed orders, or the owner may lose customers and money.**
4	According to the passage, how could a labor shortage differ from a fuel shortage?	**A labor shortage can reduce production. A fuel shortage can delay deliveries.**

PART 3 · YOUR TURN (SAMPLE ANSWER)

A bike repair shop cannot find enough trained mechanics, so labor is in short supply. Repairs take longer, and customers may choose another shop. The owner may lose sales while waiting to hire workers.

Accept accurate identification of natural resources, labor, capital, or entrepreneurship, along with logical problems caused by limited supply. For the open response, accept different businesses and outcomes if the factor and cause-and-effect chain are clear.