

- 17 -

The more recent GAO report (December 1973) on Improving the Federal Procurement of Drugs recommended that the separate quality assurance activities of the Department of Defense, the Veterans Administration and FDA should be consolidated into a single organization. We believe this is a sound recommendation that will enhance the efficiency of Federal quality assurance efforts. We also feel that the Food and Drug Administration is the most logical focal point for this responsibility.

To explore the feasibility of consolidation, we have already held discussions with representatives of the Assistant Secretary of Defense (Health and Environment) and the Veterans Administration. These discussions are continuing.

We have requested from Department of Defense (DOD) and VA information as to precisely what resources they now expend for drug quality assurance. We expect that within 30 days of receipt of such data, we can prepare and circulate a proposed program to both those agencies.

CONCLUSION

At the present time, FDA directs essentially all of its human drug budget, approximately \$43 million, to assuring that the drugs in the marketplace are safe and effective. During the last two years,