

In general, the prices were associated with different types of outlets. We did not find that the chains in the poor neighborhoods were systematically charging higher prices than the chains in the affluent neighborhoods. We found, in general, that the small independents charged higher prices than the chain, and delete the large independents, and that there was a paucity of chainstores in the poor neighborhoods. According to our findings, the higher prices paid by the shoppers in the poor neighborhoods were associated with the relative lack or the relative paucity of the chainstores and of the large independents.

Mr. ROSENTHAL. You did not direct yourself to the question of whether the same chain had different prices in the ghetto area as compared to an affluent area?

Mr. ROSS. No, sir.

Mr. ROSENTHAL. I think that you received \$50,000 for this study, is that not correct?

Mr. ROSS. My recollection is that it was \$35,000.

Mr. ROSENTHAL. My recollection is that it was \$50,000. You received \$35,000 from the Office of Economic Opportunity and \$15,000 from the National Commission on Food Marketing.

Mr. ROSS. Oh, well, did we?

Mr. Chairman, I would like to verify that. We will let the committee know what it was.

(The following was subsequently furnished:)

U.S. DEPARTMENT OF LABOR,
BUREAU OF LABOR STATISTICS,
Washington, D.C., November 1, 1967.

Mr. PETER BARASH,
House Government Operations Committee
Rayburn Office Building
Washington, D.C.

DEAR MR. BARASH: In connection with my testimony before your Special Studies Subcommittee of the House Committee on Government Operations on October 12, you asked me to clarify the cost of the work done by the Bureau of Labor Statistics on the project "Do the Poor Pay More?" I find that we received \$30,000 from the Office of Economic Opportunity for the housing and commodities and services other than food portions, and \$15,000 from the National Commission on Food Marketing for the food portion.

If I can be of further assistance in any way, please let me know.

Sincerely yours,

ARTHUR M. ROSS, *Commissioner.*

Mr. ROSENTHAL. Whether it was \$35,000 or \$50,000, that is quite a substantial amount of money, I think, and that would indicate that some members of the executive branch or the Congress felt that it was important to know whether the poor pay more; is that not so—would you draw that conclusion?

Mr. ROSS. It is.

Mr. ROSENTHAL. And in order to adequately find that out, particularly as to whether the chains are involved in what appears to me a rather nefarious practice, you would have to do it on a surprise basis, like the ladies did. Had the ladies called the Safeway manager and said, "We are coming in," you can bet that those charts would be different—there would be no charts.

Mr. MYERS. You weighted quality and service; did you not?

Mr. ROSS. Yes. I have not come to that yet. So that was the finding with respect to prices.