

cc: Mr. Butler (on arrival)
Mr. Gow

Mr. Walters

Mr. Sparrow will be meeting the Prime Minister at 12 noon on 31 August in order to discuss his minute of 5 August about the CPRS's work programme, reference Qa06020.

As recorded in my letter to Gerry Spence on 10 August, the Prime Minister will no doubt wish to raise with Mr. Sparrow the suggestion made by Mr. Ralph Howell, M.P., that there should be an inquiry into the reasons for the ever increasing manpower levels in the public sector, an inquiry which could also make proposals for dealing with this problem. Mr. Howell made this suggestion when he called on the Prime Minister at 1130 on 5 August. The example he chose to illustrate his case was the NHS. He produced figures to show that staffing levels in the NHS were now double what they were in 1960. He pointed out that the number of beds had fallen in the same period, and that the staff per bed ratio was now 3.2, compared with 1.2 in 1960. He argued that there should be some form of public inquiry.

The Prime Minister told Mr. Howell that she shared his concern. She suggested that he should write to her setting out the facts and figures and calling for an inquiry, and that he should make this letter public. She promised that she would try to send him a positive and forthcoming reply, which would also be made public.

In my note to her of 5 August, I set out the arguments against a public study, which were largely that it could cause serious problems with the public sector unions, and could be particularly difficult in the case of the NHS pay dispute. Mr. Gow has agreed to put these arguments to Mr. Howell and to persuade him to write privately to the Prime Minister. Mr. Howell's letter is expected at

the end of August. As I have said, the Prime Minister will wish to give Mr. Howell a positive reply, and it would be helpful if the subject could be discussed with Mr. Sparrow on 31 August.

CM

0

13 August 1982

Han Yours? Kay brief by cafflow 10 DOWNING STREET From the Private Secretary 5 July 1982 DHSS manning levels. Further to our conversation on the telephone last week, I am writing to confirm that the Prime Minister is looking forward to seeing Mr. Howell in her room at the House at 1630 hours CAROLINE STEPHENS The Private Secretary to Ralph Howell, Esq., M.P.