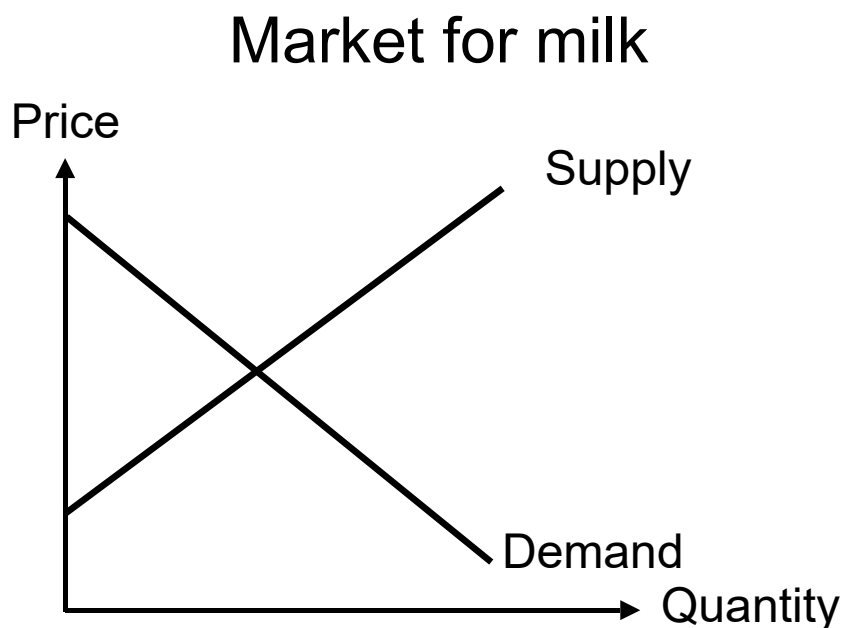


Price floor for milk (E24f)

- ⇒ A government sets a **price floor** on milk. To avoid a 'milk lake', the **state buys up the surplus milk**.
- Show a possible price floor in the diagram.
 - Then show in the diagram the amount that the state has to spend in order to avoid a 'milk lake'.



Click to get the answer!