THE HISTORY AND DEVELOPMENT OF LOCAL MEDICAL COMMITTEES,
THEIR CONFERENCE AND ITS EXECUTIVE.

J. H. MARKS

M.D. UNIVERSITY OF EDINBURGH, 1974.
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DECLARATION.

In accordance with the Regulations, I declare that this thesis has been composed by myself, and is entirely my own work.

J.H. Marks.
ACKNOWLEDGMENTS

This thesis developed from a request to propose a toast to "The Conference of Local Medical Committees". Finding no account of its formation, I carried out some superficial research, and Dr. Denis Cook, Secretary of the Inner London Local Medical Committee, then suggested that I should publish my findings. Later I was asked to read a paper on the subject at the Society for the Social History of Medicine, an edited version of which was published as a pamphlet by the trustees of the General Medical Services Defence Trust.

I have been helped and encouraged by the Secretary of the B.M.A., Dr. Stevenson, by the Under-Secretaries Drs. Gullick and Havard, and by other members of the Association's staff, especially Miss Roper and her colleagues in the Registration Department, and the staff of the Nuffield Library. I have also received considerable help and courtesy from the staff of the British Museum Newspaper Library. I thank the Controller of Her Majesty's Stationery Office for permission to quote from, and use illustrations of, official publications; Dr. John Ball for permission to use his sketches for the General Medical Services Committee's insignia; and Laurence Dobson for his moral support in the early stages of this work. To all of these individuals and organisations I am deeply grateful.

The work would have been impossible without the devoted assistance of my secretary, Mrs. Cynthia Harwin, whose patience and skills
have both been stretched beyond the limits of normality. I also acknowledge the advice given to me by my brother, Professor Vincent Marks.

Lastly, I am deeply indebted to my wife and children, who have encouraged my work and endured my absences, physical and emotional, both inside and outside the home.
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SUMMARY

A Special Representative Meeting of the British Medical Association was held on May 31 and June 1, 1911, to consider the National Insurance Act. The meeting, which was addressed by the Chancellor of the Exchequer, David Lloyd-George, decided the main points of the Association's policy towards the Act. These, later known as the "Six Cardinal Points" included:

6. Adequate medical representation among the Insurance Commissioners, in the Central Advisory Committee, and in the Local Health Committees, and statutory recognition of a Local Medical Committee representative of the profession in the district of each Health Committee.

Local Medical Committees were established under Section 62 of the Act and were given certain duties, including the right to appoint three members of service committees. Insurance committees were obliged to consult them on methods and rates of remuneration, conditions of service and other matters.

The following February a further Special Representative Meeting instructed the Council to assist in the formation of Provisional Medical Committees, and reconstituted the State Sickness Insurance Committee making it responsible to Council for matters concerning the National Health Insurance Act.

The immediate struggle between the Government and profession was resolved when the Special Representative Meeting of January 17/13
1913 released 27,000 practitioners from their pledges not to serve on the "panels". The State Sickness Insurance Committee asked divisions for information about Local Medical Committee duties and membership, advised the setting up of divisional co-ordinating committees and offered space in the British Medical Journal for reports of Local Medical Committee activities. Model Regulations and standing orders for Local Medical Committees were published in the Annual Report of Council for 1913.

The First Conference - Royal Pavilion, Brighton, July 24 1913

The suggestion to Council that a conference of Local Medical Committees be held following the Annual Representative Meeting, originally rejected on financial grounds, was accepted when the Brighton division offered to pay all expenses. One representative from each county borough and two from each county were invited, as well as members of Council and the State Sickness Insurance Committee. Mr. E.B. Turner, Deputy Chairman of Representative Meetings, took the chair and Dr. Burchel of Brighton acted as secretary. Following the adoption of the standing orders of the Representative Body, the first motion "that as far as possible there be fusion between the Local Medical Committees and divisions of the BMA", finally amended by replacing "fusion" with "co-operation", was passed. It was agreed that an annual conference should be called by the British Medical Association and financed by a voluntary levy, but a motion to form a separate National Guild of Panel Practitioners received one vote, the seconder abstaining.
A Change of Names

When "panel committees" were established, a Conference of Local Medical and Panel Committees was called by the Insurance Acts Committee, successors to the State Sickness Insurance Committee, for March 13 1914. The membership of Local Medical and Panel Committees was not always identical, and occasionally the two committees were antagonistic, but a move by Middlesex Panel Committee to exclude the Local Medical Committees received only 14 votes. The Conference decided to form an organisation to co-ordinate Local Medical and Panel Committees and that such organisation be associated with the British Medical Association. It suggested that a committee be appointed, financed by a voluntary levy of £1 per 20,000 insured persons. The Insurance Acts Committee recommended to Council that if such a provisional committee be formed it should have seats on the Insurance Acts Committee. A rural practices sub-committee of the Insurance Acts Committee was established in 1916, and the annual conference, at which members of the Insurance Acts Committee were present without voting powers, nominated six members to the Insurance Acts Committee.

The Era of Brackenbury and Bain

Dr. Henry Brackenbury was elected Chairman of the Insurance Acts Committee on August 31 1916, a position he retained until his election as Chairman of the Representative Body in 1924. Local committees were asked to send one representative for each 400 doctors to the Conference of 1917 to ensure more equitable representation, and the following year a suggestion from the
Representative Body that 18 members of the Insurance Acts Committee be directly elected was accepted by the Conference, who asked that non-members of the British Medical Association be accepted as nominees. So great was Breckenbury's influence that Council and the Representative Body accepted the proposal, and a postal election, with a transferable vote, was arranged. The year 1918 saw the first Special Conference, which having considered and justified a claim for an increased capitation fee decided, in view of the National Emergency, to take no action. The Annual Conference of 1918, in addition to producing revised standing orders, appointed its own agenda committee, and the next year the meeting elected its own chairman instead of accepting one imposed by the Insurance Acts Committee. Dr. Guy Dain of Birmingham was elected and held office until he became Chairman of the Insurance Acts Committee. The Representative Meeting of 1921 accepted Council's view that the chairman of the Conference should be a member of the Insurance Acts Committee ex officio.

A Special Conference held on May 18 1922 insisted on direct negotiations with the Government on pay and terms of service, without the intervention of the Approved Societies. In the next year Dr. Breckenbury reported that the Government had rejected arbitration and the Conference refused the Government's offer of 8/- for 5 years or 8/6d. for 3 years, deciding to leave the details of action and negotiation in the hands of the Insurance Acts Committee, who collected resignations from 97% of all panel practitioners. In the face of this resistance the Government set up a Court of Inquiry which recommended 9/- for 3 years, and
a Royal Commission on National Health Insurance. This Commission received evidence considered by the first joint meeting of the Conference and Representative Body, held on March 12 1925.

The reduction in the capitation fee, recommended in the national interest by the "May Economy Committee", was accepted in 1931, the year in which maintenance allowances for the members of the Insurance Acts Committee were first considered and rejected. Five years later, the "index figure" system for the election of direct representatives on the Insurance Acts Committee was introduced.

Introduction of the National Health Service

A joint meeting of the Representative Body and Conference held on March 31 1943 agreed to discussions without commitment on "Assumption B" of the Beveridge Report.

Conference rejected the idea of a salaried service when considering the White Paper of 1944, but later approved the establishment of a comprehensive Health Service for England and Wales. A Special Conference held on March 16 1945, aware that a plebiscite conducted by the Association in February had shown that 17,037 general practitioners were unwilling to enter the Service, demanded amendments to the Act. A further plebiscite was called following promises from the Minister. Only 9,588 general practitioners maintained their resistance, and in the circumstances Council and the Representative Body recommended that the profession should accept service under the Act.
The Conference, once more a Conference of Local Medical Committees, met in August and accepted the suggestion that the Insurance Acts Committee be renamed the General Medical Services Committee.

Danckwerts and Pilkington

Within a few months of entering the Service the profession took the view that the Government was not honouring the Spens Agreement, and after unsuccessful discussions a Special Conference on June 26 1950 made preparations for withdrawal from the Scheme. Under this pressure the Government agreed to arbitration, and two years later Mr. Justice Danckwerts recommended a 100% betterment for 1950-51.

The next claim by the profession, in 1956, was met by the announcement that the Government was setting up a Royal Commission under the chairmanship of Sir Harry Pilkington and paying an interim rise of 5%. The Conference, which originally opposed the giving of evidence to the Commission, finally agreed that the General Medical Services Committee could co-operate. The Commission reported in February 1960, and suggested, among other things, pay increases and the setting up of a permanent Review Body. The report was accepted in toto by the Government, on condition that the profession did the same (the "package deal").

The flexibility of the Conference is illustrated by its attitude towards differential payments to general practitioners, included in this package deal. In 1960, by 196 votes to 100 the motion "Conference accepts the principle of differential payments in
remuneration of general practitioners" was accepted as a reference to the General Medical Services Committee, and a Working Party was set up to consider possible schemes. The General Medical Services Committee submitted the Working Party's report to the Conference in 1962 without comment, whereupon a motion to suspend standing orders was carried, and a motion by London Local Medical Committee "that this Conference rejects the principle of differential payments" was carried by 99 votes to 70.

S.C.7 and the Charter

There was evidence that general practitioners were increasingly discontented with their remuneration and terms of service, particularly as their work-load was increasing due to a fall in their numbers. A provisional case to the Review Body was prepared in 1963 and considered by the Council, which appointed a panel of negotiators, but declined to include the name of Dr. Ivor Jones. The General Medical Services Committee, meeting in camera, suggested that Dr. A. Maiden be appointed an additional negotiator.

The draft memorandum of evidence, "S.C.7.", was presented to a Special Conference on March 12 1964, which insisted on including quotations from the Porritt and Gillie reports and evidence to show that "recruiting to general practice was inadequate and diminishing, and was adversely affected by the poor financial prospects..." Finally, it demanded that Dr. Ivor Jones be a member of the deputation to the Review Body.
Dr. A. B. Davies, taking the view that these decisions showed a lack of confidence in the General Medical Services Committee, resigned the chairmanship of the Committee and the deputy chairmanship of the Representative Body. The Review Body's fifth report was published in February 1965. It awarded £2,500 to general practitioners, most of which was to be used for partial direct repayment of expenses. The General Medical Services Committee reacted by recommending to Council that resignations be collected (17,800 were ultimately received) and that negotiations with the Minister on a new contract begin. A small sub-committee prepared a draft manifesto - "A Charter for the Family Doctor Service" - which the Minister considered as a basis for negotiation, provided the new contract was priced by the Review Body.

Once more, in June 1966, the Conference placed the interest of the nation before that of the profession by accepting the Government's "phasing" of the seventh report of the Review Body and destroying the resignations.

The Conference played a relatively minor role in the crisis which followed the Labour Government's refusal to accept the award of the Review Body in 1970.

Constitution and Finance
The importance attached to the Conference by the Government is shown by the fact that it has been addressed by three Ministers of Health, Mr. Iain Macleod (1953), Mr. R.H. Turton (1956) and Mr. Enoch Powell (1962). Its Executive, the General Medical
Services Committee, recognised as the sole negotiating body for general practitioners in the National Health Service, has been visited by the Chief Medical Officer of the Department of Health and Social Security (1969), the Permanent Secretary of the Department (1972) and by the Secretary of State (1972). In recent years the Conference and General Medical Services Committee have played an important role in the introduction of vocational training for general practitioners, in the reorganisation of the National Health Service, and other matters.

The General Medical Services Committee is in law an autonomous committee of the British Medical Association, responsible to Council and the Representative Body, whose policies sometimes differ from those of the Conference. There have been many motions at Conferences, usually at times of crisis, demanding complete autonomy for the General Medical Services Committee. They have all been rejected, as were moves by the Representative Body and Council to restrict the autonomy until, in 1972, Sir Paul Chambers prepared a Report on the Constitution of the British Medical Association in which he recommended the abolition of the General Medical Services Committee and the Central Committee for Hospital Medical Services. His proposals were accepted in principle by a Special Representative Meeting held in November. This almost led to the secession of the autonomous bodies from the Association and its possible destruction.

Although the Conference, British Medical Association and General Medical Services Committee share a common secretariat and the
British Medical Association pays part of the expenses of the Conference, the main expenses of both Conference and Committee are met from the general practitioners' defence trusts, whose trustees are the members of the General Medical Services Committee and whose funds are collected by Local Medical Committees from all practitioners willing to subscribe to the voluntary levy.

As a result of this financial independence and the determination of its leaders, the decision to abolish the General Medical Services Committee was reversed at the Annual Representative Meeting of 1973. This showed the true power and the real importance of the Conference and its Executive and was proof of the trust placed in them by their constituents. At the time of writing a new constitution is being prepared for the British Medical Association which will take note of the Local Medical Committee/Conference/General Medical Services Committee axis.
INTRODUCTION

Since the passing of the Sanitary Act in 1838 there has been a relationship between the Government and the Health Services in Britain. Early improvements in the nation’s health were due in the main to improvement in drainage, the provision of a pure water supply, and the containment of infectious diseases.

Statutory provision was made for the care of the sick poor with the passing of the Poor Law Act of 1601; the Poor Law Amendment Act of 1834, under which Boards of Guardians sought medical officers on a tender system, led indirectly to the rise of the general practitioner and the development of medical organisations to champion the rights of doctors and patients alike. A General Board of Health was established by Parliament in 1848, but was abolished in 1858. The Local Government Board, established in 1871, paid little concern to its public health functions, some of which were taken over by the Board of Education.

The organisation of the medical profession started in the early part of the sixteenth century when Thomas Linacre helped to found the Royal College of Physicians of London and subsequently became its first president. Royal Colleges of Surgeons and Physicians were established in Ireland and in Edinburgh, closely related to the universities. In 1617 the Society of Apothecaries was established, and its members’ right to treat the sick, upheld by the House of Lords early in the eighteenth century, was given
statutory recognition by the Apothecaries Act of 1815⁵.

In 1832 "more than fifty medical gentlemen" met in Worcester under the chairmanship of Charles Hastings to form the Provincial Medical and Surgical Society. In 1853 it accepted members from London and two years later changed its name to the British Medical Association ("The B.M.A.")⁶. Throughout the nineteenth century, the Association took an active part in the battle for reform, especially on the matters of administrative arrangements for medical relief under the Poor Law Act. In parallel it worked on behalf of practitioners for better terms and remuneration under the same Acts. On the medico-scientific side it assisted in the collection of statistics and epidemiological studies, and its efforts in respect of medical education and qualification led to the passing of the Medical Act of 1858 which established the General Council of Medical Education and Registration of the United Kingdom (later the General Medical Council)⁷.

In 1905 the British Medical Association issued its report on Contract Medical Practice⁸. Five years later its Poor Law Reform Committee⁹ criticised the existing methods by which the poor received medical attention. The Association laid down certain principles which were to play an important part in its future relationships with the State; medical services rendered on behalf of the State should be paid for by the State, the payment should be adequate and in accordance with the professional
services required, and there should be adequate medical representation on all committees formed to control medical assistance.

With the introduction of the National Health Insurance Act of 1911 a major change took place in the relationships amongst doctors, the State and the community. This thesis shows how general medical practitioners in the United Kingdom developed the machinery necessary to ensure that they obtained from the State adequate recognition of the value of their services.

The activities of the profession and its representatives on behalf of the population at large, which have ensured that patients have received a reasonably high standard of medical care from the State service, are only considered when it is relevant to the main theme. The British Medical Association has played a major role in representing both general practitioners and other branches of the profession in the struggle with successive governments. Its history has been written by several authors but the accounts pay little attention to the Local Medical Committees* and their Conference** which developed in parallel and in partnership with it. In fact the first short

* Commonly referred to as "LMC's".

** The meetings of the Association have, in general, been open and reported in the press. On the other hand the Conference of Local Medical Committees was held in private until 1972. As a result, the debates and decisions of the Council and the Representative
history of the Local Medical Committees and their Conference was published in 1972 as a pamphlet by the present author. The thesis describes the origin of these bodies and their relationships with other medico-political organisations. It considers some medico-political crises in detail, and attempts to assess the importance of the Conference and its Executive.

Body of the British Medical Association have been widely publicised, while those of the parallel systems were only rarely reported in the non-medical press. This may have concealed the real importance of Local Medical Committees from both the public and the medical profession itself.
INTRODUCTION OF NATIONAL HEALTH INSURANCE

On March 4 1911 the Association's Report on the Organisation of Medical Attendance on the Insurance and Provident Principles was published for consideration by the profession and the public.

Without consulting the profession, the Chancellor of the Exchequer, David Lloyd George, introduced a National Insurance Bill to Parliament on May 4 1911. The Bill was brought to the House of Commons for its first reading by Mr. Buxton, Mr. Secretary Churchill, Mr. Burns, Mr. Herbert Samuel, the Attorney General, Solicitor General, Mr. Masterman, Mr. Hobhouse and Mr. Lloyd George, amidst loud and prolonged cheers from members on both sides of the House. It was welcomed by the press of both parties, and public opinion in general was in favour of the proposals. The Lancet gave the Bill qualified support, but listed several points which needed meeting if the profession was to cooperate. The capitation fee should be realistic and the remuneration of medical men should lie in the hands of committees upon which they were as fully represented as the insured or any other lay interest.

A leading article in the British Medical Journal protested at the haste with which the Bill had been introduced. It had been issued to Members of Parliament five days after its first reading and placed on sale to the public one day later, although it was due to be read a second time on May 24. The Association believed that both the public and the profession would be better off if the State did not interfere between the doctor and his patient. The article concluded:
"There is clearly, also, a very strong feeling among those who do not object in principle to attending the insured upon contract terms, that these terms must be settled either by negotiation with the State, or by negotiations in which the State has the last word, the State department in either case being assisted by competent medical advice from a statutory committee."

Special Representative Meeting - May 31/June 1 1911

A Special Meeting of the Representative Body was held at the Examination Hall of the Royal College of Physicians and Surgeons at Victoria Embankment with Dr. Maclean, Chairman of Representative Meetings in the chair. Following some minor procedural motions, the Representative Meeting went into committee under the chairmanship of Mr. Verall, deputy chairman of Representative Meetings, and then into camera. It first considered the motions submitted by divisions on the "Report on Medical Attendance on the Insurance Principle" referred to above and then passed to the National Insurance Bill. The debate was prolonged, lasting, with short interruptions for meals, from 11 a.m. till midnight on the first day. The following morning, at his own request, Mr. Lloyd George addressed the meeting. The committee stage was then resumed and continued until 6.30 in the evening when the Plenary Session of the Representative Body started.

The meeting approved the main objects of the Bill and expressed a desire to cooperate. However, it considered that the Government's proposals for attaining these objectives were wholly unsatisfactory and therefore the whole of the proposed medical benefits should be
postponed until satisfactory terms had been arranged with the medical profession.

Finally, the meeting approved a short statement of the main heads of policy, which became known as the "Six Cardinal Points".

1. An income limit of £2 a week for those entitled to medical benefits.
2. Free choice of doctor by patient, subject to consent of doctor to act.
3. Medical and maternity benefits to be administered by local Health Committees and not by friendly societies.
4. The method of remuneration of medical practitioners adopted by each local Health Committee to be according to the preference of the majority of the medical profession of the district of that committee.
5. Medical remuneration to be what the profession considers adequate having due regard to the duties to be performed and other conditions of service.
6. Adequate medical representation among the Insurance Commissioners, in the Central Advisory Committee and in the local Health Committees, and statutory recognition of a local Medical Committee representative of the profession in the district of each Health Committee.

Immediately after the Representative Meeting, a mass protest meeting chaired by Dr. Maclean, was held at the Connaught Rooms, London. This carried resolutions identical to those passed at the Special Representative Meeting.
RESOLVED: That the following Statement of the main heads of the policy of the Meeting as regards the National Insurance Bill be approved, as follows:

1. An income limit of £2 a week for those entitled to medical benefits.
2. Free choice of doctor by patient, subject to consent of doctor to act.
3. Medical and maternity benefits to be administered by Local Health Committees, and not by Friendly Societies.
Representative Meeting.

Thursday, June 1st, 1911.

4. The method of remuneration of Medical practitioners adopted by each Local Health Committee to be according to the preference of the majority of the medical profession of the district of that Committee.

5. Medical remuneration to be what the profession considers adequate having due regard to the duties to be performed and other conditions of service.

6. Adequate medical representation among the Insurance Commissioners, in the Central Advisory Committee, and in the local Health Committees; and statutory recognition of a Local Medical Committee representative of the profession in the district of each Health Committee.

Agenda of Mass Meeting of June 1st, in London.

83 Proposed by Dr. Fothergill (Wandsworth), seconded by Sir Victor Horsley (Council), and

Resolved: That the Resolution adopted on the motion of Dr. Holme (Minute 23) together with the above Statement be placed before the mass meeting of the profession to be held this evening.

Notice to Divisions.

84 Proposed by Dr. Wallace Henry (Leicester and Rutland), and

Resolved: That the Statement be circulated to the Divisions at the earliest possible moment.

85 Proposed by Dr. F. E. Wynne (Leigh, Wigan):—

That, failing to obtain the terms specified in the Statement we pledge ourselves to accept no service under the Bill.

With the consent of the Meeting the motion was withdrawn.

Vote of Thanks to Medical Members of Parliament.

86 Proposed by Dr. Walker (S.E. Essex), and

Resolved: That the thanks of the Meeting be conveyed to the three medical Members of Parliament who have attended the Meeting and assisted in its business.

Vote of Thanks to Chairman.

87 Proposed by Dr. W. J. Durant, and

Resolved: That the best thanks of the Meeting be accorded to Dr. Maclean (Chairman of Representative Meetings) and to Mr. Verrall (Deputy Chairman), for their able conduct in the Chair.

Confirmation of Minutes.

88 Resolved: That the Minutes of the Meeting be confirmed for presentation to the Council, and that the Chairman be empowered to sign them as correct.
"Contracting Out"

Amendments which attempted to solve some of the problems involved were introduced to the House of Commons by Dr. Addison. His amendment to Clause 14 of the Insurance Bill read as follows:

"Subject to regulations by the Insurance Commissioners, it shall be lawful for any insured person, in lieu of receiving medical attendance and treatment under such arrangements as aforesaid, to enter into agreement with any duly qualified medical practitioner for medical attendance and treatment and any approved society or local Health Committee which would otherwise have been charged with the duty of administering his medical benefit, shall contribute towards the cost of the medical attendance and treatment of such person under such agreement sums not exceeding in the aggregate the cost which the society or committee would otherwise have incurred in providing medical attendance and treatment for him."

Although the amendment did not meet the first Cardinal Point fully, it was hoped that the concept of "local options" would find favour with the profession. It would allow workers earning less than £2 a week the right to continue to pay private fees if they wished. This principle, which became known as "Contracting Out", was accepted by the House of Commons when Addison's amendment was passed on August 24.

The Government agrees to Local Medical Committees

At the same time as the above amendment was introduced, Dr. Addison proposed a new Clause:

"Where a local medical committee has been formed for any county or county borough, and the Insurance Commissioners are satisfied
that such committee is representative of the duly qualified medical practitioners resident in the county or county borough they shall recognise such committee, and where a local medical committee has been so recognised it shall be consulted by the local Health Committee on all general questions affecting the administration of medical benefit, including the arrangements made with medical practitioners giving attendance and treatment to insured persons, and shall perform such other duties, and shall exercise such powers as may be determined by the Insurance Commissioners."

The Annual Representative Meeting of the British Medical Association was informed by the Medical Secretary that the Chancellor had agreed to table a Government amendment on these lines, and this promise was honoured in November.

The Insurance Bill became law on December 16 1911. Draft regulations which were to be made by the Treasury on behalf of the Joint Insurance Committee under Section 83 of the Act were published in January 1912. Regulation 16 (d) empowered the Commissioners

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*On November 16 1911, the Chairman of the Standing Committee of the House of Commons, acting under the terms of the closure resolution, rose to put eighteen new clauses standing on the order paper in the name of the Chancellor of the Exchequer, and simultaneously, most of the members of the Opposition walked out of the House. The clauses, including Clause 62 which gave recognition to Local Medical Committees, were deemed "added to the Act".*
to recognise a Local Medical Committee where they were satisfied that it was representative of the qualified practitioners in the area served by county, county borough or district Insurance Committees.

Report of the Council of the British Medical Association on the Act

Copies of the Act were not available until the end of December 1911. A report on it, drafted by the State Sickness Insurance Committee of the Association and modified by the Council reaffirmed the Six Cardinal Points, outlined the history of the struggle between the Association and the Government, and listed the differences between the original Bill and the Act. The members of the Association were reminded that the invitation to the profession to undertake treatment had to be offered by an Insurance Committee established under Clause 15 of the Act. This Committee would have from 40 to 80 members (Clause 59), of whom at least four and not more than six were to be medically qualified. The invitation

*Three fifths of the members of the Insurance Committee were to be elected by the insured and one fifth were to be appointed by the County or County Borough council. Depending on the size of the committee, one, two or three of these appointees had to be medical practitioners. Of the remaining fifth, two were to be elected by the medical practitioners in the area, and the remainder were to be appointed by the Insurance Commissioners. One of these too had to be a medical practitioner.*
had then to be considered in the first instance by the Local Medical Committee; only then could the Insurance Committee proceed with its arrangements (Clause 62).

The Council pointed out that the mere refusal of the profession to form a Local Medical Committee would not relieve the Insurance Committee of its duty to provide medical benefit.

The report emphasized the importance of Local Medical Committees to the profession. Where they were established the Insurance Committees would have to come to terms with them and the collective bargaining machinery of the profession would have statutory authority. However, if they were not established, the Insurance Committees would be free to bargain with any individual practitioners who would deal with them. The Council recommended that divisions and branches should call meetings of the whole profession in their areas for the sole purpose of establishing a provisional medical committee for each Insurance area. This action would safeguard the interests of the profession in the area without prejudice to the question of whether the local organisation would later accept recognition as a statutory Local Medical Committee. It would not preclude divisions from taking any other steps that were thought necessary.

The Council also reminded members that the Commissioners were required to appoint Advisory Committees to assist in the preparation of the regulations. The Act required that there be medical members of those committees, and the Association might take the
opportunity to submit nominations if the Representative Body so
resolved.

The Council made the following recommendations for consideration by
a Special Representative Meeting in February:-

I. That the Council be instructed to press upon the Government and
the Commissioners the further conditions necessary for securing
the requirements of the profession.

II. That the Council be instructed to notify the Insurance
Commissioners that no negotiations will be entered into with
any Insurance Committee until the Representative Body is
satisfied that the requirements of the profession are conceded.

III. That the Council be instructed, as soon as possible after the
issue of the Regulations by the Insurance Commissioners, to
submit a Report thereon to the Divisions and the Representa-
tive Body.

