

The U.S. Department of Agriculture, in its administration of the food stamp program, has a responsibility both to the beneficiaries of that plan and the fiscal integrity of the food stamps themselves;

The Welfare Administration of the Department of Health, Education, and Welfare underwrites a large part of the costs to the States for welfare assistance to needy families spending approximately a third of their income on food;

The Bureau of Labor Statistics of the Department of Labor has responsibility for identifying and developing family-budget studies, including budget studies for the low-income consumer.

The House Committee on Government Operations, of which this subcommittee is a part, under the Rules of the House of Representatives, and under the Legislative Reorganization Act of 1946, has responsibilities and duties which cover a wide range of Government activities. Primary among these duties is our statutory mandate to study the operation of Government activities at all levels with a view to determining its economy and efficiency. Whether the operations of the agency activities described above are efficient relative to the problem being discussed here is the long-range question we seek to answer.

We are here today to examine into the nature and extent of the problem itself and to express our concern that these allegations and many others like them can exist and to understand how our Government can address itself properly to them so that solutions may be properly and rapidly found. Equal justice in the marketplace is hardly less important to the poor than equal justice before the law. Price discrimination is intolerable under any circumstances, but particularly so because food expenditures account for about a third of the income of the urban poor.

I do want to say this, that we have had assistance and cooperation from Congresswoman Sullivan and Congressmen Frank Karsten and Mel Price, in the preparation of this meeting here today and all of them have been very helpful in some of the preliminary work associated with this investigation.

I also want to say that Mrs. Sullivan, who is chairman of the Consumer Subcommittee of the House Committee on Banking and Currency, is presently involved in the very important consumer-oriented truth-in-lending bill and has been meeting daily on that matter.

There is one personal note that I am going to mention. I came here because the clarion call for Federal action appeared evident, but I also came to find the house that my grandfather occupied from 1859 to 1872 at 1427 Morgan Street, which is now a highway they tell me, and so I suspect the next investigation is why they build highways over people's houses. [Laughter.]

Our first witnesses will be Mr. Harry Nadler and Mr. Eugene Baum of the Human Development Corp. of Metropolitan St. Louis.

STATEMENTS OF HARRY NADLER AND EUGENE BAUM, HUMAN DEVELOPMENT CORP. OF METROPOLITAN ST. LOUIS

Mr. BAUM. Mr. Nadler will begin our presentation with a detailed findings of the survey, and I will follow with my interpretation and analysis of the results of that study. From time to time Mr. Nadler