

Mr. WINSTEAD. We have approximately 8,400 employees in this division.

Is that accurate enough, sir?

Mr. ROSENTHAL. Yes.

Mr. WINSTEAD. Thank you.

Mr. ROSENTHAL. Go right ahead, sir.

Mr. WINSTEAD. The prices which are referred to in the remainder of this statement are our book prices for the entire metropolitan area. I have personally and thoroughly investigated this matter, and it is my sincere belief and considered judgment on the basis of this investigation, they are the actual prices charged in all stores on the dates indicated.

References hereafter in my statement to actual prices should be interpreted in this context.

The prices tabulated for six other Safeway stores which were merely described as "other stores," but which, in fact, include one store serving a poverty area, appear to be a very accurate reporting of the book prices that were in effect in all our Safeway supermarkets in the metropolitan area on September 1; that is, allowing for inexperienced price-reported errors.

However, the prices tabulated for the three stores described as serving "welfare clients," were not the prices at which these 10 items were priced, or sold, in those stores. Nor were they the prices at which those items were sold in any of Safeway's supermarkets in the Greater Washington, D.C., metropolitan area.

Furthermore, it seems peculiar that for the seven dry grocery staple items, the group's survey showed a first-of-the-month rise for all seven items in the poverty-area stores. But for six of the items, Safeway's actual prices were not changed whatsoever in any of our Washington, D.C., stores over the entire period (from mid-August to mid-September), and the one item that did change in price during that period was lowered 2 cents, not raised, and just before the first of the month.

Mr. ROSENTHAL. We want to welcome Congressman Gilbert Gude, who is going to join us for the hearing.

Mr. GUDE. Thank you, Mr. Chairman.

Mr. WINSTEAD. May I continue, sir?

Mr. ROSENTHAL. Yes; I am sorry, sir. I apologize for the interruption.

Mr. WINSTEAD. Thank you.

And on three perishable items, the survey showed for poverty-area stores either a price increase on September 1, or a price reduction after September 1—whereas Safeway's actual price on one of the perishables dropped on August 21; another perishable item was reduced in price on September 5, after remaining unchanged since mid-August; and the price of the other perishable item indeed rose, but not until September 11.

Several of the deviations in the survey prices might reflect errors in price reporting; for example, confusion of side-by-side shelf items of different sizes or grades, or the recording of a "2-for" multiple price as though it were the price for just one unit of the item. But, however charitable an allowance is made for inadvertent errors, the