IV. That the Council be instructed to make all necessary arrange-
ments for assisting the Divisions and Branches in the appoint-
ment of provisional Medical Committees in every insurance
area to safeguard the interests of the profession, without
prejudice to the question of whether these Committees shall
later accept recognition as statutory local Medical Committees.

V. That the Council be instructed to take steps to organise the
profession so as to secure that, failing the provision of
adequate remuneration of medical practitioners under the
National Insurance Act, no person shall be able to secure
medical attendance under a contract practice appointment held
at lower rates than those which may be agreed upon as adequate
by the Representative Body for attendance upon insured persons.

VI. That a State Sickness Insurance Committee be appointed to consider and report to the Council on all matters connected with the National Insurance Act; that the Committee consist of (a) 12 members elected by the Representative Body, (b) 12 members elected by the Council, (c) two members nominated by the Association of Registered Medical Women; (d) the ex-officio members; and that the Committee be empowered to add to its numbers for special purposes not more than four additional members.

Special Representative Meeting of February 20/22 1912

This started with a motion, "that Dr. Maclean be asked to resign the chair and a more vigorous advocate of our rights be elected". The chairman of the Council took the chair temporarily and at the end of a long debate a card vote was demanded. Sixty-three constituencies representing 6327 votes were in favour of the motion and 73 constituencies representing 7597 votes were against it. Dr. Maclean then resumed the chair, and after considering other procedural matters the Representative Body decided to vary the printed order of business, so as to take Recommendation VI of the Council first. After many amendments had been considered it was agreed that a State Sickness Insurance Committee should be appointed to consider and report to the Council on all matters connected with the National Insurance Act. The Committee should consist of 24 members (the majority of whom should be general practitioners) elected by the Representative Body, the ex officio
members and two women medical practitioners to be coopted by the Committee. One of these should be nominated by the Northern Association of Medical Women and the other by the Association of Registered Medical Women. The Committee should be empowered to add to its numbers, for special purposes, not more than four additional members.

Later in the meeting a ballot was held for the 24 members of the State Sickness Insurance Committee to be elected by the representatives. The meeting also agreed that to safeguard the interests of the profession the Council should make all necessary arrangements to assist divisions and branches in the appointment of "provisional" Medical Committees in every Insurance area, without prejudice to the question of whether these committees should later accept recognition as statutory Local Medical Committees.

Establishment of Provisional Local Medical Committees

Measures were put in hand, both locally and centrally, to establish Provisional Medical Committees. A joint meeting of Gateshead and Consett divisions on March 6 decided to hold a further meeting to elect a Local Medical Committee. The following day the Isle of Thanet division decided to appoint a Provisional Local Medical Committee, consisting of three practitioners each from Ramsgate and Herne Bay, two each from Broadstairs and Birchington and one from Minster. It agreed to call a separate meeting of all general practitioners, members and non-members of the British Medical Association, to elect such a committee. Two days later a meeting convened by the Maidstone division at which all the Kent
divisions but two were represented agreed to establish a Provisional Committee for the county of Kent. The East Anglia Branch Council resolved that Provisional Local Medical Committees corresponding to the statutory areas constituted under the Act should be established within the branch and that secretaries of the divisions, after consultation with the membership, should make the necessary arrangements.

On March 18, 1912 the acting medical secretary of the British Medical Association, Dr. Alfred Cox, wrote to all honorary secretaries of divisions and branches in England, Scotland and Wales. He forwarded a Memorandum relating to the setting up of Provisional Medical Committees issued under the instructions of the State Sickness Insurance Committee. The Memorandum, which stated quite clearly that the main task of the Committee was to organise the profession, suggested that meetings should be held to conduct elections and gave the broad outlines of an electoral procedure. Special efforts were to be made to induce non-members of the Association to attend. The Provisional Committees should reflect all classes of practice and include representatives of consultants and hospital staffs. Meetings of the committees should be held at regular intervals; at other times the whole local profession should be called together in order to retain their loyal support.

The State Sickness Insurance Committee at head office would give the utmost assistance to any division in the process of establishing a Provisional Medical Committee.

It was considered particularly important to ascertain the views of
STATE SICKNESS INSURANCE COMMITTEE.

March 18th, 1912.

Dear Sir,

NATIONAL INSURANCE ACT.—FORMATION OF PROVISIONAL MEDICAL COMMITTEES.

I forward with this letter a Memorandum, issued under instructions of the State Sickness Insurance Committee, for the formation of the Divisions and Branches of the Association relative to the setting up of Provisional Medical Committees.

I am instructed to say that there is no desire to secure uniformity at the expense of efficiency or convenience. Every Division or Branch, therefore, which has already made its arrangements for dealing with this question, is requested to use the advice contained in the accompanying Memorandum, so far as it deals with the constitution of these Committees, to the extent which is thought desirable. On the other hand, it is hoped that however they are constituted and whatever areas they cover, the Committees will at once set about the organisation of the profession in the ways indicated in the Memorandum, and will report progress from time to time to this Office.

The Secretary of each Provisional Medical Committee is requested to forward to this Office, notice of the establishment of such Committee, and of the area which it covers, at the earliest possible date, and also to state whether the Committee has agreed to recognise the Council of the Branch as the local co-ordinating authority as mentioned in paragraph 14 of the Memorandum. Further copies of the Memorandum can be had on request.

I am,

Yours faithfully,

ALFRED COX,
Acting Medical Secretary.

Honorary Secretaries of Divisions and Branches in England, Scotland and Wales.
"club" doctors and ensure that none of them were tempted to increase their work at the expense of their colleagues. The Provisional Committees were advised to obtain from them an undertaking that they would decline to receive insured persons into their clubs on terms other than those acceptable to the Committee. They should also be asked to pledge themselves to place their resignations from such clubs in the hands of the Committee for use as and when required.

The Committee was also to collect from all practitioners a guarantee, of as much as they could afford, towards the defence trusts which had been established both locally and centrally. The expenses of the Provisional Committees were to be met from these funds, and separate accounts were to be kept of them. To make book-keeping easier, it was recommended that if no local fund had been established, contributions should be sent to the Central Insurance Defence Fund which had been established the previous year.

It was further suggested that in order to coordinate the work of the Provisional Medical Committees and keep them in touch with the Association, all committees in the area of a branch should recognise the Branch Council as a coordinating body, and these in turn would be responsible to the Council of the Association. The secretary of each Provisional Medical Committee was also requested to forward to headquarters the notice of the establishment of the committee, the area which it covered, and to state whether it had agreed to recognise the Branch Council as a local coordinating authority.
On April 29 Dr. Cox wrote again to honorary secretaries of divisions, branches and Provisional Medical Committees in England, Scotland and Wales, bringing to their notice the form of a pledge which members of the profession were to be asked to sign. The object was to get into the hands of secretaries of Provisional Medical Committees forms of resignation from the large majority of all contributory contract practice appointments so that they could be used simultaneously all over the kingdom.

The Provisional Medical Committees were assured that the State Sickness Insurance Committee would not take the step of ordering the resignations to be sent in until it had been assured, by reports from all over the country, that such a step would be safe and effective. The Pledge would also reassure those holding appointments that, if they resigned them, they would not find their places taken by other local practitioners.

* It was not intended that the resignations should be sent in to take effect before medical benefit came into operation on January 15, 1913. Many contracts stipulated that six months' notice of resignations should be given and it was considered that the tendering of all the resignations on the same day, provisionally fixed as June 30, 1912, would show the Government and the friendly societies the potential power of the profession.

** This was the first occasion on which the threat of resignations by doctors from an existing contract was used as a bargaining
In July the Council reported that 211 Provisional Medical Committees had been formed. However, many of them coincided geographically with divisions, and not with the Insurance areas. Negotiations which had taken place between Provisional Medical Committees and Provisional Insurance Committees for the purpose of ascertaining the nature and conditions of service in the schemes established to administer Sanatorium Benefit were reported to the first meeting of the new State Sickness Insurance Committee.

Provisional regulations made on October 1, 1912 by the National Insurance Joint Committee were reproduced in the British Medical Journal. Revised regulations were published in December and the Journal produced a detailed comparison between the two documents. The regulations specified that where the Committee was recognised, the Insurance Committee had to consult it on general matters affecting the administration of medical benefit. It had to be consulted on the conditions of service, the method and remuneration of practitioners (Regulation 7(1)), the rules with regard to the administration of medical benefit (Regulation 9), the fixing, varying or abolition of an income limit (Regulation 14(2)) and the revision of the prices of drugs and appliances (Regulation 35).

counter. The pledges, 33,000 of which were received, were to be held by Provisional Medical Committees (not the British Medical Association) for submission only if called for by the State Sickness Insurance Committee of the British Medical Association.
The Local Medical Committee had the right to make representation to the Commissioners on any arrangements regarding medical benefit submitted by the Insurance Committee to the Commissioners, and the Commissioners were bound to consider its views (Regulations 8 to 11). The Committee had the power to dispute the right of any insured person to receive medical benefit on the grounds of income (Regulation 14 ((4))) and, at the request of the Pharmaceutical Committee to investigate allegations of excess prescribing by practitioners (Regulation 46). It could decide, in consultation with the Insurance Committee, what records should be kept by practitioners (First Schedule, 8).

The Local Medical Committee appointed three of the seven members of the Medical Services Sub-committee which considered complaints against practitioners (Regulation 52 ((1)) and ((2))) and was entitled to be represented at any inquiry before such a committee (Regulation 25 ((4)) ((c))). It also had the duty of considering complaints between doctors on the panel, and could even apply to the Commissioners to have the name of a practitioner removed from the panel (Regulation 53). The Committee could decide the question of whether a service or operation was within the range of treatment that the practitioner had agreed to give, but if agreement on this point could not be reached with the Insurance Committee and referees were appointed to determine the matter, they were required to hear the views of the Local Medical Committee (Regulation 55 ((1))).
A Final Appeal to the Profession

On December 23 1912 the Representative Meeting again rejected service under the Act, in spite of the concessions which had been won from the Government. The majority was 181 votes to 21.

Once more the Association appealed to doctors to act only through their Local Medical Committee. A circular issued to all members of the profession in the United Kingdom and reprinted in the Journal included two forms for use at the doctor's discretion.

One informed the secretary of the Local Medical Committee that the doctor wished to have his name placed on the list of practitioners who were willing to attend insured persons on the terms and conditions to be arranged by the Local Medical Committee. The other, to the Insurance Committee, withdrew any provisional agreement that the doctor may have made with it.
SUPPLEMENT TO THE
BRITISH MEDICAL JOURNAL.

LONDON: SATURDAY, DECEMBER 28th, 1912.

BRITISH MEDICAL ASSOCIATION.

NATIONAL INSURANCE ACT.

The following circular has been issued, in accordance with the instructions of the Representative Meeting on December 23rd, to all members of the medical profession in the United Kingdom.

APPEAL TO THE PROFESSION.

The Representative Meeting has decided by 152 votes to 21 not to work the Act on the terms offered by the Government.

The meeting considers it prejudicial to the interests of the profession that practitioners should apply for service under the Insurance Committees and the Regulations now issued.

The Association therefore calls upon all practitioners to refrain from placing their names on any panel under Government control, or to accept any whole-time office.

It has been decided to leave the Local Medical Committees free, and to suggest to them to lay their terms and arrangements before the insured or their representatives, and to offer them a list of practitioners willing to attend their members on terms arranged by the Local Medical Committees with the approval of the Association.

The terms must include the following:

(a) Free choice of doctor by patient and patient by doctor.
(b) Financial arrangements to be fixed by the Local Medical Committee on a minimum contract basis of 8s. 6d. per annum per member inclusive of medicines, or 2s. 6d. per visit.
(c) Income limit to be arranged locally.

The above does not apply to the treatment of tuberculous persons, the arrangements for which, made by the Insurance Commissioners, have been accepted by the British Medical Association.

If any local arrangement has been made, it is to be continued if it is satisfactory to the majority of the practitioners and has the approval of the British Medical Association.

If no satisfactory arrangement has been made, you are requested to forward at once to the Secretary of your Local Medical Committee the enclosed form of application to have your name placed on the list of practitioners who are willing to attend insured persons on the terms to be arranged by your Local Medical Committee.

You are requested not to apply to the Insurance Committee for service under the Act, and, if you have already applied, to withdraw your application.

The solicitor of the Association is of opinion that those who have signed a provisional agreement are at liberty to withdraw therefrom. The provisional agreement, in his opinion, is not a legal binding agreement to attend and treat insured persons which would be enforced by the courts, but merely a form of agreement specifying the terms and conditions upon which such services shall be rendered, if rendered at all.

You are authorized to inform any of your patients, and the secretaries of clubs, that you are willing to attend them on terms to be arranged by your Local Medical Committee and the representatives of the insured.

The desire is that you shall keep all your old patients who wish to be attended by you.

Pending final arrangements by the Association and the Local Medical Committees you are advised to continue to treat insured persons on the terms above indicated.

You are warned not to make any terms individually but only agree to those approved by your Local Medical Committee with the consent of the British Medical Association.

December 23rd, 1912.

429, Strand, London, W.C.

NOTICE TO LOCAL MEDICAL COMMITTEE.

To the Secretary of the

Local Medical Committee.

I beg to give notice that I desire my name to be placed on the list of practitioners who are willing to attend insured persons on the terms and conditions to be arranged by the Local Medical Committee.

(Signed).

December 1912.

Address.

NOTICE TO INSURANCE COMMITTEE OF WITHDRAWAL.

To the Insurance Committee of

On the day of December, 1912, I signed a provisional agreement to attend and treat insured persons upon the terms and conditions therein set out.

I hereby give you notice that it is not now my intention to attend and treat insured persons upon the said terms and conditions, and therefore withdraw from the provisional agreement signed on the above date.

(Signed).

December 1912.

Address.
INTRODUCTION OF THE "PANEL SYSTEM"

The panels were due to be completed by midnight on December 31, 1912. On that morning the British Medical Association announced that it was calling yet another Special Representative Meeting on January 17 to consider the pledges and the whole question of whether doctors should accept service under the Act. The Association maintained that "contracting out" was permitted under the Act (because of the so-called Addison amendment referred to above) but the Commissioners, on behalf of the Government, were insisting on the establishment of panels of doctors who were prepared to accept patients.

Meetings of doctors had been held all over the country and the newspapers carried long lists of areas where doctors had voted for, and against, accepting service on panels. Threats were made that sufficient doctors would be introduced as whole-time employees to provide "some sort of service". In Lancaster, Lord Ashton announced that he personally would be prepared to bring in qualified men to work the Act, no matter what it cost him. The Lancaster branch of the British Medical Association therefore decided that its members should go on the panel. The chairman of the West Ham Insurance Committee revealed that he had had an interview with the Insurance Commissioners who seemed to be in favour of whole-time medical officers in such districts as his. If asked, they were prepared to supply the borough with as many whole-time officers as was necessary. On the other hand at Oldham, where it was estimated that 30 doctors were required to give an effective service for 55,000 to 60,000 insured persons,
and the Insurance Committee proposed to make whole-time appointments, the Commissioners informed the Committee that it would not be necessary to advertise.

The situation in London was quite different. As a result of a strenuous canvass by loyal members of the British Medical Association, many doctors who had considered joining the panel were induced to remain loyal to their pledges. The panels were complete in only six boroughs, doubtfully complete in two boroughs, and incomplete in fourteen. The members of the British Medical Association Council who represented London constituencies met on January 1 to initiate a campaign for "contracting out".

Formation of a London Local Medical Committee

During the critical month of January 1913 there were three separate organisations with similar names, all referred to loosely as "the London Medical Committee". This caused confusion in both the lay and medical press.

On November 19 1912 the State Sickness Insurance Committee had issued a circular to local secretaries asking them to call meetings of the profession, and as a result of this the practitioners resident in the County of London appointed a committee representative of the doctors in the whole area. This committee, whose official title was "The Medical Committee appointed for the County of London" appointed as its chairman Dr. Haslip, president of the Metropolitan Counties Branch of the British Medical Association. It was anticipated that this body might become the statutory Local
Medical Committee for London if the profession decided to work within the National Health Insurance Act. Some members of that committee, who wished to carry out a policy of opposition to the medical conditions of the Act in a more energetic manner, formed themselves into another committee styled the "London Medical Committee" under the chairmanship of Dr. F.J. Smith. This committee met the State Sickness Insurance Committee on January 1 and two days later appointed several sub-committees. It also organised a well attended protest meeting at Queens Hall.

A third committee calling itself the "Local Medical Committee of London" had been elected by two conferences which had been called at County Hall on December 31, 1912 and January 1, 1913 by the County Insurance Committee, to which doctors interested in negotiating terms of service under the Act were invited. The first conference, consisting of medical practitioners resident in the nineteen boroughs north of the Thames, was addressed by the chairman of the Insurance Committee, Mr. J. Arthur Dawes MP. He congratulated the doctors upon the success which was practically assured for them by their working the Act, and informed them that a similar situation existed in South London. Having carefully considered the question of the appointment of a Local Medical Committee required under Section 62 of the Act, the meeting decided

*This arrangement was made so as not to prejudice the position of the "Medical Committee of the County of London", should that body claim statutory recognition.*
that, at any rate for the provisional period ending April 14 1913, it would be advisable to arrange for one Local Medical Committee to be formed for the County of London. This committee met on January 7, and elected Dr. J.H. Kesy of Greenwich as its chairman.

It called a conference of practitioners on the London panel which met on April 8. It announced that it had decided to apply for statutory recognition under Section 62 of the Act, but that it was willing to consider the question of increasing its numbers so as to make it fully representative of all the medical interests in the County. Dr. Kesy maintained that there was no doubt as to the status or influence of his committee as the Insurance Committee had consulted it on everything appertaining to medical benefit, and in every instance had accepted the advice tendered. He further claimed that as a result of experience of working under the Act, medical opinion in London was less hostile to it. The conference agreed that this committee should not continue in office but that a new committee should be appointed consisting of representatives who were to be elected locally by the Local Medical Committee of each borough or, if no such committee existed, by the practitioners on the panel resident in and practising in such borough.

\*In fact this particular committee was never recognised as the Local Medical Committee for London. Further development which took place in the representative machinery within the metropolis will be described later.\*
Acceptance of the Act by the Profession

The Representative Body met as arranged on January 17. Whilst the meeting was in progress the "Star", a Liberal paper which strongly supported Lloyd George and denigrated the doctors, issued a warning to its readers that a section of the London Doctors inspired by the British Medical Association, were attempting to wage hopeless war against the Insurance Act. They had set up their own "London Medical Committee" and were appealing to insured people to boycott doctors who had signed on the statutory panel. The paper claimed that the revolt was not unconnected with the County Council election, due to be held in March, and that its political character was unmistakable. It urged its readers not to be misled by the doctors' proposals, and to remember that both the Government and the friendly societies were in favour of the panel system.

On Saturday morning, January 18, Dr. Heggs, on behalf of the Canterbury and Faversham division of the Association proposed:

"That this Representative Meeting, recognising the force of present circumstance, and consulting the best interests of the Association and the unity of the profession, now releases all

*This allegation had substance. Dr. Percy Reimant, Secretary of the London Medical Committee and Dr. Milton Towneend, both from Hammersmith, applied to the Conservative Central Office for a loan of £200. This was refused, but Sir William Bell, Unionist MP for Hammersmith, made the loan himself."
practitioners from their pledge." This motion was passed by 115 votes to 35, with 5 abstentions. The meeting then resolved, without discussion and by a unanimous vote, that any acceptance of service which involved a practitioner's change of residence for the express purpose of taking it, would be regarded as conduct detrimental to the honour and interests of the medical profession. This resolution was aimed at the "imported" Medical Service which the Chancellor of the Exchequer had once more threatened in a speech at the National Liberal Club. The Representative Meeting protested emphatically against the discredited methods by which the Government had compelled practitioners to give unwilling service under the Act, and instructed the Council to give every assistance to men who were prepared to hold out against the statute.

It was considered that the decision to accept service was, in a large part, due to the strength of feeling entertained by the provincial doctors in regard to the attitude of their colleagues in London. The "Star" reported that, from the beginning, the opposition to the Act centred on London. The specialists, leading lights in the British Medical Association but with little direct interest in general practice, had taken a line which threatened to split the Association from top to bottom.

The London Medical Committee held a meeting at the offices of the British Medical Association in the afternoon. At its close Dr. Reiment issued a statement that the committee had decided to continue its campaign in favour of "contracting out" and was sending a circular letter to all London practitioners. Accompanying the
letter was a questionnaire. Doctors were to be asked whether they were wholly in favour of the Act and Regulations as they stood, whether they were so little affected that there was no need for them to go on the panel, and whether they would contemplate going on it. Those on the panel were asked whether they had accepted service unwillingly, and whether they intended to resign on April 14 if it were in any way possible. Dr. Reiment added that his committee felt that the decision arrived at by the Special Representative Meeting did not reflect the true views of the representatives who were required to vote as instructed by their divisions. He considered that many of them had done so "shamefacedly".

Establishment of Statutory Local Medical Committees

Most Local Medical Committees accepted the inevitable and applied for statutory recognition. For example, the Middlesex Local Medical Committee met three days after the Special Representative Meeting and resolved unanimously to claim statutory recognition under the Act from the Insurance Commissioners, and to ask for power to appoint two members on the Middlesex Insurance Committee. The Liverpool Local Medical Committee complained about delays in securing statutory recognition but within a month the County of Stafford Local Medical Committee announced that it was recognised and was prepared to assist the County Insurance Committee in accordance with Section 62 of the Act. The Commissioners recognised the Local Medical Committee for the County Borough of Bootle which had only ten members as representatives of the profession in that town.
Action by the British Medical Association

The State Sickness Insurance Committee met on January 23 to review the situation, including its relationships with the Council and the Local Medical Committee for London. It decided that it could not entertain some of the suggestions from the London Medical Committee which involved an expensive nationwide campaign in favour of contracting out. However, it agreed to circulate every doctor in the country informing them that forms were available which would enable their patients to apply to the Insurance Committee for permission to make arrangements with doctors who were not on the panel. About 700,000 of these forms were supplied. The Committee agreed to grant the London Medical Committee office accommodation in the Association's headquarters, free of charge, on the understanding that the London Committee alone was responsible for any documents issued by it. Later in the year it was suggested that the State Sickness Insurance Committee should suspend its own standing orders and redebate this decision, but the motion to do so was defeated.

The Council of the Association met on January 29, considered the State Sickness Insurance Committee's report, and discussed the relationships between the two bodies. It concluded that, in accordance with the decisions of the Special Representative Meeting of January, the Committee could only act under the Council's instructions. There was also a conflict of opinions as to who should administer the Central Insurance Defence Trust, the trustees of which were the members of the Council. At the Council meeting held on May 1, 1912 the finance committee had been
instructed to administer the Fund on behalf of the Council, but
in December 1912 the Representative Body had instructed the Council
to place the raising, management and distribution of the Central
Defence Fund under the control of the State Sickness Insurance
Committee, granting to that Committee such assistance from the
business staff of the Association as it may require 59. The
Committee had assumed that the Council had delegated to it the
duties specified, but it had been informed that questions had been
raised as to the rights of the Representative Body to instruct the
Council on this matter. After hearing a statement by the
Solicitor, the Council resolved to entrust the administration of
the Central Insurance Defence Fund to the State Sickness Insurance
Committee, subject to the approval of the Council. The Committee
was given power to make urgent grants provided they were approved
by the chairman of Council acting on behalf of the Council. The
State Sickness Insurance Committee also recommended to Council
that the British Medical Association should finance Local Medical
Committees, pointing out that although they had been set up at the
request of the profession and were a purely optional part of the
machinery of the Act, there was a danger that some of them might
develop into independent bodies if they received assistance from
the State. However, the Council disapproved of this recommenda-
tion. The State Sickness Insurance Committee, at one of its
later meetings, reaffirmed its view that it was undesirable for
the State to finance Local Medical Committees 60.

Dr. Butter told the Council that, of some 5300 practitioners to
whom the London Medical Committee had sent the circular referred
to above, 2000 had replied. He suggested that the State Sickness Insurance Committee should press for an amending act, and define at once the conditions relating to the medical profession which should be embodied in such an act. The Council agreed to this proposal unanimously.

On February 1 the British Medical Journal published an analysis of the Insurance Act and the Regulations made under it, showing how Local Medical Committees could secure recognition from the Commissioners, and explaining their duties and powers. 61.

The State Sickness Insurance Committee met again on February 20, and thereafter wrote to the honorary secretaries of divisions, referring to the work of the Local Medical Committees and asking for information about them, their chairmen, Secretaries and membership, and any action which had been taken by the committees. The latter also intimated that a special sub-committee would consider what actions were necessary to coordinate the efforts of the divisions and the Local Medical Committees, and that the columns of the British Medical Journal would be open for reports of meetings of Local Medical Committees. 62.

Preparations for a Conference of Local Medical Committees
In April 1913 the Council of the Association considered a recommenda tion of the State Sickness Insurance Committee that a conference of representatives of the Local Medical Committees should be called, and that it should meet at Brighton in July whilst the Association was holding its Annual Representative Meeting. On account of the
expense involved, the Council did not adopt this suggestion. In May the State Sickness Insurance Committee issued a circular to honorary secretaries of divisions and Local Medical Committees which stated that a national scheme for coordinating all Local Medical Committees and payment of their expenses was under consideration by the British Medical Association, and that an appeal for funds would be made to the entire profession, including those who were not members of the British Medical Association.

It reminded Local Medical Committees that it was not too late for local schemes to be established, and suggested that they raise a small local levy to cover the expenses of the Committee until the end of the year.

The Honorary Secretary of the Annual Meeting wrote to the Council, expressing his Executive's regret that the Council had not seen its way to call a conference. Having regard to the importance of such a meeting, his Committee was willing to call it and place a room at its disposal free of charge. If the State Sickness Insurance Committee would arrange the agenda, his division would meet incidental expenses in connection with the printing. This offer was accepted, and the preparation of the agenda was undertaken by the Chairman of Council (Dr. MacDonald), Mr. E.B. Turner and the Medical Secretary, in cooperation with the local executive.

Invitations were issued by the conference committee of the Brighton division to the Local Medical Committees to attend the meeting at the Royal Pavilion on Thursday, July 24 at 2:30 p.m. and the following days if necessary. Members of the Council and the State Sickness Insurance Committee were also invited to attend.
As you are probably aware the Council of the British Medical Association having found it impossible in consequence of the financial cost to call this Conference, the Executive Committee for the Annual Meeting has decided to issue an invitation and itself to meet all the expenses attached thereto except the railway and other out of pocket expenses of those attending.

The State Sickness Insurance Committee has approved the proposal and has accepted the invitation to assist in the preparation of the Agenda.

I am now desired to issue to your Local Medical Committee a cordial invitation to participate in the proposed conference, and at the same time to acquaint you with certain proposals that have been adopted.

