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Release Time: 12.00 hrs. Friday 22
January 1988. 15/88

Extract from a speech by the Rt Hon Geoffrey Howe QC MP (Surrey East), Secretary of State for Foreign & Commonwealth Affairs, to Liverpool University Conservative Association, at the Students Union, Liverpool University, on Friday 22 January 1988.

The NHS presents us with a strange contradiction.

On the one hand vast increases in government spending and in numbers of staff beyond those of any previous government.

Yet on the other hand waiting lists, delays in some operations, complaints from staff of under-funding, and widespread public concern accompanied by media talk of a health service crisis.

It is difficult to reconcile these contradictory but undeniable facts. The facts of the Conservative record on the NHS are exceptionally clear:

- spending up by one third, even after allowing for inflation, since the Conservatives came to office;
- an increase in the % of GDP spent from 4.7% at the end of the last Labour Government to 5.4% today;
- increases of £1.1 billion additional spending already planned for next year;
- nurses pay up one third in real terms;
- a hospital building programme of £1,000 million per year;

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- more patients treated than ever before.

All this means the country is spending a greater part of its resources on health care than ever before.

Some people simply refuse to accept these facts. The government, they say, is cutting spending on the NHS, it is engaged in an attack on free health care motivated by ideology. Such people are the flat earthers of this particular debate for whom political dogma is a religion not to be affected by facts or arguments of any kind.

Others do not deny these facts, but claim they are misleading because our nation is richer now and can afford to spend more on health care, and the costs of modern treatment are rapidly increasing. Statistics are all very well they say, but experience on the ground shows a different picture.

It is certainly true that the UK economy is now more successful than for many years. But why is this so? Above all, it is because we have restored sound public finances and helped the wealth creating sector of the economy to grow. That is how we have paid for the increased spending on health care, and will pay for future increases.

Reverting to the old failed policies of high taxation is not the answer. We saw the effects of that under the last Labour government: health spending down from 5% of GDP to 4.7%; cuts of 3% in NHS spending; a 20% cut in pay of doctors, dentists and nurses; a 30% cut in the hospital building programme. It is no use promising a larger share of a smaller national cake to the NHS. Before long the NHS share of the cake would be smaller again too.

"But this is not the point", some may argue. "We do not need to revert to the old ways of high taxation to spend significantly more on the NHS. If there is money around for yet more tax cuts use them for the NHS instead. It needs just a bit more money to really set it on its feet."

This is a version of the argument recorded in a recent book by Roger Douglas, Labour Minister of Finance in New Zealand, as "Just Another Billion and We'll Be Right". The fact is we've had the same argument every year, the extra money has been paid out at an ever increasing rate, and far from diminishing the complaints have increased.

I do not believe we are only suffering from a self-serving propaganda campaign by vested interests. It is more than that.

We face an apparent general inability to establish a serious debate about the best way of meeting health needs in a modern society, without ritual war dances, taboos and totem poles dominating the whole exchange.

Mention bringing more insurance into the system and you will be faced with the latest gruesome story from the USA purporting to demonstrate the risks of anything other than 100% state provision. The fact that the US model is not the only alternative to ours, the fact that virtually every other developed country uses a combination of private insurance and national provision - those facts seldom seem to surface.

Suggest that the system in some other countries seems to be working better, and you will rapidly be given to understand that our borders are crowded with people desperate to use our NHS, the rest of the world is in awe of it and envies it, and it's efficiency is such that there is little scope for improvement.

This stultifying, blinkered and limited debate is one of our biggest problems in tackling the real issues.

Yes - we need to find ways of bringing new resources into health care if we are to cope with increasing numbers of elderly, with expensive modern equipment and special treatments, and with ever higher expectations of better care in modern surroundings.

But "Just Another Billion" will not solve these problems. And it is an intellectual cop-out by politicians and health professionals to pretend that it would.

There can be no sacred cows in pursuing these questions. We need creative thinking. Thinking which puts patient care above power-play, whether professional or organisational. Ideas which go beyond the comfortable assertion that no-one other than the government need do anything.

We need to learn from experience overseas. We need to look at radical options. For these are not problems which time will heal.

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