Letter from Westminster

Standing firm on pay dispute

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The development of any pay dispute is always hazardous to speculate about, but it is pretty safe to say that the Government's determination to stand firm in the current battle over the improved pay offer to the nurses and the NHS ancillary workers (p 304) cannot be doubted. Its position was made quite clear by the Prime Minister in the Commons at question time, and her message has been reiterated on every possible occasion by DHSS ministers. Dr Brian Mawhinney, Conservative MP for Peterborough, not a medical man, raised the problems at St Thomas's Hospital, London. He claimed that as a result of strike action and picketing, six wards, including a children's ward, had had to be closed and the number of operations reduced from 120 a day to 30. He then asked if she really believed the unions' claim that their action was not affecting the sick? Given that kind of question the answer was inevitable. Mrs Thatcher said that his facts were correct, and about 1000 operations had been postponed.

"This means that the unions are damaging patient care," she added. "I do not believe that is what trade unionism is for. What has been offered is a final offer. It is the same percentage that has been accepted by the armed Forces, the Civil Service, the doctors, and the teachers and should now be accepted by the NHS workers." It is the emphasis that counts, and that word "now" was heavily emphasised.

The crucial point in any pay dispute is when one side realises that it has achieved as much as it can in extracting a bigger settlement or the other that it can no longer stand firm against giving one. Events could change, but at the moment ministers have no intention of giving way to the NHS unions. Last month's improved offer was the end of the road. Mrs Thatcher, inspired by her Falklands experience, has set up a special Cabinet committee to oversee the pay battle.

The decision by the Royal College of Nursing to put the improved offer, now around 7.5%, to the ballot could work to the Government's advantage, provided it can get the message across to those voting that there really is no more cash. The last ballot from the Government's point of view was a disaster. Apart from the diversion caused by the Falklands war, somehow the Government found it impossible to get the full implications of the offer across—the ballot dragged on and the support simply drained away. This time it is sparing no effort to explain to those concerned just what 7.5% means—it really is the final offer.

Mr Clarke left the annual conference of the Institute of Health Administrators in no doubt about the Government's stance, pointing out that its election pledge had been not to reduce NHS spending; it had increased it in real terms by 5%. "Most of the employees in the NHS share the Government's commitment to patient care, but unfortunately not all of them," he added. "A minority have backed COHSE, NUPE, and other unions by taking industrial action causing hardship and discomfort to patients in their care. An attempt is being made by force to divert up to £1000m of that extra money in the Service

into a pay claim worth up to 30% to the staff. Those who have to plan the future development of the NHS know that, in the interests of the patients, diversion of resources on that scale into pay and manpower levels cannot be allowed to take place."

Mr Fowler, in the Commons answering questions and in a series of unprovoked public statements, was just as specific. The Government had shown flexibility, whereas the TUC had not budged from the 12% claim formulated six months ago—in reality 20%—that bore no relation to the general level of settlements in either the public or private sector, he said. The £400m on the table was the final sum, and it was backdated to 1 April. He also held out a tiny olive twig in the shape of an offer to start talking immediately with the Health Service unions about new arrangements for determining pay in future. Ministers place considerable importance on the promising discussions that they have embarked on with the nurses on this subject, and clearly hope that something similar will prove attractive to the other unions, and might turn out to be the key to—in that magic industrial relations phrase—getting back "round the table." They are also aware that there is another factor in the industrial equation. The media's attention is no longer totally focused on the Falklands war and reports of the impact that the strike is having on patients are at last beginning to emerge—and they are likely to destroy whatever sympathy there was last time the nurses' offer went to the ballot.

SDP's regionalisation plans for health

The Social Democrats will not be issuing their policy document on health until September, but the latest in the series of such documents about decentralisation of local government contains a proposal that would affect the structure of the NHS. The plan is to set up 12 regional assemblies, each with its own head of government presiding over a cabinet. Prepared by a working party chaired by Mr David Marquand, the former Labour MP and a protégé of the party leader, Mr Roy Jenkins, it proposes to transfer the responsibilities of the regional health authorities to the new regional governments. The report points out that RHAs are nominated bodies, and by giving their powers to an elected body the SDP sees itself extending local democracy and accountability. The change would give the regional governments overall responsibility for planning the development of the Health Service in each region, and to decide both the total level of finance for health in each region in the light of alternative needs and the allocation of funds between districts and, on the capital side, between different hospital building programmes. Representatives of the medical profession would continue to participate fully in the management of the Health Service within the context of strategic decisions about development that would be taken by the elected governments. "At present, no view is taken at regional level about the relative needs of health compared with other services, and since decisions need to be taken on the allocation of funds between different areas and capital programmes these functions cannot be pushed down to local authorities and must be taken by regional governments," the report says.