The Conference will be opened at 2.30 p.m. on Thursday 24th July in the Pavilion, and will adjourn not later than 6.30 p.m. and it can be continued on Friday during the same hours as also on Saturday 26th July from 10 a.m. should the Conference desire it.

At the invitation of the Executive Committee, E.B. Turner, Esq., F.R.C.S., Deputy Chairman of the Representative Meeting, a member of the State Sickness Insurance Committee and the London Insurance Committee (one of the two elected medical representatives) has consented to take the chair.

Invitations to attend and take part in the Conference are being issued as follows:

One (only) Representative from each Local Medical Committee for a County Borough area.

Two (at most) Representatives from each Local Medical Committee for a County area.

Those practitioners need not necessarily be members of the British Medical Association.

Invitations will also be issued to the members of the present State Sickness Insurance Committee of the British Medical Association to be present, but not to speak unless invited to do so by the Conference.
There will be no admittance for the public or other members of the medical profession nor will representatives of the lay press be admitted. Reports to the lay press will only be given by the Chairman if the Conference approves such action. The Editor of the British Medical Journal and Lancet will be invited to attend.

The out of pocket and locum expenses of representatives of Local Medical Committees may in many cases be a bar to the practitioner most suitable accepting nomination. I am therefore to express a hope that by means of a subscription list or otherwise each Local Medical Committee will remove all financial difficulties of this sort so as to allow the most suitable practitioner accepting nomination to attend what will undoubtedly prove to be an epoch making conference.

I am to ask your Committee to let me have the name and address of its representatives or representative later than Saturday, 5th July, so that he may be sent a copy of the Agenda and all other necessary particulars.

With regard to the Agenda which will be prepared by my Committee in consultation with the State Sickness Insurance Committee I am to ask if your Committee wishes to suggest any subject for inclusion. If so, would you kindly let me have it not later than Saturday 5th July.

I am to explain that the Conference will have no authority to instruct the British Medical Association to take any action; but on the other hand it would be quite within its province to adopt resolutions and to give instruction that a copy be forwarded to the Insurance Commissioners; or Parliament, or British Medical Association or other suitable Bodies.

The Conference will no doubt consider whether it is its wish or not to be called together again in 1913 or in 1914; and whether it should appoint a small committee to act for it in the meanwhile in regard to any resolutions adopted.

I am to point out that by applying to Mr. Guy Elliston at 429, Strand, you can obtain for your Representative a railway voucher which on presentation at the railway station of departure will entitle him to a return ticket at a considerable reduction.

There will be during the week of the Conference numerous garden parties, receptions, soirées, dinner and excursions. Your Representative will be able to participate in these as in the case of members of the Association by presenting his attendance card at the reception room booking office.

This card will be posted to him should he state that he does not propose to come to Brighton at the beginning of the week and any requests for invitations to selected functions would be attended to.

Trusting to have all the information asked for not later than Saturday 5th July.

Believe me to be,

Yours faithfully,

(Signed) R. ROWLAND POCHENGILL.

Local Secretary to Conference Committee
Dear Sir,

The Executive Committee for the 81st Annual Meeting at Brighton decided that the Conference of Representatives of Local Medical Committees would no doubt desire to have present during the time of their meeting the members of the Council and State Sickness Insurance Committee of the Association, and I have been instructed to issue to you a cordial invitation to attend that conference.

You will no doubt appreciate that it must depend on the decision of that Conference whether or not you are able to speak on any subject which has been debated.

I understand you will receive from Dr. Cox a copy of the general invitation issued to Local Medical Committees to appoint a Representative.

I shall be glad to hear from you at your convenience whether you propose to attend this Conference or not, in order that suitable accommodation can be arranged for you in the hotel.

Yours faithfully,

L. A. PARRY
Local Hon. Secretary.
Conference of Representatives of Local Medical Committees.

BRIGHTON, 1913.

To be held in the MUSIC ROOM of the ROYAL PAVILION, commencing at 2.45 p.m., on THURSDAY, July 24th, 1913.

NOTICE.—The Chairman has placed on the Agenda all subjects that have been proposed for consideration, but expects that every subject will be introduced in the form of a motion, which must be in writing, and duly signed by the mover. Such motions, forwarded to Dr. Burchell, 5 Waterloo Place, Brighton, if received not later than first post on Wednesday, 23rd inst., will be printed and issued at the Meeting.

AGENDA.

1. Opening remarks by the Chairman (E. B. Turner, Esq., F.R.C.S.).

2. To receive return of Representatives appointed.

3. Adoption of Standing Orders.
   Motion by CHAIRMAN:—"That the Rules of Debate contained in the Standing Orders of the Representative Body (see B.M.J. Supplement, May 10th, 1913, page 420) be adopted for the purposes of this Conference."

General Organisation.

4. Suggested by the State Sickness Insurance Committee:—Question of future relations of Local Medical Committees to the British Medical Association and its Branches and Divisions.
   A Motion is invited from a member of the Conference.

5. Co-operation of adjoining Local Medical Committees.
   Motion by Dr. James Melvin (Rochdale).

   Motion by Dr. Mills (North Riding of Yorkshire).

7. As to the right or desirability of an Insurance Committee summoning a meeting of the practitioners on the panel instead of consulting them through the Local Medical Committee.
   Motion by Dr. Bernard E. A. Batt (West Suffolk).

8. Suggested by the State Sickness Insurance Committee:—Question of future methods of financing the Local Medical Committees.
   A Motion is invited from a member of the Conference.
Annual Representative Meeting of the British Medical Association,
Brighton, 1913

The Council was so concerned with the importance of coordinating
the work of the Local Medical Committees with that of the
Association that in its supplementary report for 1913 it submitted
the following recommendation to the Representative Body for
discussion and adoption:

"That the Representative Body is of opinion that no system of
reorganisation of the Association can be effective which does not
take into consideration the position of Local Medical Committees
and devise some means of coordinating their work with that of the
Association." 68

The report also suggested a model constitution for Local Medical
Committees and model rules for their procedures 69.

The Representative Meeting approved Council's recommendations, 70
but a move to establish a registered trade union in conjunction
with the Association was heavily defeated.

Recognising that the Insurance Act had come to stay, the Meeting
appointed an Insurance Act Committee, as a standing committee of
the Association, with the following terms of reference:

"To deal with all matters arising under the National Insurance Act
that are dealt with by the National Insurance Commissioners, the
Insurance Committees, and Local Medical Committees; to watch the
interests of the profession in relation to the National Insurance
Act; and report to Council."

It would include the ex officio members, four members to be elected
by the Council and twelve members to be elected on a territorial
basis by the Representative Body. In addition, the Association of Registered Medical Women, the Northern Association of Registered Medical Women, the Society of Medical Officers of Health, and the Poor Law Medical Officers Association of England and Wales, were each to nominate one representative. Such nominees, who had also to be members of the British Medical Association, would be elected to the Insurance Act Committee by the Council.

An amendment that at least one fifth of the members of the committee should have practical experience of the working of the National Insurance Act was carried, but another, that at least four members should be officers of Local Medical Committees, was lost.

The First Conference of Representatives of Local Medical Committees

This met at the Royal Pavilion, Brighton, on the afternoon of July 24 1913, one representative having been invited from the Local Medical Committee of each County Borough and two from that of each County. Mr. E.B. Turner presided, Dr. Burchell of Brighton acted as secretary, and following the welcome to Brighton proposed by Dr. Annis-Hollis, the Meeting adopted the rules of debate contained in the standing orders of the Representative Body of the Association.

The State Sickness Insurance Committee had suggested that one of the questions for consideration by the Conference, was the future relationships between the Local Medical Committees and the British Medical Association, and its branches and divisions. Dr. MacAvoy of Middlesex moved the following declaration, of which he had given notice:
"That as far as possible there be fusion between Local Medical Committees and divisions of the British Medical Association."

Dr. Tomkins of Essex moved an amendment to the effect that there should be fusion also between divisions of the British Medical Association "and all other medico-political bodies". The chairman remarked that this appeared to mean trade unions and similar bodies, with which the British Medical Association had decided to have no dealings. The amendment was lost, but another amendment to substitute the word "cooperation" for "fusion" in the original resolution was carried. It was further agreed that it was desirable, for the purpose of coordination, that decisions of Local Medical Committees should be communicated to the secretaries of the Committees in adjacent areas.

Dr. Mills, representing the North Riding of Yorkshire Local Medical Committee, told the Meeting that he had been instructed to propose the formation of a National Guild of Panel Practitioners and Dr. Head of York said his instructions were to second it. He indicated that his own views were adverse to it, and the motion was therefore lost, no-one voting in its favour.

The Conference further resolved that the practitioners in any Insurance area should decline to be consulted by Insurance Committees or Commissioners in any way, except through the medium of the Local Medical Committee, when such a committee had been legally constituted. It was announced that the Association had the whole question of the financing of Local Medical Committees under review, and the Conference agreed to postpone consideration...
of the problem until after the next Representative Meeting. The Conference decided that it was desirable that an Annual Conference of Representatives of Local Medical Committees should be held and that it should be called by the British Medical Association, at the time of, and in connection with, the Annual Meeting of the Association, or at such earlier time as the Council should determine.

The Conference then discussed the question of certification, and came to the conclusion that there should be no mention of the nature of the disease on the certificate. A long and indecisive debate took place on the question of payment for temporary residents, and it was finally agreed to send a deputation on the subject to the Insurance Commissioners. Mr. Todd, Dr. Berret Heggs and Dr. Eustace were appointed, with instructions to report the results of their interview through the columns of the Journal.

Deputation to Insurance Commissioners

The deputation was received by the Commissioners on October 28\(^3\). It was stated, on behalf of the Commissioners, that they were pleased to receive the deputation and to have an opportunity of discussing those matters which formed the subjects of the resolutions passed by the Conference of Local Medical Committees. They would also be pleased to receive similar deputations in the future. The Commissioners maintained their views on the treatment of temporary residents, but agreed that, if it was demonstrated by actual working and experience that any inequity had been occasioned, they would take such practical steps as were open
to them to remedy the defect. Furthermore, the Commissioners would use their best endeavours to ensure that Insurance Committees complied with the regulations which required them to consult Local Medical Committees.

First Meeting of the Insurance Act Committee

This was held at the offices of the Association on Thursday, July 31, 1913. The nominations of those bodies who were entitled to representatives on the Committee were received. Dr. J.A. MacDonald was elected to the chair and reported that action had already been taken with a view to having all the amendments that the Representative Meeting wished to have included in the Amending Bill brought to the notice of the House of Commons. The Committee considered the proposed transference of medical benefits to the approved societies and arrangements for attendance upon insured persons, including the treatment of tuberculosis and cases in receipt of maternity benefit. It drew the attention of the Local Medical Committees to a resolution of the Representative Meeting, that operations requiring general anaestheisa should be excluded from the panel doctor's duty. The Committee discussed the establishment of a special fund for the organisation of the profession, and also considered letters of thanks from two members who had received compensation for earnings lost by their loyalty to the policy of the Association.

The First Insurance Act Amendment Bill

Regulations which had been made under the Act of 1911 required the Insurance Committees to consult "practitioners on the panel" on
AGENDA.

1 Receive: Notice of Appointment of, and Reference to Committee by Annual Representative Meeting, 1913:

Minute 193. Resolved: That steps be taken for the constitution of a State Sickness Insurance Committee as a Standing Committee of the Association, to be named the Insurance Act Committee.

Minute 199. Resolved: (A) That the Insurance Act Committee consist of the members Members, 4 Members to be elected by the Council, 12 Members to be elected on a territorial basis by the Representative Body, and one representative of each of the following organisations to be elected by the Council on the nomination of those bodies respectively, such nominees to be also Members of the British Medical Association:

(b) Association of Registered Medical Women;
(b) Northern Association of Registered Medical Women;
(c) Society of Medical Officers of Health;
(d) Poor Law Medical Officers' Association of England and Wales; and
(B) That at least one-fifth of the Members of this Committee shall have practical experience of the working of the National Insurance Act.

Minute 200. Resolved: That the reference to the Insurance Act Committee in the Schedule to the By-laws be as follows:

To deal with all matters arising under the National Insurance Act that are dealt with by the National Insurance Commissioners, Insurance Committees, and Local Medical Committees; to watch the interests of the profession in relation to the National Insurance Act; and report to the Council.

Minute 201. Resolved: That a Committee to be called the Insurance Act Committee be elected for the year 1913-14, in accordance with foregoing Minute 199, and having the reference contained in foregoing Minute 200.

Minute 312. The Chairman announced the result of the election of 12 Members of the Insurance Act Committee by the Representative Body on a territorial basis to be as follows:

Metropolitan Counties Branch:

| Central, East and North Groups of Divisions: |
| City, East Hertfordshire, Hampstead, Hendon and Finchley, Harrow, Marylebone, North Middlesex, South-West Essex, St. Pancras and Islington, Stratford, Tower Hamlets, and Willesden Divisions |

| Metropolitan Counties Branch (City): |
| Coodenwell, Chelsea, Ealing, Greenwich and Deptford, Kingston, Lambeth, Lewisham and Woolwich, Richmond, South Middlesex, Woolwich and Waddon, West Horshamshire, and Westminister Divisions |

Dr. F. M. Beaton
(London, N.W.)

Mr. E. B. Turner
(London, W.)
important matters, including the allocation of patients. It was obviously impossible to consult each practitioner and the intention had been to consult representative Local Medical Committees. These committees were elected on a franchise of all practitioners in an area, panel or otherwise. However, in some areas, such as London, the committee consisted of non-panel doctors and its declared intention was to make the working of the Act as difficult as possible. In April 1913, in reply to a question in the House of Commons from Mr. Touch, it was confirmed that no Local Medical Committee had been recognised for the County of London. In June, when Mr. Worthington Evans asked whether the Local Medical Committees which had been established in the London boroughs had been recognised under Section 62 of the Act, he was informed that the whole situation in London was under review.

The British Medical Association wrote to the secretary of the National Health Insurance Joint Committee making suggestions for the forthcoming Amending Act, pressing the view that no one interest should form more than two fifths of the total membership of an Insurance Committee. It urged that Local Medical Committees should be consulted on, and be able to nominate for, the appointment of medical referees.

The National Insurance Act (1911) Amendment Bill received its second reading on Tuesday, July 15 1913 and the report stage was taken in the House of Commons on August 5 and 6. Mr. Worthington Evans proposed to amend Clause 30, which dealt with the subject of consultations with those practitioners who had entered into
agreements with Insurance Committees. His motion, to leave out the words which provided that the Panel Committee might be recognised as the Local Medical Committee for the area, if no Local Medical Committee had been recognised within six months of the passing of the Act, was negatived by 173 votes to 34. The Bill had its third reading in the House of Commons on August 7, and was passed through the House of Lords rapidly.

Section 32 of the Act established a new committee which became known as the Panel Committee, elected only by those practitioners who had entered into agreements with Insurance Committees. However, non-panel practitioners were eligible for election, and it was therefore still within the power of the panel practitioners to elect the Local Medical Committee as their committee. There was no doubt that the second part of Section 32, which provided that wherever no Local Medical Committee had been recognised by the Commissioners within six months of the passing of the Act, i.e. mid February 1914, the Panel Committee could be recognised as the Local Medical Committee, was devised to deal with the problem of London. The Association considered it most important that the profession in London should take steps to prevent this being done, with as little delay as possible.

Further Action by the Insurance Act Committee
The Committee met for the second time on September 4. It appointed a sub-committee to consider and report on the National Insurance Act 1913 and any Regulations made or to be made thereunder. This sub-committee was given power, subject to the
discretion of the Chairmen of the Insurance Act Committee, to interview the Insurance Commissioners, and to act in emergencies on behalf of the Committee if necessary.

A week later the Committee considered a report of the proceedings of the Conference of Local Medical Committees that had been held in July. It resolved that a Local Medical Committee sub-committee be appointed, consisting of the chairman and four members of the Committee, with power to co-opt not more than five other members, representative of the various interests in the profession and of the various parts of the country. The sub-committee would consider and report to the Insurance Act Committee on all subjects which were referred to it by that Committee.

Establishment of Panel Committees

On October 27, 1913 the National Health Insurance Joint Committee, acting with the Insurance Commissioners and the Welsh Insurance Commissioners published Provisional Regulations for the establishment of panel and pharmaceutical committees. As permitted under Section 2 of the Rules Publication Act of 1893 the Commissioners certified that, on account of urgency, the Regulations should come into operation immediately. Three quarters of the membership of the Panel Committee were required to be practitioners on the panel (Regulation 3).

The first appointment of the committee was normally to be by postal election, the Commissioners appointing the returning officer, but two other methods were permitted. If one third of the electors,
or twenty electors, whichever was the lesser number, submitted an alternative scheme, the Commissioners could accept it and if they thought fit suspend the election (Regulation 3 ((I))).

Alternatively in any county or county borough where the number of electors did not exceed twenty, the Commissioners could declare that the electors themselves should constitute the Panel Committee (Regulation 9 ((I))). If no committee was elected in accordance with the Regulations the statutory powers could be exercised by any committee considered as the representatives of the panel practitioners by the Insurance Committee and the Commissioners (Regulation 31 ((II))).

The Insurance Act Committee considered the Provisional Regulations and wrote to Local Medical Committees pointing out the factors which should be kept in mind when electing Panel Committees, and a full analysis of the problem was printed in the British Medical Journal. Local Medical Committees held meetings to decide which of the alternative schemes should be implemented in their areas. For example, the Enfield Local Medical Committee agreed to the establishment of a Middlesex Panel Committee to be elected by districts, and nominated Drs. Busfield, Hall, Distin, Poett and R.L. Ridge for election; Surrey, Staffordshire, Bolton and West Sussex petitioned the Commissioners to accept the Local Medical Committee as the Panel Committee; and Bristol and Norfolk Local Medical Committees decided to hold postal elections within their county borough and county respectively.
NATIONAL INSURANCE.
National Health Insurance.

Provisional Regulations, dated 27th October, 1913, made under section 15 of the National Insurance Act, 1911 (1 & 2 Geo. 5, c. 55), and sections 32 and 33 of the National Insurance Act, 1913 (3 & 4 Geo. 5, c. 37), by the National Health Insurance Joint Committee, acting jointly with the Insurance Commissioners and the Welsh Insurance Commissioners.

The National Health Insurance Joint Committee, acting jointly with the Insurance Commissioners and the Welsh Insurance Commissioners, hereby certify under Section 2 of the Rules Publication Act, 1893, that on account of urgency, the following Regulations should come into operation immediately, and in pursuance of the powers conferred on them by Section 15 of the National Insurance Act, 1911, and Sections 32 and 33 of the National Insurance Act, 1913, and by the National Insurance (Joint Committee) Regulations, 1912 and 1913, hereby make the following Regulations to come into operation forthwith as Provisional Regulations:

PART I.

General.

1. These Regulations may be cited as the National Health Short title.
Insurance (Panel and Pharmaceutical Committees) Regulations, 1913.

2.—(1) In these Regulations, unless the context otherwise interprets, the following expressions have the respective meanings hereby assigned to them:

"The Act" means the National Insurance Act, 1913;
"The Commissioners" means the Insurance Commissioners, or in the application of these Regulations to Wales, the Welsh Insurance Commissioners;
"Practitioner on the panel" means a duly qualified medical practitioner who is under agreement with an Insurance Committee to undertake the medical attendance and treatment of insured persons;
"Person supplying drugs or appliances" means a person, firm or body corporate who is under agreement with an Insurance Committee to undertake whether at one

[Price 1/2d.]
A Panel Committee for London

In August 1913 it was announced that the Council of the Metropolitan Branch of the British Medical Association was about to hold meetings to organise the election of a Local Medical Committee to represent the practitioners of the entire County of London. However, in November discussions took place concerning the election of a panel committee and following an election conducted under a special scheme approved by the Commissioners, a committee of 71 members was elected by the practitioners on the panel for the City of London and for the 28 metropolitan boroughs. It held its first meeting in March 1914.

The British Medical Association went ahead with its arrangements, and a list of nominations for the election of a Local Medical Committee was published in the British Medical Journal of March 21, 1914. The votes were counted by the election committee of the Metropolitan Counties Branch, and the committee met for the first time on April 7, 1914.

Although the Panel Committee, at a meeting which was open to the press, decided that in the interests of the profession and to strengthen the Panel Committee the personnel of the two committees should be identical, two years were to elapse before they united. In October 1914 the London Medical Committee agreed to the suggestion but in December the London Panel Committee was only prepared to suggest a conference should take place between itself and the Local Medical Committee to organise this fusion.
At a meeting of the London Panel Committee on June 20 1916 it was finally announced that the committee had been recognised as the Local Medical Committee for the time being, that the officers of the two committees would be identical and that the election of the new panel committee would therefore be postponed for twelve months.

A TRADE UNION FOR DOCTORS

The State Medical Services Association was established to "Advocate the Advantages of State Medicine" and to promote its adoption by Parliament. Such a service should be organised on a basis of equality with the Higher Grades of the Civil Service. In August 1913 it established a weekly journal known as "The Medical World". In December the paper reported, and welcomed, the establishment of a Panel Doctors' Association in London. It recommended that a conference should be held in London to which Local Medical Committees should send delegates and offered its assistance to bring into being "an organisation of panel practitioners". A meeting of representatives of the various local Panel Practitioners' Associations met at Caxton Hall, Westminster, on December 18 1913 and formed a Central Panel Council (London). Amongst those present were Drs. Lauriston Shaw, H.R. Mills, Ferman and Welply, all of whom were destined to take a significant role in medical politics.

Medical World continued to stress the need for an organisation with a membership restricted to panel practitioners and published a
letter from Dr. R.W. Innes Smith of Sheffield who considered that the B.M.A. was too clumsy and too poor to protect the panel doctors' interests. He claimed that a postal vote in Sheffield showed that a majority of twenty to one of panel doctors were in favour of trade unionism.

On June 23 1914 an open meeting was held at Queens Hall. Dr. Goode Adams proposed that the meeting form itself into a Medico-Political Association. His motion was seconded by Dr. H.J. Cardale. Dr. Breckenbury questioned the wisdom of forming such an association and suggested "cultivating the B.M.A. which is a strongly pro-panel organisation". This statement was met with shouts of derision. He reminded the meeting that an Association [later known as a Federation] of Panel Committees was being formed under the aegis of the B.M.A. The meeting appointed an Executive Committee, comprising six members from North of the Thames and six from the South to act on its behalf. At an open meeting convened to protest at the action of the London Insurance Committee, which refused to distribute the "unallocated funds" for 1913, Dr. Angus made a long recruiting speech on behalf of the newly formed union.

The Executive Committee recommended that the organisation be known as the Panel Medico-Political Union and that it should seek protection by registering as a Trade Union. Dr. Welple was appointed as Secretary.

"The Medical World", which was originally sub-titled "The Journal
of the State Medical Service Association" became "A Weekly Review of International Medicine" and then "A Weekly Journal for Panel Practitioners". In 1915 its sub-title changed to "The Official Organ for Panel Practitioners" and then it became "The Official Journal of the P.M.P.U." It claimed that its circulation included eighty per cent of all doctors on the London Panel.

Dr. Coode Adams, Chairman of the P.M.P.U., suggested that it should give autocratic power to its Executive, and cited the Special Representative Meeting of the B.M.A. of January 1913 as an example of the weakness of democracy. "A dictatorship has proved to be the safest and wisest form of government." However, at an open meeting of practitioners he insisted that the Union should have a democratic basis.

The proposed rules of the Union, published in January 1915, were put to an open meeting of members at which many speakers emphasized their distrust of the B.M.A. They were referred back to the Executive Committee. A sub-committee redrafted the rules, and following approval by the Executive Committee they were adopted by the members. Delegates went to Glasgow and helped to form a branch of the Union there.

*It is significant that the Secretary of the London Medical Committee, Dr. P. Ferman, was a member of the Executive of the P.M.P.U. and presided at some of its meetings.*
LONDON PANEL COMMITTEE.

TIMETABLE OF COMMITTEE AND SUB-COMMITTEE MEETINGS.

Feb. 12—Pharmacy, 3 p.m.
Feb. 16—Finance and General Purposes, 3 p.m.
Feb. 17—Pharmacy (Section No. 2), 3 p.m.
Feb. 18—Pharmacy (Section No. 1), 3 p.m.
Feb. 23—Panel Committee, 3 p.m.

The meetings of the committee are held at the offices of the Metropolitan Asylums Board, Victoria Embankment, E.C., the meetings of sub-committees at the offices of the committee, Staple House, Chancery-lane, W.C.

ANTI-TYPHOID INOCULATION.—In a letter to "The Times" Dr. William Hunter, Senior Physician to the London Fever Hospital, calls attention to the remarkable character of the figures supplied on Tuesday to Parliament with regard to the number of cases of typhoid fever in the British Forces in France during the past six months. Apart from any other outcome of the war, he said, they must always remain as one of the most remarkable results which medical and sanitary science have ever achieved. This great and effective measure of treatment we owe to Sir Almroth Wright.

PANEL MEDICO-POLITICAL UNION.
(GREAT BRITAIN.)

To
THE GENERAL SECRETARY,
47, FLEET STREET,
LONDON, E.C.

Dear Sir,

I agree to abide by the constitution of the Panel Medico-Political Union, and I enclose cheque (or Postal Order) for One Half Guinea, being my subscription for the half year ending June 30th, 1915, which sum includes one copy of the Official Journal post free each week during the currency of the subscription.

I am,

Yours truly,

[Signature]

Name ........................................
Address ................................................

Date ........................................
PANEL MEDICO-POLITICAL UNION.

Important Meeting of the Executive Committee.

REVISED RULES APPROVED.

Forthcoming Meeting at Caxton Hall.

An important meeting of the Executive Committee of the Panel Medico-Political Union was held at Staple House, Chancery-lane, W.C., on Friday afternoon for the purpose of receiving the report of the sub-committee specially appointed to consider the revision of the rules. There was an excellent attendance—one of the largest in the history of the Union—presided over by Dr. W. Coode Adams (chairman of the committee).

The sub-committee, who had gone very thoroughly into the work of revising the rules, now presented them in their amended form for the approval of the Executive. These revised rules give the fullest effect to the wishes of the recent meeting at Caxton Hall, providing as they do among other things for the widest and most democratic form of representation on the Council that could be secured under trade union principles.

After careful consideration of each rule it was unanimously decided, on the proposition of the chairman, seconded by Dr. A. L. Sutler, that the rules as revised by the sub-committee be approved and submitted without any delay to a special meeting of the whole of the members for final adoption. (The revised rules will be found on pages 186–191.)

It was decided that the special meeting of members for the adoption of the rules should be held at Caxton Hall on Friday, February 12th, at 4 p.m. (Notice of the meeting will be found on another page.)

