

tial orders of magnitude are somewhat out of proportion. I think even an optimistic estimate of the potential for surplus property disposal does not on a continuing basis offer a great deal of comfort as an income-producing device.

Senator PERCY. You are talking hundreds of millions, not billions. Mr. HUGHES. I suspect so.

#### COORDINATION OF GRANT-IN-AID PROGRAMS

Senator PERCY. One last question raised by the recent statement made by the Governor of Missouri on a public television program that he feels that he is now dealing with about 220 different Federal Government agencies. He must set up counterpart State agencies to deal with each of these Federal agencies. Is any major effort being made in this grant-in-aid program to somehow streamline the overall supervision? They all have to be audited, they all have to be supervised in some way. I suppose trips by HEW, HUD, Agriculture people have to be made out for these audits from possibly Washington. Is there any coordination that can be done to reduce cost?

Mr. HUGHES. Several things. The problem is a general one. It reflects the rapid growth of individual programs in response to particular needs, and to meet the pressures, if you will, of particular interest groups.

On the audit side arrangements have been evolved under which audits are taking place on a joint basis, that is, one agency audits for several where there is an overlap and where there is an adequate relationship to make that possible.

Also, in the last Congress there was approved a measure, "Partnership for Health" which consolidated a number of grants in the health area, and it reduced from perhaps 10 to 15 to 1 the actual grant programs. It achieved a substantial consolidation of individual grants which simplifies administration and makes for more flexibility in the use of money in the States.

We are also exploring at present with our agencies and with State and local people the possibility of a statute which would permit combined administration of separate programs without altering the basic authorization statutes. The idea would be, for instance, in a situation where a neighborhood center embracing employment, Health and Welfare and other types of community service activities, in that kind of circumstance, to permit a single administration at the Federal level and locally with proper attention to the individual statutory requirements, but with a maximum blending of administrative and audit arrangements.

#### COORDINATION OF MILITARY PROCUREMENT

Senator PERCY. One last question in the area of real "pay dirt" in the Defense Department. My own experience in procurement in the Navy goes back 23 years when the duplication, overlapping, rivalry between the services was nothing less than scandalous in the way it worked as far as procurement was concerned. Since then I know there has been a major effort to coordinate, designate one agency as the principal procurement agency for the three services.