

CONFIDENTIAL

NOTE

C.P. (51) 116

The attached memorandum will  
be considered at to-morrow's  
Cabinet under Item 1 - Parliamentary  
Business.

Cabinet Office, S. W. 1.,

25TH APRIL, 1951.

CONFIDENTIAL

C.P. (51) 116

COPY NO. 3125TH APRIL, 1951

CABINET

NATIONAL HEALTH SERVICE BILLMemorandum by the Minister of Health and the  
Secretary of State for Scotland

We are much concerned about the effect of the lapse of time before the charges for dentures and spectacles contemplated by this Bill can be brought into operation and we feel our colleagues ought to have the following resumé of the present situation.

2. Applications for dentures have practically doubled since the Chancellor's announcement of impending charges.
3. For spectacles comprehensive figures are not available but enquiries of the three largest Executive Councils in the country suggest that the rate of application has increased by about 25%. (Mr. W. Griffiths (Manchester Exchange) referred to this increase in his remarks during the Second Reading debate on 24th April.) Similar increases began in Scotland during March following a prediction that charges would be imposed which was carried in a widely-read Scottish newspaper at the end of February.
4. The charges imposed under the Bill will not, of course, apply to these cases.
5. The estimate of £12.5 millions as the savings under the Bill for the first year was based on the assumption that the charges would come into operation as originally planned within a few days of the Budget statement, i. e. the 13th April. The evidence as to demand mentioned above suggests that these savings will be reduced at nearly twice the normal pro rata rate during the period between the Budget and the operation of the charges.
6. This makes it imperative that the period before the charges are in force should be cut to a minimum and we should like, in this connection, to refer specially to the following two points.
7. We shall be strongly pressed to find an alternative to the National Assistance Board for assessing whether particular individuals should be assisted to pay the charge. Leaving aside the fact that the intention of this suggestion is that the alternative should be less effective in applying the charges, no suitable alternative is in existence. (The Executive Councils, which have been suggested, are totally unfitted by constitution, staffing and experience to undertake such a task.) If new machinery has to be created, staffed and brought into operation this must result in considerable additional delay before the charges can operate. Unless we are to lose still more of the savings which should result from the Bill this suggestion must be resisted.

8. We are also very anxious, for the reasons given above, that the Bill should receive the Royal Assent at the earliest possible moment. Even when the Bill is passed, a few days must elapse before the charges can operate to allow for the making, printing and distribution of the Regulations and other documents, and, if the Bill does not become law before Whitsun, it will be mid-June before the charges can start to apply. At the present rate of demand this would mean the sacrifice of between £5 and £6 millions of the savings estimated for the current year, i. e. a reduction from £12.5 millions to £7 millions. We therefore greatly hope that it will be found possible to pass the Bill into law before Whitsun.

H. A. M.

H. McN.

25th April, 1951.