A satisfactory increase in the membership of the Union was recorded.

QUESTIONS AND ANSWERS.

A panel practitioner asks why he is to receive 1s. 6d. per quarter instead of 1s. 8d. as in 1914?

I. The reasons are many and include the inflation of doctors' lists partly due, in a few cases, to duplication of names by doctors themselves.

II. Failure on the part of the staffs of Insurance Committees to complete transfers has caused much of this inflation.

III. Remissness on the part of approved societies to notify Insurance Committees of suspensions and the like has allowed many names to be improperly retained on doctors' lists.

These causes have resulted in the great difference which has been reported between the lists of Insurance Committees and that held by the Insurance Commissioners, and the result has necessitated the pealing of the Medical Benefit Fund in each area and the payment of the doctors pro rata with the numbers accredited to them on the Insurance Committee's list.

PANEL MEDICO-POLITICAL UNION.

A MEETING

WILL BE HELD AT

CAXTON HALL, WESTMINSTER, LONDON, S.W.

TO-MORROW,

Friday, February 12th, 1915,

AT 4 P.M.,

For the purpose of submitting the Rules of the Panel Medico-Political Union for the approval of the Members.

All Members of the Panel-Medico Political Union are particularly requested to attend.
In 1913 the name was changed to "The Medico-Political Union," and in 1921 the Chief Registrar of Friendly Societies approved another change to "The Medical Practitioners' Union" (which became widely known as the "M.P.U."). In 1968 negotiations took place between the M.P.U. and the Association of Technical and Managerial Staffs, and a joint declaration of intent was approved by the Executives of both organisations. The merger was accepted by the members.

DEVELOPING RELATIONSHIPS BETWEEN THE CONFERENCE AND THE B.M.A.

The First Conference of Local Medical and Panel Committees

In February 1914 the Insurance Act Committee approved its Local Medical Committee's sub-committee's suggestion that a Conference of Local Medical and Panel Committees should be called. The Medical Secretary and his staff would be at the disposal of the Conference, but no committee of the Association would be represented. A preliminary agenda was prepared and issued.

The Conference met on Friday, March 13, 1914, at the Connaught Rooms, Great Queen Street, London, W.C.2. One hundred and twenty-six representatives were present, many representing groups of Local Medical and Panel Committees. Dr. Cox reminded the Conference that the arrangements for calling it had been undertaken by the British Medical Association. After a report from the deputation that had met the Insurance Commissioners, the Conference agreed that it was imperative that there should be a
permanent organisation to coordinate the work of the Local Medical and Panel Committees and to safeguard and promote the interests of those represented by them. An amendment to exclude Local Medical Committees proposed by Dr. Henry Brackenbury of Middlesex was rejected, only 14 representatives voting in favour. It was further agreed that immediate steps should be taken to organise an association of panel practitioners throughout the country and that the new organisation should be associated with the British Medical Association, which was to be asked to form a permanent "Local Medical and Panel Committee Standing Committee". The Conference of Local Medical and Panel Committees should be invited to nominate three quarters of the members of the committee, the remainder being selected by the Representative Body and the Council of the Association in equal numbers.

A Provisional Committee with powers to implement these decisions was appointed by ballot. It was asked to prepare, and submit to the Local Committees, a memorandum embodying the name, constitution, objects and powers of the new organisation, and the nature and method of its association with the British Medical Association. To finance the Provisional Committee it was recommended that a subscription of £1 for each 2000 insured persons, should be raised from each Local Medical Committee by means of a voluntary levy on the practitioners in contact with the relevant Insurance Committee. The Conference also recommended that Local Medical and Panel Committees should use their influence upon panel practitioners to make the panel system a success, and thereby avoid the alternative possibility of a whole-time State medical service.
When the Insurance Act Committee received the report of the Conference of Local Medical and Panel Committees, and heard that it would probably receive an invitation to meet the Provisional Committee, it expressed its willingness to accept the invitation.  

A Proposed Federation  
Mr. D.F. Todd of Sunderland was elected chairman of the Provisional Committee which met at the offices of the British Medical Association. On March 29 it issued a circular to all Local Medical and Panel Committees in Great Britain drawing attention to the decisions of the Conference, and asking for financial support. The vast majority of committees replied favourably. In view of the decision of the Conference that Panel Committees should raise funds by means of a voluntary levy rather than making use of the provision of the Insurance Act, the Committee approved a model form of request that medical practitioners could send to clerks of Insurance Committees, authorising the deduction of a levy from the monies due to them. The Committee appointed its Chairman, Mr. Bustace, and Mr. Apthorne to meet the Insurance Act Committee of the British Medical Association, to consider the question of the relationship of that body to the proposed new organisation.  

The Council authorised the Insurance Act Committee to report directly to the Representative Body on the question of its own constitution for the year 1914-19. The Insurance Act Committee recommended that, if the proposed Federation of Local Medical and Panel Committees were formed and the terms of cooperation were agreed, the Insurance Acts Committee should be able to coopt up to
The Representative Body agreed that after the constitution of the proposed Federation had been drafted and accepted by the constituent committees, the Council should prepare a memorandum, and if necessary call a Special Representative Meeting to consider it.

In the latter part of 1914 and early 1915 the Insurance Commissioners called local conferences of practitioners to consider the question of medical certification under the Insurance Act. This convinced the Insurance Act Committee that, should this pattern be repeated, the Association should invite the representatives to a preliminary conference, either locally or centrally, so as to arrange for combined action. This suggestion was accepted by Council.

In November the Local Medical and Panel Committee Sub-committee issued a circular to 197 committees in Great Britain offering

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*The P.M.P.U. claimed that the Federation was a failure due to the fact that it was in close connection with the B.M.A., "whose Council kept a controlling hand on its activities".*
DEAR SIR,

LOCAL MEDICAL AND PANEL SUB-COMMITTEE.

1. In the letter (M. 1) which I sent out by instruction of the Insurance Acts Committee of the Association on October 13th, 1914, you were advised in paragraph 14 that that Committee had appointed a Local Medical and Panel Sub-Committee with the following reference:—

"To consider all subjects referred to it by the Insurance Acts Committee, and to take action when authorised; to keep in close touch with and assist in the coordination of all Local Medical and Panel Committees advising them on all circulars, memorandums, and documents issued locally or centrally, having reference to the medical service under the Insurance Acts; and generally to advise the Insurance Acts Committee."

The Sub-Committee has now held its first meeting, and has instructed me to issue this letter to the Local Medical and Panel Committees with the view of giving them a more detailed idea as to its intentions, and also as a means of obtaining certain information without which it will not be able effectively to carry out its work.

PERSONNEL OF THE SUB-COMMITTEE.

2. The Sub-Committee consists of the following Members:—

Dr. E. Bootle Ellerbeck, Chairman (Hove), Member of the Local Medical, Panel, and Insurance Committee of County Borough of Brighton.

Dr. J. A. Macleod (Dundee), Chairman of Council, Chairman of Insurance Acts Committee, Member of Advisory Committee, and Member of Local Medical and Panel Insurance Committees of the County of Stirlingshire.

Mr. E. B. Turner (London), Deputy Chairman of Representative Meetings, Member of Advisory Committee, late member London County Insurance Committee.

Dr. John Adams (Glasgow), Member of Advisory Committee, Member, late Chairman of Local Medical Committee Glasgow, and Member of Panel Committee, Glasgow.

Mr. H. F. Davis (Bristol), Chairman of Panel Committee and Member of Local Medical Committee of County Borough of Bristol.

Dr. John Divine (Hull), Secretary Local Medical and Panel Committees, and Member of Insurance Committee of Kingston upon Hull.

*Mr. W. Dodds (Inchlin), Secretary Dublin County Borough Local Medical Committee.

*Dr. G. W. Postgate (Arundel), Vice-Chairman West Sussex Local Medical and Panel Committees, and Member West Sussex Insurance Committee.

*Dr. Major Greenwood (London), Member of Panel and Local Medical Committees of County of London.

*Mr. W. J. Green (Newport), Chairman Local Medical and Panel Committees, and Vice-Chairman Insurance Committee of County Borough of Newport.

*Dr. John Hunter (Corstorphine), Secretary of West Lothian Local Medical and Panel Committees.

*Mr. T. Napier Jones (Crawford, Berks), Vice-Chairman Local Medical and Panel Committees and Member of Insurance Committee of County of Berkshire.

*Dr. E. A. B. Johnson (London), Secretary Local Medical and Panel Committees, and Member Insurance Committee of County of London.

*Mr. H. H. Tasker (Leyton), Secretary of Essex Local Medical and Panel Committees.

*Dr. W. B. Crawford (Cardiff), Secretary of Local Medical and Panel Committees, and Member of Insurance Committee of County Borough of Cardiff.

GENERAL SCOPE OF THE WORK OF THE SUB-COMMITTEE.

3. To put it shortly, the object of the Sub-Committee is to make itself as useful as possible to all practitioners who are on Insurance Panels, and to carry out such work on their behalf as can best be done centrally. It is hoped that the reference to the Sub-Committee from the parent...
REPORT FOR 1913-14

ON THE ADMINISTRATION OF

NATIONAL HEALTH INSURANCE.

Presented to both Houses of Parliament by Command of His Majesty.

[Emblem of the Crown]

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assistance and cooperation, and 173 replies favourably. Dr. Cox wrote to the secretaries of Local Medical and Panel Committees, and warned them that there seemed to be a danger of some Local Medical Committees dropping out of existence as their work devolved upon the Panel Committees. To allow this was a mistake, as the Local Medical Committee had some duties to perform which were outside those of the Panel Committee. It was also important to retain the help of those practitioners who were unwilling to undertake the detailed work of the Panel Committee but were quite willing to remain on the Local Medical Committee. It was desirable, where possible, that the personnel of the Local Medical and Panel Committee should be made identical.

The Conference of 1915

On May 13 Dr. Cox wrote to secretaries of Local Medical and Panel Committees advising them that the Conference of 1915 would be held in June, that Dr. McDonald, Chairman of the Insurance Act Committee, had consented to act as chairman, and that the Association had decided to pay all the central expenses. It was expected that the Committees themselves would pay the expenses of their representatives. Local Medical and Panel Committees for the same areas were asked to appoint one joint representative, but where the personnel of the two committees differed materially each could appoint a representative who need not be a member of the British Medical Association. For the first time, members of the Insurance Act Committee of the Association and its Local Medical and Panel Committee Sub-committee could attend the Conference and take part in its deliberations, although they could
not vote unless they were also elected as representatives of a Local Medical or Panel Committee. The provisional agenda, which accompanied the letter, drew attention to the question of the nominating of six members for appointment on the proposed new Standing Insurance Acts Committee of the British Medical Association," subject to the Annual Representative Meeting accepting the Council's suggestions concerning the new committee. When the Conference came to the election of the six members of the Insurance Acts Committee, the Chairman reminded the representatives that only members of the British Medical Association were eligible to serve on standing committees of the British Medical Association. There was a long debate on the "grouping" of the Committees for the purpose of election. The London Panel Committee ** considered that one of the "six" should represent London, but the Conference

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*The new committee had been appointed in principle by the Annual Representative Meeting of 1914. The proposed constitution was included in the report of Council 127. It was the first but not the last time that changes in the constitution of the Insurance Act Committee, and its successors, had been made in anticipation of formal approval by the Representative Body.

**In September 1914 the London Panel Committee had objected to joining the proposed Federation because it objected to the link with the Insurance Acts Committee, and resented having only two representatives on the proposed executive of fifteen 128.
decided that it should be included with Middlesex, Hertfordshire and West Ham in Group IV. This group elected Dr. Breckensbury as its representative on the Insurance Acts Committee. The Conference also approved the suggestion that Local Medical and Panel Committees should be elected triennially.¹²⁹

**Deputation to the Insurance Joint Committee**

On July 9 1915 a deputation from the Insurance Acts Committee met the Chairman of the National Health Insurance Joint Committee, Mr. Roberts, to discuss the resolutions passed by the Conference of Representatives of Local Medical Committees.¹³⁰ They reported to him that the Conference welcomed the assistance given by the British Medical Association to the Committees in their work and had urged all Committees to make use of such assistance and to look to the Association to voice the opinion of Local Medical and Panel Committees as a whole in central negotiations. Mr. Roberts expressed his pleasure at receiving the members of a deputation which "was entitled to speak for the general body of medical practitioners undertaking work under the Insurance Act", and noted with interest the circumstances which had led to the interview. He assumed that the continuance of the direct relations which existed between the Commissioners or Insurance Committees and the several Panel and Local Medical Committees was not in any way in question, but he recognised that the Association was, in view of the Conference's decision, in a singularly favourable position to voice the general opinion of those Committees.

The Council reported to the Representative Body in 1916 that the
addition of representatives of Local Medical and Panel Committees to the Insurance Acts Committee had greatly strengthened that body.\textsuperscript{131}

**Dr. Breckenbury as Chairman of the Insurance Acts Committee**

On July 15 1916 Dr. Henry Breckenbury was elected as vice-chairman of the Middlesex Local Medical and Panel Committee\textsuperscript{132} and on August 31 was elected as chairman of the Insurance Acts Committee\textsuperscript{133}.

The Conference, which met on October 19, was attended by Sir Robert Morant and Mr. J. Smith-Whitaker, Commissioners of Insurance, accompanied by Mr. J. Anderson, Secretary of the English Commission, and Mr. S.B. Vivian. Mr. J. Anderson replied to questions on the remuneration of Insurance practitioners addressed to him from various parts of the room although there was no general discussion. The Conference accepted the Insurance Acts Committee's recommendations on the proposed modification of the 1917 agreement on remuneration.

Two memoranda on collective bargaining were considered by the Conference; one from the Insurance Acts Committee recommending central action and one from Kent, which suggested local action and radical changes in the organisation of the profession. During the debate Dr. Breckenbury, in reply to a question, stated that the Insurance Acts Committee firmly believed that the weapon of wholesale resignation should be used if and when suitable grounds arose. The Kent proposals were heavily defeated.
The Conference also agreed to establish a rural practices sub-committee of the Insurance Acts Committee, consisting of five rural practitioners with powers to coopt.

After the Conference the Insurance Acts Committee informed the Commissioners of its opinion that any communication concerning panel committees alone should be forwarded directly and not be transmitted through the Insurance Committees.

The Association of Panel Committees

There was evidence of growing discontent with the Insurance Acts Committee and its membership, who it was alleged had no understanding of panel practice. To refute this allegation the Journal printed a complete list of the membership, showing the panels on which they served.

The London Panel Committee's antagonism to the Insurance Acts Committee increased. Its general purposes sub-committee suggested that the Commissioners be asked to take steps to secure that the body directly representative of Panel and Local Medical Committees throughout the country should be consulted in all cases where it was necessary to obtain the views of the panel practitioners. Action on

* In accordance with the policy of the Insurance Acts Committee, its members attended meetings of insurance practitioners and panel committees in various parts of the country, including Maidstone, Ipswich, St. Boswell, Halifax, Coventry and Norwich.
this was deferred by the London Panel Committee until early 1917, when the Committee's resolution was sent to all Local Medical and Panel Committees asking for their cooperation and four members of the Panel Committee were appointed to draw up a statement for submission to the Commissioners. The Commissioners replied that, in view of the resolutions passed at the recent Conference appointing the British Medical Association as the "mouthpiece" of the Local Medical and Panel Committees, it was not clear what action they should take.

The York Local Medical and Panel Committee drafted a memorandum on the organisation of the profession. It claimed that the British Medical Association was incapable of representing the panel practitioners and was incompetent to be the fighting organisation of the profession, and advocated the creation of a medical defence association registered under the Trade Union Acts. The memorandum revealed that the York Medical Defence Association had been set up and that the York Panel Committee was in active cooperation with it. Other panel committees were invited to consider the wisdom of promoting the project. The British Medical Association's rebuttal was sent to secretaries of Local Medical and Panel Committees and secretaries of divisions and branches, and printed in the British Medical Journal. York Panel Committee asked for equal publicity and the Journal made space available for a full report, although the publication of lengthy documents was extremely difficult owing to the restrictions due to the Defence of the Realm Act. In July, on the initiative of the London Panel Committee, the Association of Local Medical and Panel
Committees was formed\textsuperscript{142}.

In view of opinions expressed at the 1916 Conference that the larger committees might be allowed more than one representative, Local Medical and Panel Committees were asked to appoint jointly one representative for each 400, or part of 400, practitioners on the list, to attend the Conference in 1917\textsuperscript{143}.

At the Annual Conference in October, Dr. Breckenbury pleaded with the representatives to allow the relationship between the Conference and the Insurance Acts Committee to continue its slow evolution\textsuperscript{144}. However, the London Panel Committee insisted on moving an amendment, "that this Conference while expressing its full appreciation of the efforts of the Insurance Acts Committee on behalf of the profession in the past, is of opinion that the time has now arrived when negotiations affecting the panel service should be carried on with direct representatives of the Panel Committees". It was supported by representatives from Southampton, York and Kent, who accused the Insurance Acts Committee of betraying the panel practitioners.

Amongst those who opposed it were Major D.F. Todd of Durham, who had been chairman of the "Provisional Committee". He pointed out that due to the war the Federation project had been suspended, but that the objective had been to obtain direct representation of the Conference on the Insurance Acts Committee. He hoped that in the future the entire Committee, with the exception of the ex officio members, would be appointed by the Conference. The London amendment
was defeated by 16 votes to 113. An amendment "deprecating the division of forces brought about by the creation of new bodies attending seriously to weaken the profession" was added to a vote of confidence in the Insurance Acts Committee, which was carried.

The Conference confirmed that it wished to continue the system whereby the Insurance Acts Committee selected the chairman of the Conference, rather than elect him itself. It then elected 15 members of the Insurance Acts Committee of the B.M.A., one of whom, Dr. H.G. Cowie of Denmark Hill, represented the County of London ("Group L").

In February 1913 the Association of Local Medical and Panel Committees issued an explanatory memorandum on the need for a separate organisation. The Insurance Acts Committee, in its turn, criticised it, deprecating "disruptive elements" and stressing the need for unity in the profession. The Annual Representative Meeting of 1913 accepted a motion by Dr. Brackenbury to amend the Schedule of the Bye-laws of the Association, so as to allow for the election of 18 members (out of 32) of the Insurance Acts Committee by groups of Local Medical and Panel Committees.

The Insurance Acts Committee issued a circular dealing with the election of direct representatives, who were required to be members of the B.M.A. The British Medical Journal reporting that some Panel Committees were inclined to object to this restriction on their freedom of choice, suggested to them that their proper course was to bring the matter before the forthcoming Conference of Local Medical and Panel Committees. Dr. Cordale, on
behalf of the London Panel Committee, proposed that the Conference should instruct the Insurance Acts Committee to endeavour to secure the removal of this qualification before the next election.

Dr. Breckenbury, speaking as the representative from Middlesex, heartily supported the London motion, which was carried by a large majority. The Council, at its meeting, instructed the Organisation Committee to prepare such alterations in the Schedule to the Bye-laws as were necessary to provide that direct representatives of Local Medical Committees and Panel Committees need not necessarily be members of the Association. The proposed changes were accepted by the Representative Body later in the year.

The Annual Conference of 1919 met at the Memorial Hall, Farringdon Street, London. In the absence of Dr. J.A. MacDonald, Chairman of Council, who was detained by his duties at the General Medical Council, the chair was taken by Dr. H.G. Dein of Birmingham.

On the recommendation of the Insurance Acts Committee the Conference elected an agenda committee so as to secure a more prominent place on the agenda for matters of principle.

The following year the Conference accepted an addition to its standing orders whereby the Chairman of the Conference would be elected at the end of one Annual Conference to hold office until the end of the following one. The suggestion that members of the Insurance Acts Committee should not be eligible for the chairmanship was rejected. Nominations were received on behalf of Drs. Dein, Cardale, Hillman and Lt. Col. Todd. Dr. Dein received the greatest number of votes and was declared elected as chairman. The Conference approved a memorandum (M15) dealing
with the election of Panel Committees. Members were to be elected for a term of three years and elections would take place in sufficient time to enable the new committees to come into office on July 1 of the year of election. They would then be in a position to deal with any matters which required discussion at the October Conference. The question of whether the elections would be conducted by means of a public meeting or a postal vote, and by a simple majority or proportional representation, was left to local options.

The London Panel Committee's representative, Dr. E.A. Gregg, a future leader of the M.P.U., proposed that in place of the Insurance Acts Committee an independent and directly elected negotiating body should be constituted, to be nominated by the Annual Conference of Representatives of Local Medical and Panel Committees. This motion was lost, only 16 representatives voting in its favour.\textsuperscript{150}

However, the London Panel Committee continued to press for a new organisation to revive the activities of the Association of Panel Committees. Within weeks the Insurance Acts Committee found it necessary to remind the profession of the Conference's decision and of the fact that four of the sixteen votes in favour of an independent body were controlled by London itself.\textsuperscript{151} The London Committee wrote to all Panel Committees in the country inviting support. A large number of these passed resolutions condemning London's short-sighted action.\textsuperscript{*} They took the view that the

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\textsuperscript{*}This antagonism had wide reaching effects. For example, Cheshire
interests of Insurance practitioners were not separate from those of the profession generally, and that therefore the Insurance Acts Committee ought not to be composed entirely of Insurance practitioners.\textsuperscript{152}

In June 1921 the Medical Secretary issued a further circular which criticised the decisions of the Association of Panel Committees and pointed out that the Insurance Acts Committee had acquired a status with the Government and the Ministry of Health which was of the utmost value to Insurance practitioners as a whole. That status and influence would have been considerably greater if some Panel Committees had not withheld their support. The Committee was confident that Panel Committees would decline to accept the invitation of the Association of Panel Committees and asked those that did not support them to fall in line with the majority opinion as expressed by the Conference and its duly authorised negotiating body, the Insurance Acts Committee.\textsuperscript{153}

In April 1921 the Council recommended that the chairman of the Conference should be an ex officio member of the Insurance Acts Panel Committee urged that a request should be sent by all Panel Committees to the Insurance Acts Committee, asking it to summon a conference to deal with the problem of record cards. London's chairman, Dr. Gregg, insisted that as his committee did not recognise the Insurance Acts Committee it could not join in the request.\textsuperscript{154}
Committee. This recommendation was accepted by the Representative Body.

At the Conference in October a suggestion that members of the Insurance Acts Committee should not be eligible to be representatives received only two votes. This was followed by a further attack by Dr. Gordon Ward of Kent upon the Insurance Acts Committees, which received only 17 votes in support. Dr. MacDonald of York, a prime mover in the formation of the Association of Panel Committees, complained to the Conference that Dr. Breckenbury had been responsible for the failure of the Association. However, as he saw the possibility of greater cooperation in the future, he would therefore urge his committee to support the Insurance Acts Committee and the National Insurance Defence Trust.

In 1922 a new standing order providing that all representatives should be medical practitioners and members or officers of a Local Medical or Panel Committee at the time of their election was agreed by the Conference. A move to disenfranchise committees which did not contribute to the National Insurance Defence Trust was lost, as was a suggestion that group conferences should be allowed to

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* These group conferences had developed on an ad hoc basis in various parts of the country. For example, in 1919, the London Panel Committee had approved a scheme for a Standing Joint Committee of Local Medical and Panel Committees for London and the Northern Home Counties. London, Middlesex, Hertfordshire, Essex, West Ham
forward resolutions for discussion at the Annual Conference.  

A motion in the name of the London Panel Committee that no efforts should be spared to secure the unity of the profession working under the National Insurance Act was passed unanimously and without discussion. However, a long discussion did take place on the constitution of the Insurance Acts Committee. The Representative Body had increased the number of direct representatives from 18 to 19 and the Insurance Acts Committee had recommended that this representative should be allocated to London. Claims were considered from various other areas, particularly group C which included Lancashire, Cumberland, Westmorland and Cheshire. This group contained 2960 panel doctors, against the 1585 practising in London. Sixty-two representatives wished the extra representative to be allocated to London, whilst 56 considered that Group C had a better claim. Dr. Gordon Ward of London spoke in favour of a motion by Sunderland that the number of direct representatives should be further increased, which was supported by Dr. Brackenbury and Southend Committees were each to send two representatives, and the three representatives of Group K on the Insurance Acts Committee were to be members ex officio. Similarly, a Conference of Representatives of the Panel Committees in Group F met in Birmingham on February 3 1921 and established a Standing Joint Committee. It was agreed that the Birmingham Panel Committee should send out notices and call a meeting for April 14 1921.
and carried unanimously. 

The Insurance Acts Committee agreed to reconsider the problem of whether Panel Committees, or Local Medical Committees and Panel Committees, should be entitled to vote in future elections of direct representatives. It was agreed that a voter should have only one vote in any group, irrespective of his membership of more than one Panel Committee in that group. Another suggestion from London, that a whole-time secretariat should be established under the control of the Insurance Acts Committee, was opposed by the majority of the representatives who considered it was the thin end of the wedge preliminary to ousting the British Medical Association from the affairs of Panel practitioners. 

* This recommendation was accepted by the Council at its meeting in December 1922. 

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THE FIRST ARBITRATION

The case for an increase in fees

On January 17, 1917, the Insurance Acts Committee issued a letter ("D.8") to all honorary secretaries of divisions and branches of the B.M.A. and Local Medical and Panel Committees. It pointed out that had it not been for the war, the finances of the Insurance Scheme would have been reviewed after three years. After the war, the profession must be ready with both criticism and constructive proposals, as there would probably be another Royal Commission or Parliamentary Inquiry. Thirteen questions to which answers were required by the Insurance Acts Committee were included in the memorandum. As a result of the replies received, an interim report was published by the Insurance Acts Committee. This revealed that many matters which had given rise to apprehension in previous years had assumed a position of quite minor importance. The general system by which the State provided medical advice and treatment under the Insurance Scheme was, in the main, approved by doctors and patients, and there was a large body of opinion in favour of the extension of the Health Insurance System to include more classes of people and a wider range of treatment.

In a letter to the National Health Insurance Joint Committee, the Insurance Acts Committee pointed out that the Conference of 1917 had requested that the capitation fee be raised to 10/- per week. This would give the average practitioner a rise of £3 a week. The claim was based on the grounds that the cost of living had gone up and the insurance risk was much higher because many of the
THE FUTURE POLICY OF THE BRITISH MEDICAL ASSOCIATION AS REGARDS NATIONAL HEALTH INSURANCE.

Dear Sir,

1. Since the Insurance Act came into full operation in January, 1913, the Association has been watching its developments with the keenest interest, particularly in view of the fact that the financial arrangement with the medical profession was only for a period of three years. Had it not been for the war the profession would no doubt have had last year to face an inquiry into the whole system.

