21st Conclusions.

WAR CABINET 21 (44).

CONCLUSIONS of a Meeting of the War Cabinet held at 10 Downing Street, S.W. 1, on Tuesday, 15th February, 1944, at 6.30 p.m.

Present:
The Right Hon. WINSTON S. CHURCHILL, M.P., Prime Minister (in the Chair).
The Right Hon. Sir JOHN ANDERSON, M.P., Chancellor of the Exchequer.
The Right Hon. OLIVER LYTTELTON, M.P., Minister of Production.
The Right Hon. JOHN ASHCROFT, M.P., Chancellor of the Exchequer.
The Right Hon. ERNEST BEVIN, M.P., Secretary of State for Foreign Affairs.
The Right Hon. ANTHONY EDEN, M.P., Secretary of State for Foreign Affairs.
The Right Hon. ERNEST BEVIN, M.P., Secretary of State for Foreign Affairs.
The Right Hon. HERBERT MORRISON, M.P., Secretary of State for the Home Department and Minister of Home Security.
The Right Hon. LORD WOOLTON, Minister of Reconstruction.
The following were also present:
The Right Hon. VISCOUNT CRANBORNE, Secretary of State for Dominion Affairs.
The Right Hon. Sir ARCHIBALD SINCLAIR, Bt., M.P., Secretary of State for Air.
The Right Hon. LORD BEVERBROOK, Lord Privy Seal.
The Right Hon. THOMAS JOHNSTON, M.P., Secretary of State for Scotland.
The Right Hon. BRENDAN BRACKEN, M.P., Minister of Information.
The Right Hon. LORD CHERWELL, Paymaster General.

Secretariat:
SIR EDWARD BRIDGES.
Mr. NORMAN BROOKE.
Mr. W. S. MURRIE.

Contents.

<table>
<thead>
<tr>
<th>Minute No.</th>
<th>Subject</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Poland</td>
<td>98</td>
</tr>
<tr>
<td>2</td>
<td>National Health Service</td>
<td>98</td>
</tr>
</tbody>
</table>

[26948-3]
1. The War Cabinet were given the latest information about the discussions with the Polish Ministers. The discussion is recorded in the Secretary's Standard File of War Cabinet Conclusions.

2. At their meeting on the 11th February the War Cabinet had agreed that the proposals for a National Health Service (W.P. (44) 74) should be further discussed before a final decision was taken to publish the White Paper.

The following were the main points raised in the course of a further discussion of the scheme outlined in the White Paper:

(a) Would the scheme mean the end of private medical practice and the family doctor?

The War Cabinet were informed that the scheme would not prevent the continuance of private practice; in particular, doctors taking part in the public service would not be prevented from taking private patients. Nor would it affect the relation between the doctor and the patient. The conception of the family doctor would indeed be strengthened, since dependants of insured persons would in future become eligible for free medical treatment.

It was true that the eventual effect of the scheme might be to limit the scope for private practice—since, when free medical treatment was available for all, there might be some reduction in the numbers willing to pay for private treatment. At the same time, the scheme would not directly prohibit or restrict the extent of private medical practice.

(b) Would the scheme mean the end of the voluntary hospitals, which had for so long taken the lead in teaching and in research? These hospitals, supported by voluntary contributions, were rightly jealous of their independence. Could they continue to play the same part in the development of medical science if they became financially dependent on public authorities and had, in consequence, to accept public control?

The War Cabinet were informed that it was not proposed that the management of the voluntary hospitals should be taken over by public authority. The scheme contemplated that these hospitals should make a certain number of beds available for public patients, and that they should be paid for this service. But the payment, which would be made by the Central Government, not by the local authority, would not meet the whole of their expenditure: they would still have to rely on voluntary support for a substantial proportion of their revenue. Ministers had discussed these proposals with responsible representatives of the voluntary hospitals, who were satisfied that they could still enlist the support of voluntary contributors, so long as it was made clear that their independence was preserved and that the revenue guaranteed to them by the scheme was not sufficient to meet the whole of their expenditure.

(c) To what extent would the scheme interfere with the right of doctors to set up in practice as consultants?

It was explained that the proposals for a consultants' service, linked with the hospitals, would make the service available to a far wider range of patients. The eventual result of the scheme would be to increase the number of consultants, and to improve their distribution over the country as a whole. This would be brought about, not by any system of State selection of doctors for consultant work, but by providing greater opportunities for doctors to practise as consultants. The scheme would not, however, prevent consultants from seeing patients privately, in addition to any part which they took in the public medical service.

(d) The Secretary of State for Scotland referred to the scheme originally known as the Clyde Basin Experiment and subsequently, after its extension to the rest of Scotland, as the Supplementary Medical Service. Under this scheme general practitioners were able to refer any patients for whom they felt that specialist advice was desirable to the Regional Medical Officers of the Department of
Health and, through them, to consultants in private practice. Up
to the present date nearly 7,000 patients who might not otherwise
have been able to obtain the services of a consultant had been dealt
with. No fees were charged by the consultants for their services,
and all the consultants attached to Scottish hospitals were in favour
of the scheme. This scheme illustrated both the need for extended
consultant services and the method by which such services might be
provided under the proposals in the White Paper.

As regards voluntary hospitals, the Secretary of State said that
in 1940 over 30,000 patients were on the waiting list of voluntary
hospitals in Scotland. By agreement with the voluntary hospitals
arrangements had been made under which patients on these waiting
lists were admitted to the new hospitals built for the Emergency
Medical Service. 26,000 patients had been dealt with under this
scheme, and the voluntary hospitals had co-operated willingly in
making it a success.

(e) With regard to the finance of the scheme, The Chancellor
of the Exchequer explained that the estimate of the cost of the
general practitioner service was based on the payment of
£8.4 million made to general practitioners in 1938 in respect of
the 17,800,000 persons who were then insured under the National
Health Insurance scheme. The basis of remuneration of general
practitioners under the new proposals had been left open; probably
payment would be in the main by capitation fees, although in certain
cases salaries would be paid.

The total cost falling on public funds would be £132 million
a year, of which about £40 million would probably be derived from
social insurance contributions. The rest would be shared between
the tax-payer and the rate-payer in almost equal proportions.
There would be some increased burden on the rates, but the new
burden would fall mainly on the Exchequer.

After a full discussion, the War Cabinet—
Re-affirmed their decision of the 9th February that the
documents annexed to W.P. (44) 74 should be published
as the basis for public discussion and further negotiation
with the various interests concerned.

Offices of the War Cabinet, S.W. 1,
15th February, 1944.