

140. - Responder
Committee

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The Rt. Hon. Norman Fowler

IMMEDIATE - 24th May, 1983.

The record of this Government shows that we have protected the interests of some of the most vulnerable groups in this country in spite of the world recession. Let me set out some of the major parts of that record and finish with a question to Labour on the cost of their plans.

In health care the Conservative Party is committed to the provision of good health care for all regardless of ability to pay. Our first aim is the development of the National Health Service and the provision of better services for patients. Our commitment is established by our record over the last four years. We are now devoting record resources to the National Health Service. This year spending in Great Britain will total £15½ billion compared with £7½ billion when we came to office. Compared with the RPI, we have increased spending by 17 per cent. It has enabled a 7½ per cent increase in services and a 17 per cent increase in capital spending which contrasts with the last Labour Government's capital cuts of a third. This increase in spending has enabled better patient care:

- In England we are now employing 45,000 more nurses and midwives and 6,500 more doctors and dentists. Altogether in Great Britain we are employing 56,000 more nurses and midwives and 7,600 more doctors and dentists.
- In England in 1981 (the last year for which figures are available) over 500,000 more inpatient and day cases received treatment and over 1½ million outpatient and emergency cases than in 1978. For Great Britain those figures are 650,000 more inpatient and day cases; and 2 million more outpatient and emergency cases.

Labour now claims there is another measure - closure of hospitals. It is true that as new hospitals have been built some older ones have closed. But for the record the facts are these:

Under Labour between 1974 and May 1979, 272 NHS hospitals in England were approved for permanent closure. Since May 1979 only 109 hospitals have been approved for closure.

The second aim of the Conservative Government has been to get the best possible value from the amount of money that the taxpayer is providing. What counts of course is what money buys. Our priority is the patient; we are spending more money on doctors, nurses and **treatment**. That is why we have made it our purpose to improve efficiency throughout the health service. We have removed a layer of administration and for the first time introduced a system of regional reviews whereby Ministers check on progress.

Third, we also believe in the role of the family, voluntary organisations and the independent sector in their contribution to health care. Help is still given by families and by neighbours on a scale which no amount of national organisation or local authority organisation could ever provide. We also in Britain have the advantage of a magnificent range of voluntary organisations. Our aim should be to help them in their role whether they are looking after children or the mentally handicapped or the mentally ill or the old or the disabled.

As far as the independent sector is concerned, we believe that in a free society the citizen has the right to use his own money in the way that he chooses. We also believe that it would be totally contrary to the interests of the public if Labour Party policy was ever to be pursued because it would deliberately reject a valuable source of health care. We welcome every contribution to the sum of patient care. It should be remembered that the vast majority of private beds in this country are not in private hospitals at all, but in small nursing homes who in total look after well over 20,000 elderly people.

At the same time the Conservative Government has taken action in many other vital areas;

- We have protected the retired by raising pensions faster than prices.

- We are supporting families by, for example, increasing child benefit to its highest ever real value from November.
- We have increased resources going to the disabled.

What we are not prepared to do is to make easy promises during an election campaign. It is one of the most fundamental charges against Labour that they are making promises which they know they cannot keep to families, pensioners and the unemployed. Their Manifesto sets over 30 "pledges" in the social security and pensions area alone. When challenged Labour's leaders claim it is a "phased" programme but consistently refuse to give any timetable.

But now they have put a price-tag on their package. Mr. Rooker, the Opposition's Social Security spokesman, said yesterday that Labour intend to spend £3½ billion a year extra on their new measures. By any standards that is a very substantial addition to the social security budget which already totals £34 billion. The credibility of even that proposal for extra spending is deeply suspect.

However, what is also clear is that £3.5 billion will not remotely meet the bill for the pledges and promises in the Labour Manifesto. They promise to increase child benefit by £2. That will cost £1,050 million with more promised. They promise specific increases on pensions based on past earnings. That will cost £850 million a year - and even more if all benefits were treated similarly. They promise to make progress to a common pension age of 60. The fulfilment of that aim would cost £2½ billion even without any future increases.

But there are still over two dozen pledges to go. For example, they intend to link pensions to average earnings when they are rising faster than prices and extend that pledge to all benefits. That means they are pledged to pay £300 million a year for each 1 per cent earnings rise above prices. In addition, they promise a whole range of measures covering virtually the whole area of the Social Security budget.

So the challenge to Labour is very simple. Let them make public the basis on which they calculate the extra cost of their programme as £3.5 billion a year. Let them say exactly which pledges they intend to implement and when. Let them say also how they intend to raise the money.