2. This inquiry is only deferred. After the war the medical profession must be prepared with its constructive policy for the future as well as with its criticisms of the present system. There will probably be either a Royal Commission or a Parliamentary Inquiry, and the profession must be ready not only to repel any attempts that may be made to reduce the remuneration at present paid to those working the Act, but also to offer its suggestions for the future administration of Medical Benefit.

3. In spite of the absorption of the time and energies of the profession in other matters, it is essential that a beginning should be made in collecting the opinions of the profession in regard to this important question. It will not do to wait until easier times, for it is clear that other people and organisations interested in the subject are not idle. It is, therefore, suggested that Divisions and Branches of the Association, and every Local Medical and Panel Committee should, in cooperation whenever possible, at once appoint a thoroughly representative Committee or Sub-Committee with the following reference:

To consider the present system of National Health Insurance so far as it affects the relation of the medical profession to the public health and the treatment of disease; to make suggestions for the improvement of that system; and to report to the (Branch) (Division) (Local Medical and Panel Committee).

It will be noted that the reference is wide enough to allow of all kinds of suggestions being made, ranging from a complete re-organisation of the present system to simple modifications of it in detail.

[Medical Acts, 1913, 18, 258]
healthy lives were away in the forces. Furthermore, as the wives and daughters of the working class were employed in the factories and were therefore eligible for National Health Insurance, there had been a reduction in the private income of the doctors. The profession felt that its case was justified on its own merits but in addition increases in remuneration had been granted to other classes of the community who were doing work of national importance.

On January 23, 1913, the Chairman of the Insurance Acts Committee reported to the Council that no reply had been received from the Commissioners, and that it might be necessary to call a Conference of Local Medical and Panel Committees to consider the reply when it came. The Council authorised the calling of such a Conference if the need should arise.

On February 5, 1913, the Insurance Acts Committee received the following letter from the Commissioners:

"I am directed by Sir Edwin Cornwall [Chairman of the Joint Committee of Insurance Commissioners] to send herewith to the Committee instructed by the Conference of Local Medical Committees of October last to communicate with him in regard to the resolutions at that Conference, a copy of a letter which he has sent to the secretary of the Panel Medico-Political Union in reply to communications from that Union."

This correspondence resulted from the Union's demand for an increase in the capitation fee to 10/-.

In his reply to the Union
Sir Edwin pointed out that as Local Medical and Penel Committees were statutory bodies and the Conference represented them, he must regard the Conference as the body representing the Insurance practitioners as a whole. On February 19 the Insurance Acts Committee met Sir Edwin Cornwall who refused to grant any general increase in the capitation fee. Immediately after the interview the Committee decided to call a conference in the second week of April; meanwhile its executive sub-committee was instructed to prepare a reasoned reply to Sir Edwin's communication. In order to put the Government's policy fairly to the Conference, the Insurance Acts Committee arranged for a deputation to meet Mr. Bonar Law, Chancellor of the Exchequer, at the Treasury.

First Special Conference

The Insurance Acts Committee recommended that the representatives elected to attend the Annual Conference should attend the Special Conference held on April 11, 1918. Dr. J.A. MacDonald, Chairman of Council presided and 163 Insurance areas of Great Britain were represented. The following motion was carried with only seven dissentients:

"That while still maintaining the justice of the demand for an increased capitation fee, and protesting against the tenor of Sir Edwin Cornwall's reply on February 19, the Conference, in view of the difficult position of national affairs, and having no desire to embarrass the Government at the present time, considers that it is its patriotic duty not to press the general claim at the moment."
The Times reported that:—

"The annual [sic] conference of representatives of Local Medical and Panel Committees met yesterday. Although the Government could not grant a general increase in fees, they were prepared to treat men with small incomes as they had treated civil servants with less than £500 per year. The Conference accepted the offer." 170

In December 1918 the Commissioners granted a cost of living bonus of 12½% on their insurance fees to practitioners earning less than £500 a year from all sources and 10% on their insurance fees to doctors earning between £500 and £1000, subject to an overriding maximum of £60. 171

A Ministry of Health

Attempts had been made to establish a Ministry of Health in 1848 and 1871. 172 Many vested interests opposed the idea of such a Ministry, and only after Lloyd George had won the election of 1918 did he consider it safe to proceed with a Bill. 173

Sir George Newman, Chief Medical Officer of the new Ministry, was of the opinion that, "the creation of a Ministry of Health and the inclusion within it of the N.H.I. Commission established a new relation [sic] between State Medicine and the general medical practitioner which is of fundamental importance." 174

On the initiative of the Association of Panel Committees a conference of medical organisations was called to consider what
common action was required to ensure that the Medical Consultative Council, which was to be established by the Ministry of Health, should enjoy the confidence of the profession; and also to consider the best means of securing support for the National Insurance Defence Trust. Representatives from the Association of Panel Committees, the Medico-Political Union, the Medical Parliamentary Committee, the Medical Women's Federation, the British Federation of Medical and Allied Societies and the British Medical Association met at the Association's headquarters on May 6 1919. In spite of the attitude of the Medico-Political Union, which considered that the British Medical Association should accept it as the agent for collective bargaining on behalf of the profession, a liaison committee was established, and Dr. Cox of the B.M.A. was appointed as its secretary. The committee met twice but the impasse remained unbroken.

Dr. Breckenbury announced, during the course of a Special Conference held to consider the revision of the terms of service and the possible extension of the service, that on the previous evening the Ministry of Health had proposed that each panel practitioner should receive a 15% increase on his payments under the Insurance Act. Furthermore, if his net professional income was less than £500 a year, he would receive an additional 15%, making 30% in all. If his net professional income was between £500 and £1200 he would receive an extra 5%, making 20% in all. The Insurance Acts Committee recommended acceptance of the offer and the Conference agreed "nem con". However, the proposed increases in practice expenses to practitioners in rural and semi-rural areas
were only accepted after a division.  

The Insurance Acts Committee transmitted the decisions of the Conference to the Ministry of Health and discussed the matters which would have to be incorporated in any regulations with officials. These included increases in the cost of living and practice expenses, the inclusion of disabled ex-servicemen on panels, the rise in the standards of skills demanded from practitioners, and the proposed inclusion under the new agreements of conditions which would make a greater call on the time and skill of practitioners.

A committee comprising six members of the Insurance Acts Committee and six members appointed by the Ministry, the Insurance Committees and other interested bodies, was appointed by the Minister of Health to give advice on the distribution amongst the various Insurance Committees of the funds available for the remuneration of doctors, including the mileage fund. On the nomination of the Insurance Acts Committee, Sir Woodburn Kirby, past-president of the Institute of Chartered Accountants, was appointed as chairman.

The First Arbitration

The Annual Conference in November 1919 agreed that the regulations could not be accepted unless a proper basis of remuneration was established at the same time. Dr. Breckenbury reported that the approved society officials considered that a fee of 10/- was
ample, and that the Minister was opposed to the reasoned case that had been presented by the Insurance Acts Committee. The Conference agreed with the Committee that 13/6 was the lowest capitation fee that could properly be accepted by the profession and authorised the Insurance Acts Committee to request an independent arbitration board in the event of the expected offer from the Government being deemed inadequate. The Conference was reminded that the Minister of Health (Dr. Addison) had to give his reply to the profession by December 10. If there was an irreconcilable difference, and it appeared there would be unless both sides agreed to arbitration, there would be a need to bring the scheme for collective bargaining into operation, and to ascertain the strength of feeling through the Local Panel Committees.

Although the regulations increased the statutory duties of the Panel Committees, the Conference reaffirmed its belief that the profession should finance the Committees, as the acceptance of Government funds would lead to audit and therefore control.

The Minister of Health met the Insurance Acts Committee on December 4 and again on January 14 1920, when the difficulties of both parties were fully discussed and understood. Both parties agreed to accept arbitration which would operate from April 1 1920. Meanwhile the Government would pay a capitation fee of 11/- from January 1 1920. Dr. Addison emphasized that whilst the Ministry wished to abide by the award no pledge could be given beyond his promise to recommend to Parliament that it
carry out the terms of the settlement.

Welcoming the Government's decision to accept arbitration, The Times said that there were grounds for expectation that before long the wives of the insured would be brought within the scope of medical benefit, which would alter the situation. The doctors had a right to fair and honest treatment so far as the exigencies of national finance allowed, but had to recognise both their duties as citizens and the need for professional efficiency.

The Board of Arbitrators consisted of Mr. F. Gore-Browne, KC (Master of the Bench of the Inner Temple) Chairman, Sir Richard Vasser-Smith, Bart., (President of the Council of the Institute of Bankers, Chairman of Lloyds Bank Ltd.) and J.C. Stamp, Esq. CBE, D.Sc., Fellow of the Royal Statistical Society (Secretary to Explosives Trades Ltd., Member of the Royal Commission on Income Tax). The terms of reference of the Arbitrators were as follows:

"To advise the Government of what should be the amount of the capitation fee (per insured person per annum) on the basis of which the general practitioner fund under Article 19 (1) of the Medical Benefit Regulations, 1920, should be calculated, so as to afford fair remuneration for the time and services required to be given by general practitioners, under the conditions set out in those Regulations, in connection with the medical attendance and treatment of insured persons. This capitation fee is not to include any payment in respect of the supply of drugs and appliances (such payments being met out of the drug fund under
Article 22) nor any payment to meet those special conditions of practice in rural and semi-rural areas which are covered by the payment to be made under the Central Mileage Fund under Article 19 (ii)."}

The Insurance Acts Committee secured the service of Professor A.L. Bowley, Professor of Statistics at University of London and Lecturer at the London School of Economics, to advise it on the economic and statistical questions and to appear as a witness if necessary. The case for the Committee was to be conducted by Drs. Dein, Breckenbury, Linnel and the medical secretaries. These doctors appeared before the Arbitrators to discuss procedure and it was agreed that the arbitration itself would commence on March 3.

The written evidence to be submitted to the Arbitrators, published in the Supplement to the British Medical Journal, consisted of three parts; a memorandum by the President of the British Medical Association, the case prepared by the Insurance Acts Committee and a memorandum by Professor Bowley. The Government made its observations on this case.

Three days later the Arbitrators announced their decision that the capitation fee should be 11/- Dr. Addison expressed his satisfaction that the Arbitrators had accepted the Government's view, and informed members of the House of Commons that he would submit proposals for implementing the award to them. Later in the year the Conference instructed the Insurance Acts Committee
to keep the situation under review, to take into consideration the economic conditions prevailing twelve months after the Court's award, and to take such action as might be considered necessary. At the conclusion of the Conference the representatives gave a dinner at the Holborn Restaurant in honour of the Insurance Acts Committee. Similar dinners have followed each annual conference, with the exception of the war years.
THE "GEDDES AXE" AND ITS CONSEQUENCES

The Minister proposes a reduced fee

On March 1 1920 a new National Health Insurance Bill was introduced to Parliament. The resulting Act, which became effective on November 1 1921, increased the contributions paid by, and the benefits paid to, the insured, and allowed an increase in the administrative expenses of the Insurance Societies. It also provided for two direct representatives of the profession to be appointed to the Insurance Committees by the recognised Local Medical Committee.

In the autumn of 1921 the Committee reiterated its view that 13/6 was the lowest capitation fee that should be offered in return for an efficient service but recommended that, in view of the Arbitrators' award and the serious state of the country's finances, they should not press for an increase up to that amount.

Sir Arthur Robinson, Secretary of the Ministry of Health, wrote to the Secretary of the Insurance Acts Committee informing him that the Minister was considering the capitation fee to be paid to Insurance practitioners after December 31, and had come to the conclusion that a reduction ought to be made in the fee of 11/-. A further communication would be sent as soon as possible, giving the Government's view as to the amount of the reduction. He asked Dr. Cox to bring the matter to the notice of the Panel Committees in view of the forthcoming Conference.
Dr. Cox replied that, as no indication had been given of the reason which had led the Minister to this decision, the Insurance Acts Committee was at a complete loss to understand why the Minister had decided to set aside the award of the Arbitrators. Some explanation seemed to be due to the Committee before it could make up its mind as to what reply it should give to the Insurance practitioners of the country.

On October 6 the London Panel Committee rescinded its previous resolution that no representatives should be nominated to the Insurance Acts Committee, and appointed Dr. E.A. Gregg as a representative for the remainder of the session and for the session 1921/22. The chairman explained to the members that although they reaffirmed their opinion that an independent body should be formed, in view of the grave crisis that had arisen, they all agreed that there should not be even a semblance of disunity in the profession. It was further agreed that among the resolutions to be brought forward at the forthcoming Conference there should be one instructing the Insurance Acts Committee to take such steps as might be necessary to ensure cooperation with the Medical Practitioners' Union and another expressing the opinion that provisions for superannuation for practitioners working under the National Health Insurance Act should be included in the terms of service.

The Insurance Acts Committee met the Minister, Sir Alfred Mond, on October 11. He reaffirmed his opinion that the capitation fee should be reduced but he offered to meet a deputation whilst
the Conference was in session. This meeting took place at 7 p.m. on Tuesday, October 11 1921. The deputation, headed by
Dr. Breckenbury and Dain, consisted of the members of the
Insurance Acts Committee and three members specially appointed
by the Conference - Drs. Macdonald, Cardale and Todd. It
informed the Minister of the resolutions that had been passed by
the Conference up to that time. These supported the Committee's
views. However, owing to the critical financial position of
the country, the Conference was prepared to accept a capitation
fee of 10/- but there should be no change in the mileage funds.
The Committee had also been instructed to take immediate steps
so that the profession was organised in case any further action
might be considered necessary. The Minister was also informed
that the measure of success which had attended the extension of
medical benefit under the National Health Insurance Act system
was sufficient to justify the profession's cooperation in the
continuation and the improvement of the system. Before any
reliable conclusions could be drawn as to its effect on the public
health a wide enquiry would be necessary. This enquiry should
not begin until April 1922 at the earliest, by which time the new
regulations would have been in operation for two years. The
Minister told the delegation that he had been pressed to offer a
fee of 8/- but he had decided that 9/6 was the utmost limit that
he was prepared to pay.

After considerable discussion the deputation returned to the
Conference at 3 p.m. when Dr. Breckenbury gave an account of the
meeting. The Conference instructed the Insurance Acts Committee
to accept the Minister of Health's offer "on the grounds of citizenship", only 13 members voting to the contrary.

A proposal from London that there should be cooperation with the Medical Practitioners' Union was also discussed, but on the advice of the Chairmen the motion was withdrawn without being put to the vote.197

Following the Conference the Insurance Acts Committee prepared evidence against the proposed reduction of the dispensing fee.198 A deputation met officials of the Ministry of Health to discuss this matter. The problems of representation of insurance practitioners on the Insurance Committees, proxy voting in the election of Panel Committees, the limitation of the size of panel lists, and the various limitations of National Insurance registers were also considered.199

"The Geddes Axe"

On February 10 1922 the first and second sections of the report of the Geddes Economy Committee were published. These made proposals for a saving of £75m, out of £100m that the Chancellor had asked the Committee to find. The first section dealt, among other things, with health matters, recommending a reduction in expenditure on them of £2½m. Sir Alfred Mond proposed to introduce a Bill to transfer to the Approved Societies that part of the cost of medical benefit under the National Health Insurance Acts which had hitherto been met by Exchequer grants over and above the normal statutory proportion. It would be met out of their accumulated funds.200
A deputation from the London Panel Committee met the Medical Committee of the House of Commons and urged that there should be a full inquiry, by a commission, into the workings of the Acts. Fears were expressed that as the Approved Societies were to be asked to sacrifice surpluses of £2m to £3m there was a danger of their demanding some form of control, with the possibility of a return to the "club practice" conditions which the National Health Insurance Act of 1911 had abolished.

The first reading of the National Health Insurance Bill took place on March 29, 1922. The following day the Insurance Acts Committee met Sir Arthur Robinson, First Secretary, Mr. L.G. Brooks, C.B., Assistant Secretary and Dr. J.C. Smith Whitaker, Chief Medical Officer, of the Ministry of Health. At the beginning of the meeting Sir Arthur read the following statement:

"The Committee on National Expenditure recommended that the Exchequer should be relieved inter alia of the special grant, amounting to approximately £1,700,000 per annum, towards the cost of medical benefit in excess of the statutory proportion of two ninths, and the cost of the regional medical officers so far as this is not already met from the Society's funds. The Committee proposed that the required amounts should be provided by increasing the present contribution, but when this was discussed with the representatives of the approved societies they were strongly of the opinion that in the present conditions of employment, existing contributions could not be increased without undue hardship to the insured population, and they therefore offered to agree to the additional charges being made..."
at the end of 1923 from the reserve surplus and the contingency funds of the Societies. The Government proposes to accept this offer. I understand a particular point to be raised on the present occasion is the extent to which, if at all, the new arrangement will affect the present system of administering medical benefits. On this it may be said at once that for the remainder of the period covered by the new Bill (i.e. from April 1, 1922 to December 31, 1923) the machinery of administering medical benefit will remain absolutely unchanged. But in return for accepting these new charges the approved societies have made it clear that they intend to claim a voice in the negotiations with the medical profession both in regard to the capitation rate and to the conditions of service after the expiry of the present agreement at the end of 1923. In view of the extent of the Society's contribution to the cost of medical benefit under the scheme, it is difficult to contest their right to be represented in any future negotiations with the profession. But this must not be taken to mean that in future the final decision as to the terms of service and the rate of remuneration will rest with the approved societies. While the societies are in equity entitled to claim to be consulted in regard to any future negotiations, the responsibility for the maintenance of an adequate medical service must rest with the Minister."

Dr. Brackenbury and the Medical Secretary made it quite clear that such an arrangement would be quite unacceptable to the profession, as they would not want to give "the slightest countenance to the suggestion that the societies are in any degree our employers".
Sir Arthur was informed that they would have to consult their entire Committee and also the Conference. The Medical Secretary pointed out that only because it was a State Service did the panel service run well; to turn it into a big approved society medical club would be to revert to the situation before 1911 and would ruin the service.

A Special Conference met on May 13. It insisted upon the continuation of the system of negotiating the terms of the contract of service which had prevailed since the coming into force of National Health Insurance — that is, direct negotiations between the Government and the profession without the intervention of any third party. It welcomed the cooperation of all those interested in the development of the best possible medical service for the insured persons and hoped it would continue. During the debate on the National Insurance Bill, Dr. Brackenbury said that the Ministry had promised that on the second reading the Minister would make a considered statement declaring that there was no intention of granting any additional powers to the Approved Societies.

This undertaking was honoured by Sir Alfred Mond. He pointed out that the insurance societies had a surplus of £14m over their liabilities. "He understood that a certain amount of apprehension existed in the mind of the medical profession that the Bill might make some change in the arrangements for the control of medical benefit. To that he would say that there was not a word in the Bill which would modify the existing statutory provision for the control of the medical benefit."
The Annual Representative Meeting, at the suggestion of Dr. Brackenbury, passed a motion identical in wording to that which had been approved by the Conference. The Bill passed rapidly through all its parliamentary stages and received the Royal Assent on August 4.

The Minister made the necessary "Orders" to introduce the reduced capitation fee as from January 1, 1923. This led to considerable apprehension amongst the Insurance practitioners, who considered that three months' notice of the intended change had not been given to individual practitioners. The Insurance Acts Committee took the question up with the Ministry. The officials emphasized that there had been no change from the normal procedure as the central pool from which Insurance practitioners were paid was constituted "by order of the Minister" each year. Three months' notice of change having been given to the Insurance Acts Committee as the negotiating body on behalf of Panel Committees, individual notices of the changes were not necessary.

The attitude of the Friendly Societies

On September 21, the National Conference of Friendly Societies, attended by 200 delegates claiming to represent 6,000,000 members met at Cheltenham. Councillor Kelly of Leeds said that although the doctors thought they were not paid sufficiently, his society, the Ancient Order of Foresters, was of the opinion that it was not being served properly. The medical profession was making rash statements and wholesale threats, and he suggested that the Minister of Health would do well to hand over the medical benefits
as a whole to the Approved Societies. The insured persons would be better served, and the "scraping" of the Insurance Committees would save a huge sum of money for the country.

The reaction of the profession

The Annual Conference discussed an amended scheme for collective bargaining submitted by the Insurance Acts Committee, which considered that the withdrawal of two thirds of the profession from panel practice would bring it to a halt. A suggestion that the proportion of resignations required should be raised to 75% was rejected. In any particular area in which fewer resignations were received it should be within the discretion of the Insurance Acts Committee to take action, but never without informing and consulting with the practitioners affected and asking them to reconsider their decision. The scheme was accepted, and the Insurance Acts Committee were instructed to take steps to obtain the adherence to it of all Local Medical and Panel Committees.

A conference between the professions and the lay interests

A conference of lay and medical organisations that had an interest in the medical services provided under the National Health Insurance Scheme was convened by the Insurance Acts Committee. It met at the Guildhall, London, on January 30 and 31: grievances were discussed in an atmosphere of real frankness and it was hoped that mutual suspicions had been allayed. The Daily Telegraph expressed the view that much of the success of the meeting was due to the skill of the President, Dr. Breckenbury. At the end of the conference a permanent committee representing the
medical profession, the approved societies, the insurance committees and the pharmacists, was set up to consider both current and future difficulties. This met for the first time on April 13 at the offices of the B.M.A. when Dr. Brackenbury was unanimously elected as its chairman, although he explained that he did not consider that this office would in any way preclude him from expressing his own opinions.

"Pressure on the Panel Doctors"

In a leading article under this heading The Times expressed the view that "during the current year the future status of the medical profession is likely to be determined in certain important particulars. A campaign of criticism of the work of panel doctors is at present being carried on with a degree of vigour, which cannot but arouse suspicion but that its authors hope, very soon, to be able to enforce their opinions".

Readers were reminded that the arrangements with the panel practitioners had only a few months to run, and that there were proposals that they should not be renewed. There were fears in the profession that, as a result of the joint conference referred to above, the B.M.A. was prepared to accept the idea of joint negotiations. "Such fears may not be justified but it would be idle to deny that the friendly societies are determined to exert pressure on the Government to secure from the doctors a more comprehensive and, in their view, a more efficient service."

The article then expressed the view that "efficiency" as defined
by the Societies meant more careful certification and refereeing to diminish the payment of benefit. "The patient and the doctor, on the contrary, are necessarily less interested in this aspect of the matter than in the ailment which is being treated. The issue for the public as a whole is a larger one, for it can scarcely be denied that any loss of professional freedom must in the long run damage the whole community." Five days later The Times medical correspondent wrote that a very considerable public interest was being taken in the future of doctors engaged in Insurance practice, and that the health of the whole country was bound up in the decisions which must soon be taken. He set out the arguments for and against the panel system, a full-time salaried health service with the profession employed as civil servants, and the system of payment by attendance with an absolute choice of doctor on each occasion. He concluded that, "these questions (on which of the options should be accepted) are not easy to answer offhand but it is the duty of citizenship to attempt to answer them".

The press campaign against the panel system was conducted mainly by the newspapers under the control of Lord Rothermere. The Daily Sketch under a headline "Scandal of Panel Treatment" alleged that many doctors had treated their panel patients very badly and very differently from the way in which they treated their private patients. Readers who had a grievance or who knew of hard cases were invited to communicate with the paper. It published an article by the Honorary Secretary of the Scottish Medical Guild, an insignificant organisation which was totally
opposed to the whole concept of National Health Insurance. He described the system as "Prussian in origin and introduced purely for political purposes [and] a gross interference with Britons' rights and liberties". Later it alleged that there had been a grave scandal in the "so-called investigation of complaints" and that three medical members of a Medical Service Committee in London, who were members of the Medical Practitioners' Union, had privately rehearsed the defence of the doctor, another member of the M.P.U., before the hearing. The paper was forced to retract these allegations, publish a full apology to the doctors concerned, and print a true account of the Service Committee procedure and the appeal mechanism, emphasizing that the doctor was responsible for his own expenses.

The Sunday Pictorial under the headline "Panel Spoiling Our Doctors" by "A Patient", suggested that public disfavour might end the system. The article exposed the alleged evils of the system, particularly the capitation system of payment, and emphasized the disadvantages of turning the doctors into civil servants. Later in the year Dr. Cox, Medical Secretary of the B.M.A., commenting on these allegations to a reporter from the Daily Herald, dismissed them as irresponsible and remarked that he had the utmost contempt for anything that the Rothermere press had to say on the subject.

The "Organisation of Insurance Practitioners"

The Insurance Acts Committee issued a document entitled "Organisation of Insurance Practitioners" (M.10 ((Revised))) of
to each panel doctor, so that they could consider the contingencies which might arise in the event of a refusal by the profession of the terms offered by the Government for National Health Insurance work. Local Medical and Panel Committees were asked to call meetings to instruct representatives who would attend a special conference in May [it met in June] by which time the attitude of the Ministry would be made known. When the public became aware of this it showed a great interest in the problem, as demonstrated by the correspondence in The Times.

Mr. James Lewis of the Hearts of Oak Benefit Society advocated payment for services rendered, whereas Mr. R.W. Harris gave the advantages of the capitation system and explained that the "Manchester scheme" referred to by Mr. Lewis, whereby the Insurance doctors were paid on an item of service method, was not strictly comparable, as the total fees could not exceed the agreed total of the capitation fees. This provoked a reply from Mr. Lewis in which he alleged that it was untrue to maintain that under the capitation system it was in the doctor's interest to keep the patient well. It was in the doctor's interest to give the panel patient the absolute minimum of care in the shortest possible time.

Dr. Alfred Cox, Medical Secretary of the B.M.A., replied pointing out the inconsistencies of Mr. Lewis's theory, which assumed that doctors were either very short-sighted persons or very inhuman. The experience of panel practitioners was that they could not job off the contract patient with inefficient treatment as he would only return and thereby increase the amount of work that the doctor did for the same money. A few days later
Dr. A. Christie-Reid pointed out that the new entrant to general practice received the same fees as the man with twenty years' experience. He advocated a full-time salaried service with an incremental salary scale. Mr. J.P. Lewis refuted Dr. Cox's suggestions, insisting once more that panel patients receiving bad service from one doctor saw another one privately, and vice versa, so that both doctors were in fact paid twice.

It was rumoured that indirect negotiations were taking place between the doctors and the Approved Societies through the medium of the Ministry of Health. The medical correspondent of The Times claimed that a meeting had been arranged for April 26 at which the Insurance Acts Committee would discuss with the Minister of Health his proposals for the future of the panel, and that these proposals, with the comments of the Insurance Acts Committee, would be sent to all practitioners in anticipation of the Special Conference of Local Medical Committees due to be held on June 7. He predicted that the "Geddes cuts" would leave a sum of 7/3 a head to be offered to the profession excluding any contribution from the Approved Society reserves (which at that time brought the fee up to 9/6). He concluded: "There is not, of course, in any case, the possibility of a strike' by the doctors. They may conceivably, if adequate terms are refused, cease to act as 'insurance practitioners' but in that case their panel patients will merely transfer to the 'private list'."

