

Mr. CARON. Absolutely.

Mr. ROSENTHAL. Thank you very much.

Mr. STERN, did you want to say a word or two?

Mr. STERN. Yes, sir. I would like to, if I may.

Mr. ROSENTHAL. Sure.

Mr. STERN. My name is Irving Stern. I am director of Local 342, Meat Cutters Union, and president of the Greater New York Labor Food Council, representing 17 unions operating within the supermarkets in Metropolitan New York.

We welcome very much this investigation, and we think that vigilance is the catalyst of progress. We believe that consumers have to be represented and since we comprise over a hundred thousand employees in the supermarkets, we consider that we, too, are a formidable source of consumer power.

The problem of food prices and pricing is a complex one. I think we can't expect to find simple answers or simple solutions at a 1-day hearing.

I would suggest, and I'm sure this committee is fully aware, the National Food Commission spent many months and a considerable amount of money making a study of the whole food industry. I would suggest that this ought to be part of this hearing.

There is a need for more expertise in discussing the whole problem of the supermarket and all marketing procedures since it is an integral part of what happens to the consumer at the end source; namely, when she goes through that checkout counter.

It's not my purpose here to discuss this, even though I think it's relevant to the problems. If I can make a contribution, it would be in discussing a problem which I think deserves Federal attention and Federal action. That is the whole problem of what can we do in the total community to encourage the building of supermarkets so that those in the ghetto areas are in a position to obtain what is generally considered are the values which the supermarket industry can give.

One must ask, really in all frankness, why it is that there are no supermarkets, if, indeed, the supermarkets can profiteer in the ghetto areas? One must ask, Why is there such an absolute shortage of supermarkets in these areas?

Certainly, being merchants, they would want to take advantage of the opportunity to make money, since that is the name of the game.

Mr. BARASH. If I might interrupt there, you are not suggesting, are you, that supermarkets in the ghetto are losing money; that it's a poor economic venture?

Mr. STERN. No; I don't say that at all.

Mr. BARASH. You suggested that if supermarkets could profiteer, why is it that there is a shortage of them? But I just wanted the record to indicate whether or not you were implying that the reverse is true; that it's simply not a good economic venture to do business in a ghetto area.

Mr. STERN. Well, that it is not a profitable thing I think is self-evident. If it were, then certainly those who could profit would want to operate in that sphere. At least it seems to me it would be a logical conclusion. The mere fact that you don't have the supermarkets would suggest to me that there are problems in terms either of operating or in terms of making what is considered the normal profit.