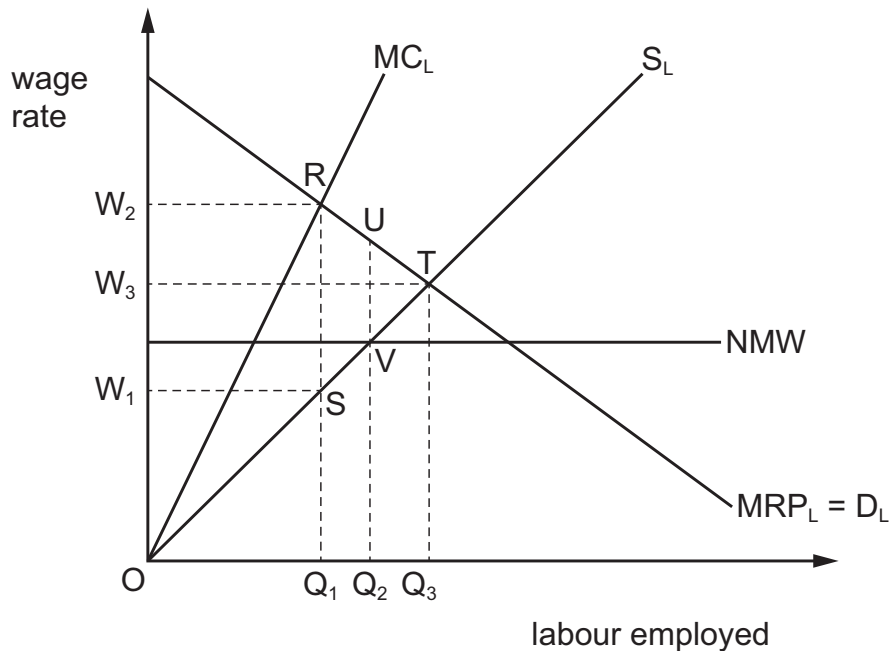


- 12 The diagram shows the effect of introducing an effective national minimum wage (NMW) in a labour market with a profit maximising monopsonist employer.



What is the effect of the NMW on the deadweight welfare loss in this market?

- A It falls from RST to UVT.
- B It falls from RSVU to UVT.
- C It rises from UVT to RST.
- D It rises from UVT to RSVU.