Questions were asked in the House of Commons concerning the Government's attitude to the profession and the Insurance Societies. The Minister of Health confirmed that he had
consulted the Insurance Consultative Council on the terms of service and would consult it on remuneration, as it represented all the friendly societies. Sir Kingsley Wood asked what action would be taken in the event of the doctors refusing to work the panel system, as appeared to be contemplated in a B.M.A. circular. The Minister of Health replied that the communication referred to was understood to be a confidential circular issued only to Insurance practitioners, and he had no official knowledge of it.

"Negotiations with representatives of panel practitioners with a view to the revision of their terms of service had begun, and the prospects of a successful issue would not be enhanced by any statement as to the steps which the Government might find it necessary to take in a contingency which there was every reason to hope would not arise."

The Insurance Acts Committee issued a document on the terms of service for Insurance practitioners for 1924 and onwards (M43) and another reviewing the financial position of the National Health Insurance Fund and its relation to the question of the remuneration of the Insurance practitioners (M52).

A Special Conference in June endorsed the Committee's view that any rate of remuneration lower than that which had been given as a result of the 1920 arbitration would be less than adequate for the services rendered.

*The Conference also considered suggestions from the Insurance Acts
On June 26 a meeting took place between the representatives of the Ministry and the Insurance Acts Committee. The resolutions of the Special Conference were discussed, along with other matters, including the date of the forthcoming statement on remuneration. Dr. Breckenbury also drew the attention of the Ministry of Health to the action of the Treasury auditors, who had ordered the clerks of the Northumberland and Newcastle-upon-Tyne Insurance Committees to cease making deductions for voluntary levies on behalf of Panel Committees. Sir Arthur Robinson said the auditor had the right to question expenditure of this kind, but he would look into the situation to see if a satisfactory solution could be found.

At the Annual Representative Meeting of the B.M.A., Dr. Breckenbury asked that no debate should take place on the negotiations between the Insurance Acts Committee and the Department as public discussion could put the negotiators in an impossible position. This failed to dissuade Dr. Fothergill of Brighton, who had unsuccessfully attacked the Insurance Acts Committee's document "M.10" in the Council and at the Conference. He insisted on Committee concerning a pension scheme for Insurance practitioners. It decided that the only practical scheme would be one based on "deferred pay". No scheme of any kind would be likely to receive the Government's sanction unless it were supported by the great majority of Insurance practitioners and therefore, unless the scheme were made compulsory, it would be useless to proceed with it.
proposing that as the B.M.A. membership was being pledged to the support of the Insurance Acts Committee, it had the right to decide whether it approved the terms of the pledge. Dr. Brackenbury in reply said that it was hoped to avoid any struggle such as was contemplated in document H.10 and that every means should be taken by negotiation or otherwise to prevent such an occurrence.

After Dr. Fothergill had proposed his resolution, a motion that the Conference should move to the next business was carried nem con, thereby meeting Dr. Brackenbury's wishes for secrecy.

The Government, Profession and Approved Societies in conflict

The Minister of Health promised that he would inform the profession by October 1 as to what his proposals for the terms and conditions of panel practitioners would be. The Times commented that, "As the law is at present, the Government acts under limitation, but the hope has been expressed in many quarters that Mr. Neville Chamberlain will not allow these to stand in the way of a fair bargain for the doctors."

Dr. Cox issued a statement that the doctors had "carefully refrained from doing anything which was likely to create a bellicose atmosphere". The statement contained a reasoned argument for a fee of 10/4 or 10/9, prepared with the assistance of the Association's statistician, Professor Bowley. Dr. Cox added that "not only had the doctors accepted many improvements in the service suggested by the Ministry of Health, but had themselves suggested further improvements so that the service to
the insured was constantly improving". This provoked a
virulent attack upon the profession by Sir W.A. Appleton on behalf
of the General Federation of Trade Union Approved Societies.

On September 27 a meeting took place between the National Health
Insurance Consultative Councils for England and Scotland, the
Minister of Health, the Parliamentary Under-Secretary of Health
for Scotland, the Parliamentary Secretary of the Ministry of
Health, and officials of the Departments concerned, to consider
the revision of the capitation rate of payment to medical
practitioners for their services to insured persons. Later in
the day the Minister and his colleagues met representatives of
the various groups of Approved Societies from England, Scotland
and Wales to discuss the same subject.

Dr. Brackenbury also wrote to The Times, explaining that the
profession must have a fair deal, that the standard of care within
the panel system was high and that the profession, as distinct
from both the Government and the Friendly Societies, was in favour
of a free choice of doctor for the insured person. Furthermore,
the profession would be willing to improve the service so that it
could satisfy a public authority that any vestige of an improper
differentiation between one class of patient and another had been
swept away.

It became obvious to the profession as a whole that any reduction
in the remuneration of the Insurance practitioners would have an
early reaction on the status and emoluments of other branches of
the profession. By mid September 1941 (or 70%) of the Panel Committees had pledged themselves to support loyally the Insurance Acts Committee should it be found necessary to put into operation the scheme for collective bargaining which had been approved by the previous Annual Conference. On October 2 a deputation of the Insurance Acts Committee spent two hours with the Minister of Health, who claimed that he had an open mind. The following day he wrote offering the profession 3/- per patient per year for five years, or 8/6 for three years. In a statement in the House of Commons the Minister refused to accept the idea that doctors must be secured against any lowering of their pre-war standard of living below that entailed by increased taxation. He revealed his intention to pray for the appointment of a Royal Commission to investigate the future development of the panel service during the first year of the new contract. Dr. Breckenbury announced that although the Insurance Acts Committee were recommending to the forthcoming Conference that the Minister's offer should be rejected, the final decision could not be given until the Conference had decided its policy. Dr. Cox wrote to the Minister informing him of the Insurance Acts Committee's action.

In a leading article The Lancet praised the letter of the Insurance Acts Committee, which had given a clear and careful presentation of the reasons why the Committee could not welcome the proposals of the Minister. The article supported the Committee's view concerning the Approved Societies, rejecting their right to constitute themselves as authorities on the best ways of spending money for medical benefit. On the contrary
they could not be the predominant partner in a partnership which did not exist. "Any surplus that the Societies might have belongs to the public, and the right place to obtain decisions as to its allocation is at the Ministry of Health."

Preparation for confrontation

In many areas meetings of Panel Committees and of their constituents were convened to consider the action to be taken at the Annual Conference. For example, the representatives of the Middlesex Panel Committee addressed a meeting at Willesden on October 12. This meeting unanimously supported the Insurance Acts Committee. On October 14 over 700 doctors attended a meeting in London, chaired by Dr. H.J. Cardale, chairman of the London Panel Committee. Only five of those present voted against the policy of the Insurance Acts Committee. The meeting pledged itself to support the Panel Committee and urged it to assist the Insurance Acts Committee in every way possible. Meetings of doctors in Liverpool, Hertfordshire, West Birmingham and other places took similar action.

On October 15 Sir Arthur Robinson, on behalf of the Ministry, informed the profession in unequivocal terms that the Minister had no intention of seeking arbitration, and Dr. Cox immediately replied that although he understood the Minister's views, he could not accept them. He pointed out that the profession would have preferred arbitration but the Minister had refused it "and appeared to be unwilling to allow any further negotiation until he had been convinced by some other method that it was impossible for
him to obtain a satisfactory service under his present offer". The British Medical Journal on behalf of the Association printed a short statement to the profession entitled "The Insurance Crisis - The Main Issue". "What practitioners should clearly understand is that the present conflict is not mainly upon the inadequacy of the capitation fee offered, but upon the old question, fought successfully in 1911 and 1912, of whether the profession shall be free from friendly society control."

A report by the General Council of the Trades Union Congress and the Labour Party National Executive agreed that, if the service were improved in accordance with the arrangements already made between the Insurance Acts Committee and the Ministry, a capitation fee to the doctors of substantially the current amount would be justified without ruling out of consideration any claim by the medical profession to do something beyond it. The report stated: "We have satisfied ourselves that the National Health Insurance Fund in aggregate contains sufficient money to meet the cost without lowering or endangering the revision of the other benefits (whether normal or additional), to which Insurance persons are entitled."

The B.M.A. considered this report was a complete vindication of its claim, and suggested that the Labour Members of Parliament should translate into action the opinions expressed by the two important bodies of which they were members.

On Tuesday, October 16, a meeting was held between the representatives of the Consultative Council of the Approved Societies,
representatives of the Insurance Acts Committee, and officials of the Ministry, presided over by Sir Arthur Robinson. They discussed terms of service and the character of the service to be provided, but the question of remuneration was not raised.

Letters were exchanged between the B.M.A. and the Approved Societies, signed by Dr. Alfred Cox and Mr. F. Rockcliffe respectively. Each accused the other of breaches of faith. The correspondence was sent to the newspapers by the Joint Committee of the Approved Societies for publication.

On October 17 a conference of representatives of all the Approved Societies in the country took place, chaired by Sir Thomas Heale. Mr. J.H. Thomas M.P., claimed that the struggle was not between the members of the Approved Societies and the doctors. It was a dispute between the doctors and the Government, but both parties seemed desirous of making the Approved Societies the innocent victims. The societies did not intend to allow that to take place. Sir Alfred Warren proposed a resolution protesting against the proposals of the Ministry of Health. His seconder, Mr. Stanley Duff, general secretary of the Ancient Order of Foresters, said that if the Minister wanted to pay a larger sum to the doctors he must go elsewhere to find it. The resolution was carried unanimously. In order to coordinate the efforts of all the organisations present a Representative Emergency Committee was appointed.
"The Critical Conference" (October 18 1923)267

On the morning of the Annual Conference The Star,268 under a
banner headline "Doctors Critical Conference" reported that 200
representatives of panel doctors from all over the country were
meeting in private in London to decide whether or not to strike
on January 1. A strike would mean that they would refuse to
work the Insurance Act, and in its place they would set up a
private service of their own.

The Chairman of the Conference, Dr. Dein, broke with tradition
by making an opening address. In his view the issue was one
which the profession had never been required to meet before.
The negotiating body had always been able to present the problems
to the Conference in such a way that they were capable of being
adjusted by further discussion, argument, or arbitration, but for
the first time the Conference was being asked to say yes or no to
a definite offer, as it had been informed that arbitration had
been ruled out.

He reminded the Conference of the Cardinal Points. These insisted
that within a State Service the profession would negotiate with the
Government and with nobody else. The Conference was being asked
to re-establish that principle so firmly that the question should
not arise again, at any rate within the time that those present
might be concerned in medical politics, and to decide whether it
would accept certain terms. If it decided to reject them other
things would inevitably happen. The machinery for collecting
resignations would be set in motion and when resignations in
TWO HUNDRED representatives of panel doctors from all over the country are meeting in private in London today to decide whether or not to strike on January 1.

A strike would mean that they would refuse to work the Insurance Act. In its place they would set up a private arrangement. The two months' notice period that is already in the law would be doubled.

Although the doctors object to several new conditions of service which the Health Ministry wishes to impose, the chief point in dispute is the amount of next year's capitation fee—as that is, the amount to be received by the doctors for each person on their panel.

THE THREE SIDES.

The present position is that the Health Ministry wishes to reduce the £6. 6d. paid now to £5. 6d. for three years, or £4, if guaranteed for five years. The doctors have refused this and asked for arbitration. The Health Minister (Sir W. Jaycock Hicks) refuses arbitration, saying that he has recorded himself as an arbitrator.

It is true, said the Medical Journal, but this will be the scale in favour of a strike. The Approved Societies—the third party in the dispute—say they will pay no more than the present figure of £5. 6d. a head.

In accordance with the Insurance Act, the doctors must give two months' notice of their intention to cease service.

LONG DISCUSSION.

Dr. Bruen, chairman of the British Medical Association, opened the meeting today and gave a long review of the situation.

"Very little difference of opinion was expressed in the long discussion which followed," says a news agency report, but no decision was reached before luncheon.

THREE-CORNERED FIGHT.

APPROVED SOCIETIES' STRONG POSITION; LONDON DOCTORS: £200,000 BONUS AT STAKE.

By a "Star" Correspondent.

TODAY the panel doctors are deciding whether they will refuse their appointments on January 1 rather than accept the Government's reduced rates. The indications are that they will refuse.

The preceding conditions of the dispute, which extend from 1:1 and 1:1, are as follows: (1) The approved societies and the panel doctors are a panel to provide a service to each other in the form of the Ministry of Health and the panel doctors are to be used for the purpose of providing the service. A panel is now being considered by the Ministry of Health, and with the approval of the panel doctors, a new arrangement is to be made.

TAXPAYER'S SHARE.

The amount of the Insurance Act is being increased by a contribution of £2. 6d. per head by the approved societies. The Ministry of Health is to pay the doctors the equivalent of the increase in the amount paid to the doctors about their economic value and should provide the money.

DOCTORS' CRITICAL CONFERENCE.

DOCTORS DISCUSS PANEL STRIKE.

What a Stoppage on January 1 Would Mean.

RIVAL SERVICES.

£200,000 Bonus Would Be Lost in London.

WHEN SCHOOLMASTERS ARE DRUNK.

They Are Asked To Write Name and Address.

AND SOME CANT.

Two schoolmasters were fined at the Manchester Magistrates' Court today for being drunk in charge of a school. They were being tried for drunkenness when they were asked to write their names and addresses, and one of the two men refused to do so.

Both based the latter.

OFF TO BELGRADE.

Duke and Duchess of York Arrive Today.

Able barge the Duke and Duchess of York left Victoria at 10 a.m. today for Belgrade. They were accompanied by Col. Sir Ronald Waterhouse and Lady Elizabeth Mountbatten. The Duchess carried a huge bouquet of flowers.

The Duke was photographed before entering the vehicle.

They will arrive in Belgrade in time for the presentation of the Salon Queen of Belgrade, and will remain in Belgrade until the wedding of Prince Paul of Serbia on Monday. They will arrive in London on the evening of October 25.

ENGINEER'S FORTUNE.

When M. Poincare's fortune was sold at the Bank of British India and the Indian Company, it was purchased by M. Deauville, French engineer, for £10,000. The sum was received in Belgrade, and the money was then remitted to the Lateran.

SMALL FOX IN DUMBARTON.

Three cases of smallpox were discovered today at Dumbarton among villagers near Sandhead. All of them were of a mild type.

SHIP BURNED AT LEITH.

Libby, a steamship of 7,000 tons, was burnt by a number of men who landed from the vessel. The ship was moored at Leith, and a crowd of men, who are supposed to be sailors, were on the deck.

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LONDON, OCTOBER 12, 1895.

K. Poincare's Refusal.

"Complete Failure" Of The Talk With Von Koech.

FRESH DEMAND MADE ON GERMANY.

Military Ultimatum To Saxen Government.

The exchange story from Berlin that the conditions between Inter-van Koech, the German Charge d'Affaires at Munich, and Foreign Minister Piemont yesterday was a complete failure, The French Government has formally and with some urgency appealed to the President's reply to Von Koech.

M. Piemont rejected yesterday, according to an exchange message from Munich, an absolute refusal of the German government. He demanded categorically the release of all conditions to the idea for the exact conclusion terminating 1879 to that the state of the occupation by France and Belgium.

The newspapers, say, however, approve M. Piemont's refusal to enter into a new dialogue with German ministers, which is expressed in the reply made by M. Jagiellia, the Belgian Foreign Minister. M. Beaunier, Minister for Foreign Affairs, has declined to publish any account of the French-Belgian exchange.

MANY KILLED IN RIO.

At Maranel yesterday, demonstrations against the high cost of living led many arrests, and the police intervened on February 1st.

THE LIVING EDITION OF W. A. FORSTER'S "THE ELLOED VACANCY".

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sufficient number were presented to the Government it would be necessary to see what action the Government proposed to take. If no action were taken the profession would have to see the crisis through, but if the resignations produced a fresh offer from the Ministry it would be submitted to another Conference.

Dr. Brackenbury then proposed that the Minister's offer of 3/- for five years or 3/6 for three years be definitely rejected. He made a long and detailed speech, which was later printed and circulated to all Insurance practitioners. The resolution was carried unanimously, and another resolution regretting that the Minister had not seen his way to accept arbitration was passed with only five votes against. The Conference was prepared to leave all details of negotiation in the hands of the Insurance Acts Committee, and "to follow loyally all instructions issued by that Committee which is the Executive Body". However, any agreement with the Ministry of Health and the Scottish Board of Health on the question of the capitation fee would be conditional upon agreement being arrived at with regard to the special circumstances of rural practitioners. The Times in its report of the Conference stressed that all practitioners were to be asked to submit their resignations to their Local Panel Committees pending further instructions. The Glasgow Herald's account included an interview with the Secretary of the Panel Committee for Cornwall, who claimed that the resignations of 35% of the doctors in Cornwall and 90% of those in Devon had been received before the Conference.
Support from the Panel Practitioners

Meetings of doctors were held all over the country. For example, a resolution in favour of resignation was passed in Bristol\textsuperscript{271} and on the day following the Conference the Montgomeryshire Panel Committee decided to resign in accordance with the Conference decisions\textsuperscript{272}. Over the weekend the required two thirds of the resignations were handed in to the Liverpool Panel Committee and 51 of the doctors in Blackburn, almost one hundred per cent, decided to resign\textsuperscript{273}. In the same period the resignations of 80\% of the doctors in Manchester were submitted. Dr. R.J. Farsen, Secretary of the London Panel Committee, made a statement, which was clearly his own personal view, that doctors would accept a Royal Commission, a promise of no interference by the Approved Societies and a capitation fee of 8/6, and that they would then withdraw their objections. He added, "And I know that this view is held by many influential people".\textsuperscript{274} A statement from the B.M.A.\textsuperscript{275} claiming that resignations were pouring in, included a repudiation by the Secretary, Dr. Anderson, of the statement made by Dr. Farsen. He pointed out that there were two main questions in the controversy, the domination of the Approved Societies and the capitation fee, and that in his view the former was the most important. This opinion was shared by Dr. A. Melply, General Secretary of the Medical Practitioners' Union, who claimed that he had received 2000 postcards from his members reporting that they had submitted their resignations\textsuperscript{276}.

By the following evening 76\% of doctors in Birmingham, two thirds of those in Nottingham, 95\% of those in Caernarvonshire and all
thirty in St. Helens had tendered their resignations.\textsuperscript{277}

In Scotland too there was considerable activity. On October 23 Dr. Dein and Dr. M'cutcheon, Secretary of the Glasgow Panel Committee, addressed a meeting of 260 doctors. It was announced afterwards that the Panel Committee was already in possession of 165 resignations out of a total of 385 panel practitioners in Glasgow. Ultimately 95\% of the resignations were received.\textsuperscript{278} In Greenock, Falkirk and Kirkcaldy the entire panel resigned\textsuperscript{279} and in Edinburgh and Renfrew the vast majority declared that they would not enter a new contract from December 31.\textsuperscript{280}

By the end of the week 75\% of London doctors had submitted their resignations\textsuperscript{281} and the B.M.A. was in possession of the resignations of two thirds of the panel doctors, the requisite majority. By October 30 the Insurance Acts Committee knew that 93\% of general practitioners had supported its policy.\textsuperscript{282} Final reports from the total of 191 panel committees indicated that 94.69\% of all doctors in the country had submitted their resignations. In only one area (Ipswich) was the requisite 66.6\% not obtained, and in that area instructions were given not to hand in the resignations.\textsuperscript{283} The medical correspondent of The Times commented: "In spite of statements to the contrary, there have been no further proposals from the Ministry of Health, but there is a belief in some medical circles that the impending threat of wholesale resignation would exercise a powerful influence, and that Sir William Joyston-Hicks will find himself able to increase the capitation fee within the next few days. It must be admitted
that this view is based on no very substantial foundation."  

The reply of the Approved Societies.

The Approved Societies, on their side, were also taking action. A meeting of their emergency committee was held in London on October 22 to consider the terms of a manifesto to be issued to the public. At the end of the meeting they issued an official statement, signed by Sir Thomas Heill, J.P., Chairman, and Mr. J.S. Pike, honorary secretary, which claimed that the only point on which the Approved Societies were interested was a simple one; whether the amount which might be agreed on for the doctors' remuneration, in excess of that provided within the contribution paid by employers and employed, should be taken from those funds of the Approved Societies which had been subscribed by their members for other purposes, or not.

Moves towards a settlement.

On October 26 Sir William Joyston-Hicks wrote to Dr. Cox that he was willing to submit a proposal for a Royal Commission to the Cabinet. In his letter, copies of which were issued to the press, the Minister used the word "strike". This provoked a protest from Dr. Brackenbury, who expressed astonishment that the Government should make its offer public before it had received the British Medical Association's reply.

Dr. Cox replied to the Minister on the following day, agreeing to a Royal Commission or any form of inquiry. He stipulated that
if arbitration would necessitate the Approved Societies coming into the matter it could not be accepted by the profession.

However, the doctors were prepared to consider arbitration at any time on the same lines as in 1920, namely as between the Minister and the profession.\textsuperscript{285}

On October 30 a deputation met the Minister and had an interview lasting over an hour, during which time they reminded him that 94\% of doctors were prepared to resign rather than accept an imposed reduction in fees. A further meeting took place in the evening and a third one the following morning. Later in the day the Minister's views were sent formally to the B.M.A.\textsuperscript{286}

The first four clauses of the letter acknowledged that medical benefit was one of the primary benefits under the National Health Insurance Acts and that the remuneration of doctors should be decided by the Government. An impartial Royal Commission would be appointed to inquire into these matters. Meanwhile, the Government actuary would meet an actuary appointed by the Insurance Acts Committee to consider the maximum which could be charged to the Insurance Fund. Additional funds would also be made available to increase the mileage funds for rural practitioners.

The letter continued as follows:

"(5) As regards the arrangements for remuneration as from January 1 next, the Minister authorizes me to make the following alternative offers:

(a) A capitation fee of 8s.6d. to be paid for five years from January 1 next, provided that, if the Royal Commission above
referred to during the currency of that period suggests any material alteration of conditions of service, the profession shall be free to re-open the question of remuneration; or (b) A special Court of inquiry will be set up by the Minister as soon as possible and instructed to report on the capitation fee to be paid as from January 1 next. The contract will be made on the basis of the fee recommended by the Court of Inquiry, the Government undertaking to go to Parliament for the necessary legislative sanction, and the profession undertaking to accept the recommendation. The Court of Inquiry will be asked to report as soon as possible, hearing any evidence tendered on behalf of the Ministry, the profession, the Approved Societies, or other interested parties.

I am to say that the above offer is a final offer, and that it is to be taken as a whole with either alternative (a) or (b). The Minister hopes most earnestly that the offer may be accepted, and sincerely trusts that the Insurance Acts Committee and the whole body of insurance practitioners will realize that it represents a reasonable and fair basis of settlement under the present circumstances.

I am, Sir, your obedient servant,

W.A. Robinson."

The B.M.A. decided to call a further Conference of panel doctors' representatives on November 14; meanwhile the resignations would be suspended and the letter from the Ministry would be passed on
to panel doctors without any comment or suggestion.  

The Insurance Acts Committee considered the Minister's offer, advised the Conference of Local Medical Committees to accept it, and decided, by a majority of 16 to 10, in favour of "alternative b" of Clause 5.

The following day the emergency committee of the Council of Approved Societies resolved to carry out a propaganda campaign, to explain to the public the loss of cash and other benefits to their members if the proposals of the Ministry of Health to take £5m out of their benefit funds for the advantage of the panel doctors were sanctioned by Parliament during the Autumn session.

In view of the possible general election it was agreed that a

*Commenting on these events The Times said:

"The reception of the Minister's letter has been very different in the two camps. The doctors regard the latest offer of the Government as a victory, which secures for them the main points on which they have insisted; the approved societies regard it as a betrayal of the worker and are prepared to oppose vigorously the legislation which will be necessary to carry it into effect."  

** The dissolution of Parliament was announced on November 13.

The final results of the general election, which was held on December 6, showed that no one party had an overall majority.

There were 255 Conservative members, 157 Liberal, 192 Labour
leaflet should be issued to 15,000,000 insured persons with their new insurance cards, requesting the recipients of the leaflet to contact their Members of Parliament.\(^\text{290}\)

The Special Conference of Local Medical Committees  
November 14, 1923\(^\text{292}\)

Dr. Brackenbury made a lengthy statement in which he described the negotiations between the Insurance Acts Committee and the Minister, and the offers which had resulted. He drew attention to the clauses in the Minister's letter which dealt with the provision of additional medical benefits and with the status of the profession in negotiations on terms and conditions of service. He said that he regarded the offer as the equivalent to obtaining all, or nearly all, that the profession had set out to obtain, with the exception of the financial offer. Even that represented a distinct advance on previous offers, although it was still by no means adequate. He suggested that at that stage of the meeting the Conference should accept the Minister's offer, leaving aside the question as to which of the alternatives proposed in Clause 5 should be accepted. Sir William Hodgson moved an amendment, seconded by Dr. Gregg, that the consideration of the Minister's offer should be adjourned until after the impending general election, but this was not carried, and the proposals were accepted by 114 votes in favour to 29 against.

\(^2\) Conservative Free Trade and 8 others\(^\text{291}\).
Dr. Breckenbury then explained that, although he personally was in favour of "alternative a", as Chairman of the Insurance Acts Committee he had to recommend "alternative b", and this view was endorsed by the Conference.

Dr. Breckenbury then urged that the resignations already submitted should be withdrawn, as they could not be left until January 1. There was no question of the Court sitting before that date because of the general election and Christmas. He emphasized that, although the profession would have to trust the Minister to carry out his side of the bargain, the Minister too would have to trust the doctors to do the same.

He explained that the Minister had agreed that the men chosen to sit on the Court would be of the same calibre as those who had sat on the Court of 1920, but the choice of members of the Royal Commission would take a considerable time. After these reassurances, the Conference agreed to the withdrawal of the resignations. It was hoped that most Insurance Committee clerks would accept instructions from the Secretary of the Insurance Acts Committee, although it was realized that a few might insist on a signature from the practitioner himself\(^293\), and the B.M.A. sent each practitioner a form of withdrawal of resignation in respect of each panel list on which his name appeared\(^293a\).

The Court of Inquiry

T.R. Hughes, Esq., K.C., Chairman of the General Council of the Bar, was appointed Chairman of the Court of Inquiry, the other members
being F.C. Goodenough, Esq., Chairman of Barclays Bank and Sir Josiah Stamp, K.B.E., who had been one of the arbitrators appointed by the Government to determine the insurance capitation fee in 1920\textsuperscript{294}. Sir Josiah resigned due to pressure of other business and Sir Gilbert Gurnsey, K.B.E., was appointed in his place\textsuperscript{295}.

