

AS SHAKE-UP ON WELFARE

N.o.vv. - 4 JUL 1982

BRITAIN'S crumbling Welfare State is in line for an almighty shake-up if the Tories win the next General Election.

Private enterprise will be given a major role in health, education and local government and charges could be imposed on a wide range of services now provided free through rates and taxation.

The controversial plan, announced yesterday by Chancellor Sir Geoffrey Howe, will be the cornerstone of the Tories' election manifesto.

Screams of anguish are expected today as Labour and union leaders accuse the Government of a blatant bid to dismantle the welfare state set up by Labour after the war.

But Sir Geoffrey stressed that the planned shakeup did not alter the Tories' determination to look after those who could not cope.

He believes a wide-ranging review of social services—the first for 36 years—is essential.

The Chancellor told a Tory conference at Cambridge: "We must con-

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sider how far private provision and individual choice can supplement, and in some cases replace, the role of Government."

Welfare State bureaucracy led to bad, slow decision-making and misuse of resources, he said. More flexibility was needed.

He added: "Opening up the supply of a much wider range of goods and services may be a way of enriching

the quality of what is provided."

On **HEALTH**, Sir Geoffrey said charging for services might be a preliminary to private-doctor involvement in the NHS.

A system of charging could help to direct resources where they were most needed.

At the same time, it could "induce a sense of priorities among recipients of the services involved."

On **EDUCATION**, the Chancellor said the Government was considering a voucher system of State grants which would allow parents to pay for schooling of their choice.

Repayable loans for college and university fees, to encourage responsibility and self-help in students and to ease the financial burden on parents, are also on the cards.

More community involvement in the financing of schools was also worthy of study, said Sir Geoffrey.

REFORM

In **LOCAL GOVERNMENT**, transfer of services like refuse collection to private enterprise would be vastly extended. The Government is determined to reform the rates system.

On **TRADE UNIONS**, Sir Geoffrey said the Government would consider how they could be made more democratic to give members a greater say in decision-making.

Turning to industry, the Chancellor was adamant that de-nationalisation would continue.

The British National Oil Corporation and the Transport Docks Board's ports, would soon be sold off into private ownership.

Plans were also ready for selling off British Gas's oil interests. British Airways would be sold as soon as it was back on the road to profitability.

Sir Geoffrey stressed that firm decisions had yet to be made on many of his proposals.