The terms of reference announced on December 10 were almost identical to those of the previous arbitration, i.e.

"To inquire and report to His Majesty's Government what should be the amount of the capitation fee (per insured person per annum) on the basis of which the Central Practitioners' Fund under Article 19 of the National Health Insurance (Medical Benefit) Regulations 1924 should be calculated as from 1 January 1924, so as to afford adequate remuneration for the time and service to be given to general practitioners under conditions set out in those Regulations, in connection with the medical attendance and treatment of insured persons, due regard being had to the service in fact rendered under the Regulations hereto in force (such capitation fee not to include any payment in respect of drugs and appliances, such payment being made out of the drug fund under Article 24 of the Regulations or any payment to meet special conditions of practice in rural and semi-rural areas).\textsuperscript{296}"

The Court announced its intention of sitting on January 4, 7 and 8 at the Ministry of Health, and it invited all interested bodies to submit evidence in writing to its Secretary. It asked for evidence from the Insurance Acts Committee, the Ministry of
Case presented on behalf of Insurance Practitioners by the Insurance Acts Committee of the British Medical Association.

1. The necessity for every reasonable economy, both public and private, is still evident, though it is probably not quite so urgent as it was two years ago. The medical profession, and that section of it working under the National Health Insurance Acts, does not expect to escape the effects of this financial stringency. The profession has, indeed, in more ways than one given direct evidence of its willingness to make considerable financial sacrifices by accepting, for 1922 and 1923, on the appeal of the then Minister of Health, in the national emergency, a rate of remuneration less than that which in more normal circumstances would have been considered adequate. The arduous and highly skilled nature of the work done by the profession, the training required to prepare for that work, and the conditions involved in carrying on medical practice from day to day, must, however, be borne in mind; and any economy or reduction of remuneration with regard either to public appointments, to private practice, or to insurance work, which would tend to produce an insufficient entry into the profession or a lowered character of those who enter it, would be nationally disastrous. All those conditions which are recognized by economic science as requiring a relatively high remuneration are combined in the medical profession. The general education and technical training required are expensive and more prolonged than in any other calling. The age at which earning power begins is very late. The work is dangerous and in many respects highly disagreeable. Its responsibilities and anxieties are enormous. In general practice it is strenuous and unremitting. The practitioner may truly be said to be on duty day and night. The personal character of the work is such that any break for holiday purposes is peculiarly difficult to obtain, and an illness of long duration is ruinous. The need for continuous study is insistent. Unless remuneration is adequate in regard to these facts it may very easily be the case that the best minds and most suitable personalities may be attracted into other professions or callings, and that thus the essential basis of national health—an earnest, zealous, highly skilled medical profession—may fail or in some degree be rendered less secure. It is specially incumbent upon the State and Public Authorities, when they require the services of the medical profession, to see that the remuneration offered does not fall below the necessary standard.

2. The remuneration of insurance practice must compare not unfavourably with that of private practice and that of other branches of medical work.
Health, the Association of Insurance Committees and representatives of the Approved Societies. Dr. Brackenbury, Bone, Cardale, Dain and Williams-Freeman, together with the medical secretary and the deputy medical secretary, prepared the Insurance Acts Committee's case on behalf of Insurance practitioners with the advice of Counsel\textsuperscript{297}. The General Council of Approved Societies decided that as the societies were not parties to the arbitration it would not apply to be heard as a body, but would offer to help if the Court wanted its views on any particular points\textsuperscript{298}.

The written statements of the Insurance Acts Committee and the Ministry of Health were to be exchanged on Monday, December 31, and would be supported by oral evidence. Although legal assistance could be employed there was to be no examination or cross-examination of witnesses. Any questions would have to be put through the Court, and at the conclusion of all evidence there would be a right of reply. The Court reserved the right to vary its procedure in such manner as it seemed proper, and its proceedings would be open to the press and the public.

When the Court opened the Chairman explained the terms of reference and pointed out that whilst due regard had to be paid to the services rendered in the past, he hoped that no undue amount of time would be devoted to that aspect. Dr. Cox, on behalf of the B.M.A., protested against the attitude of the Approved Societies who, having stated that they did not intend to put in evidence, had changed their minds after the evidence of the B.M.A. and the other parties had been put in. He considered
that they intended to give evidence in such a way as to delay the proceedings, and the report. When the Chairman heard that the Approved Societies' evidence could not be submitted before January 20 he too described the situation as unsatisfactory, and informed them that if they wished to take part in the Inquiry their evidence would have to be submitted by the 10th.

The Court then heard evidence on behalf of the Insurance Acts Committee presented by Dr. Brackenbury, Dr. Cox and Professor Bowley and questioned them. The Chairman then decided to hear the evidence of the Medical Practitioners' Union, remarking that as the interests of the profession had been looked after by the Insurance Acts Committee it did not seem necessary to go over the whole of the ground again.

Dr. Gordon Ward, giving the Medical Practitioners' Union's evidence, claimed that his arguments were in fact slightly different from those of the Insurance Acts Committee. The income of the Insurance practitioners had been declining, and the profession had been widely hindered by the degrading and burdensome conditions of service imposed by the Ministry of Health. The Minister had claimed that there was no shortage of recruits but in the Union's view this was due to the fact that many newly qualified men without experience of general practice were willing to go on the panel, because they could look forward to some reasonable living, in spite of the capitation fee being grossly inadequate. In his Union's view the standard of recruitment needed to be raised.
The case on behalf of the Ministry of Health was then opened by Mr. M.L. Gwyer, who claimed that the Ministry approached the subject in an entirely impartial manner. The fee that they had put forward, on the facts known to them, represented the value of a good average service under the National Health Insurance Act. He and Dr. Smith-Whitaker, Senior Medical Officer, pointed out that no doctors relied entirely upon the National Health Insurance for their income. The Ministry called as witnesses two medical officers of the Ministry who had formerly been in Insurance practice, Dr. H.J. Neilson and Dr. B.A. Richmond.

Dr. Neilson claimed that he had been in practice at Nottingham for over thirty years and had found it quite easy to see twenty-four patients in four hours. In reply to a question from Dr. Gordon Ward, Dr. Neilson admitted, amid much laughter, that he had acquired the name of the "Scots express" but he never heard of any complaints against him. Dr. Richmond also spoke of his experience in an industrial area of south London from 1900-1915 and pointed out that the minimum fee had been 6d. and the average fee 1/6 or 2/6 for a visit. Mr. Brock, assistant secretary of the Ministry, revealed that there had only been 324 withholdings of payment from doctors for disciplinary reasons during the past four years. The Chairman of the Court described this as "remarkable" and "amazing".

On January 15 the Court met to consider evidence tendered by certain individual Approved Societies, and again on the 21st to consider the views of the Approved Societies as one body.
Ernest Corby, Secretary of the National Association of Trade Union Approved Societies reported that his organisation had no difficulty in securing the services of doctors at a fee of 3/6 per visit to the patient's home and 2/6 for a visit to the surgery. The service given was as good as that available under National Health Insurance. He contended that if the average service rendered by the panel practitioner represented three and a half services per insured person per annum, then the amount allowed in the Act would be at least equivalent to that received by the medical practitioner whose practice was conducted in accordance with his society's charges, after reasonable amounts had been allowed for the cost of medicine, dispensing, the collection of debts and bad debts.

The Court's Award

The Court recommended that the capitation fee should be 9/-.. Its findings were only intended to be binding for the year from January 1 1924 to December 31 1924, but in view of the fact that both parties wished the Court to make a recommendation covering such longer periods as it should think fit, it recommended that the award should remain in force for a further period of three years from December 21 1924303. The award disposed of the idea that in refusing Sir William Joyston-Hicks's first offer of 8/6 for three years or 8/- for five years the doctors were exhibiting a greedy spirit304. "On the contrary, they were entering a protest against a scale of payment which rendered efficient service difficult or impossible. That action was their clear duty to the public as well as to themselves. Again, the evidence given at
the Inquiry, bore out in full degree the contention that the insured persons had obtained and were obtaining a satisfactory standard of treatment."

The British Medical Journal expressed the view that there was no doubt that the situation, from the beginning, had been wisely handled by the Insurance Acts Committee of the B.M.A. on behalf of the profession and was a triumph of leadership and organisation.\textsuperscript{301}

To provide the money necessary to implement the Court's award a National Health Insurance (Cost of Medical Benefits) Bill was introduced and it passed rapidly through all parliamentary stages, receiving the Royal Assent on May 29, 1924.\textsuperscript{305}
THE ROYAL COMMISSION

Membership and terms of reference

On May 1, 1924, Mr. Wheatley, Minister of Health, revealed that the terms of reference of the Royal Commission had been agreed with the medical profession and the committee appointed by the approved Societies Consultative Council, namely:

"To inquire into the Scheme of National Health Insurance established by the National Insurance Acts of 1911 to 1922, and to report what, if any, alterations, extensions or developments should be made in regard to the scope of the Scheme and the administrative, financial and medical arrangements set up under it." 306

The names of the members of the Royal Commission were announced on July 7.307 They were Lord Lawrence of Kingsgate (Chairman, London & North Western Railway) Chairman, Sir John Anderson, Permanent Under-Secretary Home Office, Sir Humphrey Rolleston (President, Royal College of Physicians), Sir Alfred Watson (Government actuary), Sir Arthur Morley (General Manager, North British & Mercantile Insurance), Sir Andrew Duncan (Vice-President, Ship Building Employers' Federation - Barrister-at-Law), Mr. A.M. Besant (General Manager, Clerical, Medical & General Insurance), Mr. Fred Branley (Secretary, Trades Union Congress), Professor Alexander Gray (Professor of Political Economy, University of Aberdeen), Miss Gertrude Tuckwell (President, Women's Trade Union League), Mrs. Harrison-Bell, Mr. James Cock,
Mr. John Evans and Mr. William Jones. The secretary was
Mr. E. Heckforth of the Ministry of Health and the assistant
secretary Mr. J. W. Peck, of the Scottish Board of Health.
Following a preliminary meeting they announced their intention to
hold meetings for the hearing of evidence from October onwards.

The composition of the Royal Commission was criticised by both
sides. The thirty-fifth National Conference of Friendly
Societies claimed that there was no-one on it with any knowledge
of National Insurance matters. Its executive committee would
issue a precis of the situation to constituent societies, which
would then state their views for the Royal Commission.

The Insurance Acts Committee notified the Minister of Health that
it too was not satisfied with the personnel of the Royal
Commission as it was doubtful whether the Commission had the
weight which the public might expect of such a body, which had
to report on a matter undoubtedly affecting the future develop¬
ments, not only of the Insurance system, but of the public health
of the country. The Annual Conference, which met on
October 16, endorsed the Insurance Acts Committee’s view on the
Royal Commission without amendment. The National Association
of Insurance Committees however expressed the view that the
appointment of the Royal Commission placed the hallmark of
permanence upon National Health Insurance.

The Royal Commission decided that its meetings were to be held
in private. Short press statements would be issued afterwards
and verbatim reports of the evidence submitted to it would be
published by the Stationery Office about a fortnight after the relevant meeting.

The Commission at its second meeting took evidence from Sir Walter Kinneir, K.B.E., Controller of the Insurance Department of the Ministry of Health. Evidence from the Ministry and from the Scottish Board of Health occupied the third, fourth, fifth and sixth meetings 313, 314, 315.

Between November 1924* and December 1925 the Commission met on forty-six occasions and the views of most Friendly Societies, the Government and many medical and dental organisations were considered; in all about 150 organisations and 200 individuals gave evidence 316.

Evidence from the medical profession

The Council of the B.M.A. met in December to consider the draft evidence which it proposed to place before the Royal Commission. The Council also considered the constitutional position arising from the proposal to hold a joint meeting of the Representative Body and the Conference of Panel Committees. It finally solved the dilemma by arranging that a Special Representative Meeting

* During this period a general election was held, which resulted in a massive victory for the Conservative Party and the appointment of a new Government 315a.
should be held first, at which members could be authorised to attend the Special Joint Conference. The draft memorandum which had been prepared jointly by the Insurance Acts Committee and the Royal Commission Committee was published in the British Medical Journal along with a series of questions. It was suggested that these should be put to local meetings to be held under the joint auspices of the divisions of the Association and the Local Medical and Panel Committees. Secretaries of divisions and Panel Committees were asked to cooperate in making arrangements for these. The memorandum of evidence was redrafted in the light of the views expressed by divisions and Local Medical and Panel Committees. After approval by the Council it was published.

The joint conference met at the Central Hall, Westminster, on March 12 1925. The attendance was very large, almost 300 people being present. Although some represented divisions of the Association, and others Local Medical and Panel Committees, the distinction was not apparent in the assembly itself, the members sitting and voting as one body.

The Special Representative Meeting was held first, with Dr. Henry Brackenbury in the chair. Once more Dr. Fothergill, aided by Mr. E.B. Turner, caused procedural difficulties by insisting that the Representative Body should reassemble after the joint meeting to consider its decisions, but when the solicitor pointed out that Special Representative Meetings could only deal with the matter for which they had been convened
AGENDA

Conference of Members of the Representative Body of the Association and of Members of the Conference of Local Medical and Panel Committees together with Members of the Royal Commission Committee of the Association

to be held at the
Wesleyan Central Hall, Westminster, S.W.,
on
Thursday, March 12th, 1925, at 10.15 a.m.
(and, if necessary, Friday, March 13th).

PERSONS ENTITLED TO ATTEND CONFERENCE.
1. Motion: That the Return of persons entitled to take part in the Conference (Doc. D.19—to be circulated on morning of Conference) be received.

NOTICE OF APPOINTMENT OF DEPUTIES.
2. Motion: That the list of deputies for Representatives of Constituencies and Local Medical and Panel Committees be received.

CHAIRMAN.
3. Appoint: Chairman.

APOLOGIES.

ROYAL COMMISSION ON NATIONAL HEALTH INSURANCE.
5. Receive: Report that the Conference had been called by the Association in accordance with the scheme of arrangements made for the purpose of eliciting the views of the profession in Great Britain on matters which are set out in detail in the Revised Memorandum of Evidence.

6. Motion: That the Revised Draft Memorandum of Evidence (Doc. D.16 B.M.J. Supp., of February 28th) proposed to be given by the Association before the Royal Commission on National Health Insurance be received.
Dr. Fothergill withdrew his opposition. The Representative Body then authorised its members to attend the joint conference. This concluded the Special Representative Meeting322.

Dr. Le Fleming, Chairman of the Conference, proposed that Dr. R.A. Bolem, Chairman of the Council, should take the chair of the joint conference, "so that Dr. Breckenbury, otherwise the most fitting person to preside, would be free to place the draft memorandum before the Conference, take part in the debate and answer questions". This was carried unanimously.

Dr. Breckenbury pointed out that the meeting was to a large extent informal. He expressed the belief that it represented professional opinions of all kinds both within and without the B.M.A., although the Council of the Association took the responsibility for the Memorandum of Evidence. After considerable debate the Joint Conference approved the profession's case for presentation to the Royal Commission.

At the twenty-sixth meeting of the Royal Commission on April 30 1925, the representatives of the B.M.A., Drs. Bolem, Breckenbury, Dein, Cox and Cardale were called and examined323. Their evidence was continued at the twenty-seventh meeting on May 7 when the Medical Practitioners' Union also gave evidence.324 It claimed between 3000 and 4000 members, of whom 90% were Insurance practitioners. The Union's evidence was given by Dr. E.A. Gregg, President, Dr. Gordon Ward, Chairman of the Executive Committee, Dr. A. Welphly and their solicitors, Mr. S.D. Davis and Mr. Charles Davis.
Evidence was also heard from the Chairman of the Salford Panel Committee, concerning the Manchester and Salford scheme, and Dr. W. Freeman of the Hampshire Panel Committee, who described the difficulties of rural practitioners.  

A week later the Commission took evidence from the National Medical Union which admitted that it had only 247 members. It had maintained its objection to the Act since its inception, believing that a State service should be restricted to necessitous persons and that the Poor Law should be modified to admit the destitute. The Scottish Medical Guild gave similar evidence. At the same meeting the Royal Commission heard the views of two individual doctors; Dr. Harry Roberts gave evidence on the working of the Act in a large panel practice in Stepney, and Lt. Col. Bickerton-Edwards submitted a number of suggestions for organising medical treatment and improving the conditions of the medical practitioners.

Evidence from other bodies

The Commission heard evidence on the desirability of including dental treatment within the National Health Insurance from the British Dental Association, the Public Dental Service Association of Great Britain, the Incorporated Dental Society and the Ivory Cross Organisation, a society founded in 1914 for the supply of dental treatment to soldiers, sailors and recruits. It claimed that it had dealt with 106,000 dental cases since its formation.

During November and December 1924 the Commission took evidence from, amongst others, the Hearts of Oak Benefit Society.
the Ancient Order of Foresters\textsuperscript{330} and other Friendly Societies\textsuperscript{331}.

In the New Year the Commission heard the views of such bodies as the Rural Approved Society, the Seamen's National Insurance Society\textsuperscript{332}, the Federations of English, Scottish and Welsh Insurance Committees\textsuperscript{333}, the Independent Order of Oddfellows\textsuperscript{334}, the Independent Order of Recobites\textsuperscript{335}, the Stock Exchange Clerks Society and the Lloyds Health Insurance Society\textsuperscript{336} and many other Friendly Societies. The Commission paid two visits to Edinburgh to hear the views of Scottish organisations\textsuperscript{337}. Throughout the summer and autumn it took evidence from bodies representing all branches of the community, Friendly Societies and Government departments.

Mr. G.J.F. Price, Principal Assistant Secretary of the Ministry of Labour, spoke on the question of utilising employment exchanges to certify genuine unemployment. This would enable the State to deal more generously with the problem of the "earners penalty" under the Health Insurance Scheme. Sir Walter Kinnear, Controller of the Insurance Department of the Ministry of Health, Mr. L.G. Brock, Principal Assistant Secretary, Dr. J. Smith-Whiteaker and officials of the Ministry of Health were also examined\textsuperscript{338}. Sir William Glyn-Jones reported on the powers and duties of the Insurance Committees and the limited field of work open to them. At its forty-sixth meeting\textsuperscript{339} the Commission heard evidence from the National Confederation of Employers Organisations on the financial aspects of the Health Insurance Scheme. Thereafter it met in private.
The Royal Commission's Report

The Royal Commission's report, which included a minority report of thirty pages signed by Messrs. Cook, Evans, Mrs. Harrison-Bell and Miss Gertrude Tuckwell, was published on March 1 1926.\(^\text{340}\)

It was generally agreed that the National Health Insurance had established its position as a permanent feature of the social system of the country and should continue on a compulsory and contributory basis, subject to the various changes recommended by the Commission. Further wide sweeping changes could be made as and when funds were available to meet the cost.

The majority report suggested that Insurance Committees should be abolished and their powers and duties transferred to committees of the appropriate local authority. The minority report maintained that local authorities could, and should, take the place of the Approved Societies.

The minority report stated that it was neither necessary nor proper to confine the developments of the National Health Insurance Scheme to such as could be paid for within the financial resources available to the State at that time and dental treatment should be included in the Scheme. The majority report of the Commission considered that, although dental treatment would be desirable, it was financially impracticable and therefore the general arrangements for dental services under the additional benefit scheme (that is the additional benefit schemes of the Approved Societies) should be continued.
The British Medical Journal \(^{341}\) pointed out that opportunities had been missed because the report had set out a number of conclusions to indicate that, on the whole, all was well. It contained a few suggestions for timid amendments which were calculated to produce a certain improvement in the Insurance Scheme itself. There had been a painful search for excuses to justify the postponement of any further extension of the scope of benefit, even after the very useful discussions which had taken place on the maternity services and dental care.
REPORT
OF THE
ROYAL COMMISSION
ON
NATIONAL HEALTH INSURANCE

Presented to Parliament by
Command of His Majesty

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A GENERAL MEDICAL SERVICE FOR THE NATION

The Report of the Council of the Association for 1929 included an Appendix of over one hundred pages entitled "Proposals for a General Medical Service for the Nation"." The Report suggested that the medical benefits of the present National Health Insurance Act should be extended so as to include the dependents of all persons insured thereunder and that the service should include everything considered necessary for the prevention and cure of disease and for the promotion of mental and physical efficiency. The interposition of any third party between the doctor and the patient, so far as actual medical attendance was concerned, should be as limited as possible. The Association presented the Scheme to the public and invited the fullest criticism. It hoped that the Scheme would be compared to the plan submitted by an architect to a householder who wished to extend the house in which he lived and to introduce all modern improvements.

The Annual Representative Meeting adopted the Scheme. The motion "that the time is now ripe for the medical profession to ask for the inclusion under the National Health Insurance Service of the dependents of the insured persons, providing that such an extended service includes adequate safeguards regarding the remuneration and conditions of service" was carried by an overwhelming majority." On the recommendation of the Insurance Acts Committee the same motion was carried at the Conference of Local Medical and Panel Committees, there being only two dissentients amongst 130 representatives."
In its subsequent discussions with the Ministry the Committee pointed out that, while from a financial standpoint a more inconvenient moment could not possibly have been chosen for introducing the matter, the Association and the Conference considered it most important that the matter should be brought before the public without delay. The Ministry agreed with the Committee as to the importance of the question and welcomed any further constructive proposals that the Association might like to make.

The Economic Crisis of 1931

On July 31 1931 the "May Committee" on National Expenditure recommended cuts in national spending of £96.5m; by reducing the capitation fee of doctors and by a greater measure of pooling of funds amongst the Approved Societies it was hoped to save £1m.

On August 24 Ramsay Macdonald resigned as Prime Minister of the Labour Government and was reappointed as head of a National Government. At their own request the Minister of Health and the Secretary of State for Scotland, accompanied by representatives of their Departments, met the Insurance Acts Committee on September 2. The serious financial state of the country was placed before them and they were told that the Government intended to implement the Report of the May Economy Committee. The Minister suggested that the capitation fee of 9/- should be made subject to a deduction of 1/- as from
Committee on National Expenditure

REPORT

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October 1 1931 but that there would be no change in the 2/3d. capitation fee paid to practitioners for each dispensing patient. The Committee were assured by the Minister that comparable contributions to the needs of the Exchequer would, as far as was practicable, be secured from other bodies and persons concerned. Its members decided that, in the national interest, they would accept the recommendations. Reporting to the panel practitioners the Committee expressed its confidence that the Insurance practitioners would endorse the action that had been taken on their behalf.

When introducing his Budget on September 10, the Chancellor of the Exchequer announced that the remuneration of 9/- per head paid to doctors would be reduced from October 1 1931 by one ninth. The products of this deduction would be applied towards meeting the expenses of the administration of the National Health Insurance Acts which had previously been met out of the monies provided by Parliament. This would amount to £425,000 in the financial year to March 31 1932 and £850,000 in a full year.

On September 21 the Cabinet decided to modify its proposals with regard to the teachers, the army, the Navy and the police.

Dr. Anderson wrote to the Minister pointing out that this decision had changed the doctors' attitude. Dr. Bein met the Minister on September 24 and was told that the Minister had amended his original decision after consultation with the Exchequer. He proposed to substitute an all-round reduction of 10% for the
reduction of 1/- previously proposed. The Insurance Acts Committee felt unable to accept this decision on behalf of the Insurance practitioners and requested the Minister to receive the whole Committee. They met him the same evening and asked that he should vary his latest decision so as to make adequate allowance for the necessary outgoings of the expenses of the practice; he should base the percentage deduction upon the net earnings and not upon the gross.

Although he held out little hope of acceding to the Committee's request, the Minister undertook to consider the proposal. On September 23 the Insurance Acts Committee were informed that Mr. Chamberlain had come to the conclusion that he could not recommend any modification of the proposal that the deduction should be 10% of the gross rate.

The Committee informed all Insurance practitioners that they considered that this was a matter which should be dealt with by the forthcoming Conference. Panel Committees were requested to hold meetings of Insurance practitioners in their areas to give instructions to their representatives.

Sir Arthur Robinson, Permanent Secretary, wrote again to the Insurance Acts Committee on October 17, five days before the Conference, in the following terms:

"The Minister would wish me to express his strong hope that the Conference may see their way to cooperate, so far as they are concerned, with His Majesty's Government in the very difficult
task of placing the finances of the country on a sound foundation. He desired me to say that he was not at all unmindful of the fact that the capitation fee is not a net payment, but is subject, in varying degrees, to deduction for necessary expenses. The Minister feels confident that the coming Conference may be expected to consider the whole position in the spirit of cooperation at a time of national need."

The Conference met on October 22. Dr. G.H. Lowe of Middlesborough accused the Insurance Acts Committee of acting ultra vires in agreeing to the cut in Insurance practitioner remuneration without first consulting the Panel Conference, or the Panel Committees, or both. His vote of censure, although supported by a speaker from the London Panel Committee, was lost by an overwhelming majority. The Conference then passed the following motion:-

"That this Conference of Local Medical and Panel Committees approves the action taken by the Insurance Acts Committee throughout the negotiations with the Minister of Health with regard to the national economy proposals, and, whilst fully recognising the special sacrifices which the Insurance practitioners are called upon to make, accepts on behalf of the Insurance medical practitioner the deduction of 10% from the capitation fee of 9/- as a temporary measure only, and as their contribution in the exceptional conditions in which the nation finds itself, the acceptance of such deduction being without prejudice to the future consideration of the capitation fee on its merits."
It also protested in the strongest possible manner against the unsubstantiated statements contained in the May Economy Report to the effect that payments to doctors in the existing circumstances were too high\textsuperscript{353}.

These resolutions were forwarded to the Minister of Health. The following day a reply was received. Mr. Chamberlain "observed with great satisfaction" the endorsement by the Conference of the public-spirited attitude of the Insurance Acts Committee, the representatives of the general body of insurance practitioners, and he took careful note of the views expressed by the Conference concerning the statement in the May Report\textsuperscript{354}. 
FURTHER DEVELOPMENTS IN THE CONSTITUTION OF THE INSURANCE ACTS COMMITTEE

In 1928 the Organisation Committee supported the Insurance Acts Committee's recommendation that the number of directly elected members of the Insurance Acts Committee should be increased from 23 to 25. This was an attempt to overcome the objection to being included in the Welsh constituency which had been expressed by Cheshire Panel Committee at the Conference of the previous year. The Insurance Acts Committee considered that Wales should have two seats of its own. It recommended that one additional seat should be allocated to Scotland. It also recommended changes in the grouping of Local Medical and Panel Committees in England and Wales. When Dr. Dean proposed the acceptance of the Insurance Acts Committee's scheme at the Conference, dissatisfaction was expressed by the Derbyshire Local Medical Committee who objected to being associated with Cheshire and claimed a greater community of interests with Nottinghamshire. The problem was therefore referred back for further consideration.

The following year the Insurance Acts Committee suggested that as the Association had abandoned the use of the single transferable vote system in connection with various elections, it was inconsistent that a different method of election should be used in the election of direct representatives of Local Medical and Panel Committees to the Insurance Acts Committee. The Conference agreed that the candidate receiving the highest number of votes should be elected.
In 1930 the trustees of the National Insurance Defence Trust agreed to defray, out of the monies of the Trust, the first-class travelling expenses of representatives attending the Panel Conferences called by the Insurance Acts Committee.\textsuperscript{359}

Consequent upon the passing of the National Insurance Act (Northern Ireland) 1930, and the extension of medical benefit to that country, the Insurance Acts Committee recommended that insurance practitioners in that country should be represented on the Committee. The Council was asked to recommend the addition to the Committee of one representative to be elected by the members of the six medical committees to be created in Northern Ireland, and one representative to be appointed by the Northern Ireland representatives at the Annual Representative Meeting of the Association.\textsuperscript{360}

The Annual Conference of 1931 referred to the Insurance Acts Committee a motion that members of that Committee should receive maintenance allowances for the time spent on Committee business.\textsuperscript{361} The Committee decided that this step was undesirable as there was an urgent need for economy in the Association's finances. The members of the Committee also considered, as trustees of the National Insurance Defence Trust, whether the additional expenditure involved in the payment of out-of-pocket expenses to members could not be paid out of the funds of the Trust. Although various schemes were prepared, the adoption of any of them would have had a reflex influence upon the work of the other committees of the British Medical Association. The Committee again decided to take no action.\textsuperscript{362}
In June 1935 the Insurance Acts Committee established a sub-committee to examine the method of election of the direct representatives on the Committee. It emphasized that any change in the existing method of voting by individual members of Local Medical and Panel Committees could not be put into operation until the following year. The Annual Conference instructed the Insurance Acts Committee to devise a system by which the various groups of practitioners in an electoral area should have a voting power approximating to the number of Insurance practitioners in the group. It should arrange for such a scheme to be put into force before the Insurance Acts Committee's elections which were due to be held in 1936.

The Committee recommended that the individual members of Local Medical and Panel Committees should continue to be the voters; the votes of individual members of Local Medical Committees should bear a relationship to the number of medical practitioners on the medical list of the area on the preceding January 1. Each vote would be multiplied by a factor ("the index figure") determined by dividing the number of Insurance practitioners on the list by the number of members of the Local Medical and Panel Committee. It was suggested that in groups electing more than one member there should be no "plumping" and that a practitioner should have voting powers in respect of each committee of which he was a member. The same principles were to apply to the election of direct representatives on the Scottish sub-committee by members of Scottish Panel Committees.
The election of 1936 was conducted on the new pattern and the Committee's actions were endorsed retrospectively by the Annual Panel Conference. A move to delete that part of the report relating to the undesirable practice of "plumping" was defeated.

The bye-laws of the British Medical Association provided that the chairmen of standing committees, including the Insurance Acts Committee, were required to be members of the Council of the Association. The Insurance Acts Committee considered that having regard to its status as the executive of the general body of the Insurance practitioners, it should be given greater freedom in the selection of its chairman. The Council agreed but expressed the view that in such an event the Committee would wish to appoint as deputy chairman a member of the Committee who was a member of the Council. The Committee's view could thus be presented to the Council. Arrangements were made to alter the bye-laws of the Association in line with these decisions.

Dr. Jones was appointed Chairman of the Insurance Acts Committee in succession to Dr. Dein at the beginning of the session 1935/6. He was absent on account of illness from the Committee's meetings for the greater part of the following year. In the 1937/8 session he declined to stand for re-election on the grounds of ill-health. The names of Dr. Gregg, who was not a member of the Council of the B.M.A., and Dr. Pooler who was, were proposed for election as chairman. Dr. Gregg was elected and Dr. Pooler was then unanimously appointed deputy chairman.
In March 1938 it was announced that Dr. Edward A. Gregg had resigned his membership of the Medical Practitioners' Union.\footnote{371} He explained to the Insurance Acts Committee that he had taken this step because he disapproved of the M.P.U.'s action in opposing the propaganda effort which was being made to obtain a better public image for Insurance practitioners.\footnote{372} Later in the year he was elected to the Council of the B.M.A. as one of the representatives of the Metropolitan Counties Branch.\footnote{373}

In September 1938 the Insurance Acts Committee considered a communication from the M.P.U. enquiring whether it would be possible to develop a procedure whereby the two bodies could cooperate in their efforts to increase the capitation fee. A good deal of criticism was voiced in the Committee regarding the M.P.U.'s methods, particularly its propaganda against the B.M.A. The Committee replied that it would be glad to receive from the M.P.U. as from other sources, any contribution which the Union could usefully make to the common interests of the Insurance practitioners.\footnote{374}

**Further action on behalf of the profession**

During the early 1930's the Insurance Acts Committee continued its work on behalf of panel practitioners. Because it believed that Government help in the matter of pensions might lead to interference it proposed, and submitted to the Conference, a draft voluntary pension and insurance scheme underwritten by the Legal & General Assurance Society, the Medical Sickness Annuity & Life Assurance Society and the Yorkshire Insurance Company. A special
sub-committee was set up to investigate and collect data relative to the adequacy of the insurance capitation fee. Panel Committees were urged to hold special meetings as it was desirable for the negotiators to know to what extent the content of medical service under the Act had increased since 1924. Although a large volume of statistics concerning attendances and visits had been collected by practitioners all over the country during the preceding few years, which were of great value, it was necessary to have the considered views of Insurance practitioners on other aspects of their work.

The Conference expressed its opinion that no further deduction from the capitation fee could be accepted and that as soon as circumstances permitted the former fee of 9/- should be restored (the figure at that time was 8/2d.). Dr. Dein said that he personally thought that the fee of 9/- was still too low.

On July 4, 1933, a meeting took place between the majority of the members of the Insurance Acts Committee and the Minister of Health. He agreed that there had been a great improvement in the standard of the Insurance medical service and expressed his view that such dissatisfaction as existed amongst the doctors was due to the 10% cut. However, there was no source from which new money could be found and an Exchequer grant could not be contemplated. He thought it inappropriate to raise the question of increasing the capitation fee at that time.

At the Conference of 1933 a motion demanding the appointment of
deputies for the representatives of Panel Committees on Insurance Committees was carried, against the wishes of the Insurance Acts Committee. The Ministry was informed of this decision. It replied that any such proposal would require legislation and would apply equally to other bodies as well as the medical profession and in its view the proposal was not in the best interests of the service. However, it was suggested that use could be made of Section 48 (5) of the National Insurance Act, which permitted non-members of the Insurance Committee to be appointed to sub-committees.

Having consulted the Insurance Acts Committee, who agreed, the Ministry announced that, as an economy measure, the term of office of the Insurance Committees that were due to end on October 31, 1934 would be extended. The sitting members would continue in office for a further period of three years.

On January 13, 1934 the Insurance Acts Committee wrote to the Chancellor of the Exchequer asking him to receive a small deputation. A reply was received expressing the Chancellor’s regret at being unable to receive the deputation. Any representations which the Committee might wish to make should be made to the Ministry of Health. The deputation met the Minister on

The Insurance Acts Committee had rejected a suggestion from the Government that in the interests of economy it might be desirable to dispense with the holding of Panel Committee elections.
March 8. He gave an assurance that when the time came the claim of the Insurance practitioners would be borne in mind and be given full and sympathetic consideration.

When the Chancellor introduced his Budget on April 7, 1934, he announced that the 10% reduction which had been in operation since October 1931 would be reduced as from July 1, 1934, to a 5% temporary reduction. Further representations were made to the Chancellor prior to his 1935 Budget. In it he announced that the remaining half of the 10% reduction would be restored, so that the full fee of 9/- per person was once more credited to the Central Practitioners' Fund.

Another Court of Inquiry

The Conference of 1936 decided that the case for an increase in the capitation fee for Insurance practitioners was sound and that the time was opportune. The Insurance Acts Committee was instructed to proceed with an application to the Minister of Health. A sub-committee was appointed which produced a draft Memorandum. The Minister of Health and the Secretary of State for Scotland expressed their willingness to receive a deputation. It was resolved that the entire Committee should attend at the Ministry with Dr. Dain as its spokesman. A small team consisting of Dr. Dain, Mr. Elliot Dickson (Chairman of the Conference), Dr. Gregg, Dr. Greenfield and Dr. Hill, deputy medical secretary, were appointed to represent the Committee in the presentation of the case to the board of arbitration which, it was anticipated, would be set up.
The deputation met Sir Kingsley Wood, accompanied by Mr. Scrymgeour Wedderburn, Parliamentary Under-Secretary for Scotland. Sir Kingsley said that a flat rate substantially below the existing one could well be justified, but he agreed that the question should be determined by arbitration, which should take place as soon as possible.

After consulting the B.M.A. a Court of Inquiry was set up under the chairmanship of Lord Amulree, President of the Industrial Court, Chairman of the Railway National Wages Board and Chairman of the Royal Commission on Licensing Laws, who had had experience as conciliator and arbitrator for the Board of Trade and the Ministry of Labour. The other members were Thomas Howarth, A.C.A., member of the firm of Price Waterhouse & Company and Dr. H. Robertson, M.A., Reader in Economics at the University of Cambridge, member of the Economic Advisory Council.

Mr. E.H. Phillips, Ministry of Health, was appointed as its secretary. Its terms of reference were similar to those of the previous Courts.

The Ministry of Health and the Insurance Acts Committee exchanged memoranda of evidence on May 11 and rejoinders on May 24. At the opening of the Court Lord Amulree said it was proposed to hear the evidence of the Insurance Acts Committee and then the Medical Practitioners’ Union, after which the case for the Minister of Health and the Secretary of State would be presented.

The Joint Conference of Friendly Societies and the National Association of Insurance Committees also put in appearance but...
Lord Amulree made it plain that he considered that the Inquiry was between the Ministries on the one hand and the representatives of the B.M.A. on the other. Dr. Dein presented statistics to show that on average 5.3 items of service were given to each insured person per annum. He also argued for increasing the fee on economic grounds. When Dr. Gordon Ward of the Medical Practitioners' Union gave his opinion that there should be a basic capitation fee of 13/6, a further reserve fee of 4/6 to be applied for pensions, and three year increment in pay, Lord Amulree reminded him that his role was only that of a witness helping the Court to arrive at a proper decision.

The Court decided that the capitation fee from January 1 1938 should be 9/-. It reported to the Ministers on June 5 and the B.M.A. were informed two days later.

On June 24 a meeting of the Insurance Acts Committee was held at which a full discussion on the capitation fee Inquiry and its results took place. Dr. Dein expressed his disappointment with the findings of the Court, which he was sure was shared by practitioners throughout the country. He had come to the conclusions there were two main possibilities which might explain the relative failure. One was that a Court, however constituted, could never be expected to rid its mind of what might be called political exigencies outside the evidence presented; the other reason was that the Committee's figure of 5.3 services per insured persons for 1936 was not accepted. Steps had to be taken before the end of 1938 to put up a case for the appropriate increase in
the capitation fee on the basis of work load. A resolution was read from the Lancashire Panel Committee recording its deep indignation and regret that representatives of the Ministry of Health should have seen fit to contend that the reduction in the capitation fee was justifiable, at a time when almost every grade of industry, including Members of the Cabinet and of Parliament, were receiving higher remuneration. Great bitterness was expressed at the evidence given by two regional medical officers. Dr. Dein told the Representative Body that he believed that their evidence had given a very distorted picture of Insurance practice, and that he felt some satisfaction that doctors who conceived their Insurance practice on such lines had left ordinary practice and had been translated to another sphere.

The proceedings before the Court indicated a very short-sighted approach to the problem on the part of the Ministry and its Officers, who deprecated the services which the Insurance practitioners rendered in order that the Ministry might secure them at the cheapest possible price.

At the Annual Panel Conference in October, Dr. J.A. Birell proposed the following motion on behalf of Bristol Local Medical Committee:

"That this Conference deplores the conduct of, and findings of, the Court of Inquiry into the insurance capitation fee, and recommends that a new body, independent of the British Medical Association and the Medical Practitioners' Union, be formed, composed of doctors elected by Panel Committees only, to represent insurance practitioners in dealing with all questions
relating to terms and conditions of service and remuneration therefor and such body when constituted, be directed to prepare anew the case for an increase in the capitation fee."

There was no debate on the motion which was negatived, the proposer being the only voter in favour.393

Dr. Gregg reported to the Annual Conference of 1938 that the subject of the capitation fee had bulked very largely in the Committee's deliberations and an independent actuary's report had been obtained. Dr. Howie Wood of the Isle of Wight suggested that it was essential for eminent Counsel to be employed in the formulation and presentation of the case for upward revision of the Insurance capitation fee. This idea was referred to the Insurance Acts Committee for favourable consideration394. The following year the Insurance Acts Committee reported395 that substantial progress had been made in the preparation of the case, but following the outbreak of war the Conference of Local Medical and Panel Committees which was due to be held in October was cancelled.
A WAR TIME CLAIM

A war time executive sub-committee of the Insurance Acts Committee elected by a postal vote of the Committee's members met in November. A letter was written to the Ministry of Health reminding it of the general dissatisfaction within the profession and that the Committee had prepared a case which had not been presented due to the pressing claim of the war emergency.

The Executive Committee investigated the rise in the cost of living and practice expenses and it concluded that there were grounds for an application to be made for a war time addition to the capitation fee but the first war time meeting of the Insurance Acts Committee decided that the time was not opportune.

In August 1940 the Executive Committee informed Local Medical and Panel Committees of this decision but four months later it again resolved to apply for a war time increase on the same grounds as before. This time the Insurance Acts Committee endorsed the decision.

In April 1941 the Insurance Acts Committee accepted the Ministry's view that the part of the claim relating to the cost of living brought in far-reaching principles of Government policy and it would be impossible to make such a concession until such arrangements were made general. However, it rejected the Minister's view that, as far as practice expenses were concerned, the amounts involved were so small in relation to the remuneration received by Insurance practitioners that it did not justify the Act of Parliament
which would be necessary if effect were to be given to the claim.* 402

The Committee resolved to prepare the necessary case.* 402. A

further meeting of the Committee was held on June 12. Dissatisfaction was expressed with the Minister who had introduced legislation raising the qualifying income for non-manual workers without having consulted the Committee. The Committee informed the Minister that it wished to re-open the whole question of the adequacy of the basic capitation fee and that a Conference of Panel Committees would be called.* 403. The Minister offered to raise the capitation fee to 9/9d. He told a deputation headed by Dr. Gregg that he was unable to go further.* 404.

The Special Conference of July 1941 agreed that in view of the national emergency it could not do otherwise than accept the Minister's offer, but in so doing it recorded an emphatic protest against the inadequacy of the offer and the fact that a new group of people had been admitted to National Insurance without previous consultations with the profession. The acceptance was without prejudice to the consideration of the claim to a satisfactory increase in the basic capitation fee, and without prejudice to a claim for a cost of living increase should any such increase be given to any comparable section of the community. The Conference reaffirmed that the Insurance Acts Committee had its loyal support.* 405.

However, a conference of the Representatives of the Home Divisions of the B.M.A. in September took a different view. Dr. Schiff of London moved a resolution expressing complete dissatisfaction
with the action of the Insurance Acts Committee in its negotiations with the Ministry of Health. Dr. Bodman of Bristol claimed that some members of his division were of the opinion that the Panel Conference did not express the feelings of the profession as a whole. The meeting passed the resolution by 71 votes to 56.

In February 1942 the Insurance Acts Committee wrote to Panel Committees on the subject of a war bonus which it was trying to obtain for doctors. The letter criticised the Medical Practitioners' Union for its attacks on the Insurance Acts Committee and pointed out that the M.P.U. "is a body of small size, little responsibility and less authority". The Committee asked all Panel Committees to remember that unity within the profession was an indispensable condition of successful negotiations on its behalf. Panel Committees and Insurance practitioners throughout the country knew quite well that the Insurance Acts Committee, 37 members of which were in Insurance practice, could not receive the necessary support for the use of the "strike weapon" at such a time.

To strengthen itself, the Committee agreed to ask the Council of the Association to recommend an alteration in the bye-laws so as to provide for six additional members of the Committee to be elected by the Annual Conference. This recommendation and another providing for an extra direct representative from Scotland (making 27 in all) was accepted by the Council and by the Representative Body.
In July the Minister of Health confirmed that he was unable to accede to the Committee's request for a further increase in the capitation fee to compensate for the cost of living. A deputation headed by Drs. Doih and Nellam went to see the Minister, Mr. Brown, without success. The Committee therefore sought approval from the Conference for its proposal to ask for arbitration, but a motion was passed, against the wishes of the Committee, instructing it to press the Minister again. It should reserve the right to take any action which it considered necessary, even to the extent of recommending practitioners to withdraw from the National Health Insurance Service. In December the Chairman of the Insurance Acts Committee suggested that they would go with greater force to the Minister if they spoke, as indeed they could, for the whole profession, which had an interest in ensuring that proper conditions were provided for every section of it. The next approach should therefore be made, not by the Insurance Acts Committee, but by the Council of the B.M.A.
Many authors, for example Eckstein and Willcocks, have described the events leading up to the formation of the National Health Service and have considered the effects of pressure groups, including the B.M.A., upon them. However, little attention was paid by them to the Local Medical Committees and their Conference, and Willcocks does not mention them at all.

Attitude of the Association to the extension of the Insurance Principle

In 1930 the B.M.A. and the Conference expressed their opinion that there was a need for the extension of the National Health Insurance scheme to dependants of the insured workers.

In 1937 an organisation called "Political and Economic Planning" issued a survey of the existing health services in Great Britain, and made proposals for future developments. The report found a conspicuous contrast between the vast expense and losses caused by ill-health and the relative insignificance of the sums spent on health research and education. It suggested that general practitioners should be specialists in diagnosis and work from health centres and that the local authority services were poor because the needs of the patients were subservient to the niceties of administration. It recommended that the National Health Insurance scheme should be extended to all dependants.
Dr. G.C. Anderson, Secretary of the B.M.A., welcomed the report and the suggestions that the National Health Insurance should be extended to specialist and laboratory services, with general practitioners being brought into closer relationship with those services, and the clinics.

In August 1940, in cooperation with the Royal Colleges and Scottish Corporations, the Association established a Medical Planning Commission to study war-time developments and their effects on the country's medical services, both present and future. It met for the first time in May 1941. Its draft report was considered at the Annual Representative Meeting of 1942.

The Beveridge Report and the profession

Following the publication of the Report on Social Insurance and Allied Services (The Beveridge Report), the Insurance Acts Committee's Executive Committee was instructed to consider certain aspects of it. The deputy secretary reported "that the Annual Representative Meeting had, by a very small majority, declared itself in favour of a service available to the whole community, whereas the Conference of Local Medical and Panel Committees had, by a large majority, favoured a limitation of availability to the present insured population, their dependents and others in similar economic standards - approximately 90% of the community."

The Insurance Acts Committee and Council agreed that if Parliament, after considering the Beveridge Report, decided to accept the assumptions in it and to put into operation the whole
proposals, including a scheme for comprehensive health and rehabilitation services for prevention and cure of disease and restoration of capacity for work available to all members of the community, the Association would be willing to cooperate in its preparation. This was subject to the proviso that the character, terms and conditions of the medical service were to be determined by negotiation and agreement with the profession. Those members of the community who did not wish to avail themselves in part or in whole of the benefits of the service open to them should not be precluded from obtaining the medical services they desired from doctors who were working within the scheme. They should be able to pay for such services privately, with the necessary safeguards to prevent abuse.

The Joint Meeting of the Conference and the Representative Body agreed that the Government's invitation to enter into discussions without commitment should be accepted and that a committee representative of the profession as a whole should meet representatives of the Ministry to discuss the matter. At the end of those discussions, and in any case before formal negotiations were opened or the proposals were submitted by the Government to Parliament, the full machinery of the Association, including the Council and its committees, groups, Panel Committees, divisions and the Representative Body would be used to decide how the Association should act on them.

All practical steps were to be taken to give members of the profession, whether members or non-members of the Association, an opportunity to express their views. The Joint Meeting debated
the proposed composition of the representative committee and rejected a claim for representation submitted on behalf of the M.P.U. *

The meeting then divided into separate meetings of the Representative Body 426 and the Panel Conference 427. Both endorsed the decisions of the Joint Meeting. The Conference rejected another attempt by the M.P.U. to secure representation. A motion was passed expressing disgust with the reply which had been received from the Minister of Health on the subject of the capitation fee and calling upon the Insurance Acts Committee to consider the advisability of recommending Insurance practitioners to terminate their contract. Dr. Gregg gave an undertaking that he would consult all Panel Committees, to see if they agreed that they would have to finish with working the National Insurance Act if the Minister would not show more consideration for their point of view. The proposers of the motion then withdrew it.

The Annual Conference of 1943, although in sympathy with the concept of a comprehensive service, urged the Government to delay the inception of such a service until there was sufficient manpower to operate it efficiently. 428

*The motion was moved by Dr. Gordon Ward, who had been trying unsuccessfully since 1913 to link the B.M.A. with the Trade Union Movement 425.
The White Paper

The Minister of Health, Mr. Ernest Brown, produced a plan for discussion which was never published but it probably envisaged a unified health service based on a system of regional local government units. Due to the outcry in the profession the Minister discarded his plan; his promised White Paper did not materialise and in December he gave way at the Ministry to Mr. Henry Willink who was more successful.415

The Government issued the White Paper on its proposals for a National Health Service in February 1944.429 In March the Council of the B.M.A. published an analysis of the White Paper in relation to the principles which had been approved by the Association at its Representative Meeting in September 1943.430 The Council took great exception to the proposed powers of the Central Medical Board which would have to give permission before a doctor could set up in practice or transfer from one practice area to another. Furthermore, it was proposed to give the Central Medical Board powers to require a young doctor, during the early years of his career, to give his full time to the public service when and where the needs of the service required it. The Council took the view that the logical extension of the powers of this Board would ultimately lead to a whole-time salaried service.

In May the Council issued a draft report for consideration by the Representative Body,431 part of which was devoted to a further
consideration of the establishment of a negotiating body to act for the profession. This committee should consist of 30 members appointed as follows:

- British Medical Association 16
- Royal College of Physicians 3
- Royal College of Surgeons 3
- Royal College of Obstetricians & Gynaecologists 2
- Royal Medical Scottish Corporations 3
- Society of Medical Officers of Health 2
- Medical Women's Federation 1

The Council proposed the names of eight members for approval by the Representative Body and suggested that eight more should be elected by the Representative Body from nominations from the divisions, divisional branches; or any two representatives. Among the names suggested by Council were Drs. J.A. Brown and S. Ward of Birmingham, and Dr. F. Gray and Dr. E. Gregg of London, all members of the Insurance Acts Committee. One other member was to be nominated by the Scottish Committee of the B.M.A. and the Scottish Insurance Acts Committee acting together. The Society of Apothecaries requested that it too should have a representative who would be a general practitioner. This was accepted by the other bodies.

The Insurance Acts Committee issued a report and convened a Special Conference to be held on June 28/29 but due to the exigencies of the world situation the Annual Representative Meeting was postponed until December and the Special Conference was cancelled. The Annual Conference considered the White
Paper in November and expressed its willingness to discuss the White Paper, provided that the medical profession was assured of a predominant share in the organisation and control of the medical services. It was wholly opposed to a State salaried service, civilian direction of practitioners, the government of the profession by local health authorities and any measure which would tend to limit the freedom of judgement and action of the practitioner, or weaken his full responsibility for his patients. It deplored "the defactism" which accepted that a hundred per cent State medical service was inevitable, and reaffirmed its view that those practitioners who participated in the National Health Service should not be debarred from private practice.

The Central Health Services Council should not be concerned with the terms and conditions of service for practitioners. Such terms and conditions, including remuneration, should be negotiated directly between the Minister and the medical profession, with an agreed permanent machinery devised for the purpose; in any dispute between the profession and the Minister, there should be an ultimate right of appeal to a Court of Law. Steps should be taken to ensure the recognition and protection of the interests of the part-time consultant and specialist; there should be general practitioner beds in any future hospital service and diagnostic, pathological and x-ray facilities should be provided for general practitioners.

The Annual Representative Meeting came to very similar conclusions. Amongst the eight members of the negotiating committee appointed
by the Representative Body were Drs. Arthur, Cockshutt, Lambie, Miller, Talbot Rogers, Sedgwick and Winstanley, all of whom were members of the Insurance Acts Committee.

The full negotiating committee of 31 members held its first meeting on the morning of January 12, 1945, at BMA House. Dr. Dein was elected chairman and Sir Alfred Webb Johnson, the representative of the Royal College of Surgeons of England, was elected as vice-chairman and Dr. Charles Hill, Secretary of the B.M.A., was appointed secretary. In the afternoon the negotiators met the Minister of Health, the Parliamentary Under-Secretary of State for Scotland and officials. It was agreed that the negotiating committee, or one of its special sub-committees, would meet the Minister and his colleagues weekly. At least seven such meetings had taken place before the Council met on March 21. Having received the report of the negotiating committee it decided to call yet another Special Representative Meeting on May 3.

This Special Representative Meeting was held in camera; the

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* An account of the Meeting was sent to every member of the profession later in the year. A separate Special Representative Meeting took place in Edinburgh on June 28 to consider the different arrangements which would be necessary in Scotland, which was to have a separate National Health Service Act.
B.M.A. itself would have preferred the normal public debate but for reasons of parliamentary privilege the Association could not disclose the Minister's proposals. The Council considered all the resolutions of the Special Representative Meeting and passed many of them to the negotiating committee. This continued to meet the Minister and receive observations from its constituent bodies.

At its routine meeting in July the Insurance Acts Committee heard that its representatives had met officials of the Ministry. They had discussed certification, the unwarranted removal of patients from doctors' lists, sickness benefits and pregnancy, and the inclusion of sulphonamides in the drug list. There had been no mention of the National Health Service; discussions on this subject were deferred during the period of the general election. This resulted in the return of a Labour Government with a massive majority in Parliament. Mr. Aneurin Bevan became Minister of Health.

An exchange of letters took place between Dr. Hill and Mr. Bevan. Mr. Bevan agreed to meet the negotiating committee before the Government decided finally what proposals it would put to Parliament for a National Health Service. This was reported to the Annual Conference.

When the National Health Service Bill was published in March 1948, Council convened a further Special Representative Meeting. In its report Council listed seven principles which had been agreed
by the negotiating committee. These were:

I. The medical profession is, in the public interest, opposed to any form of service which leads directly or indirectly to the profession as a whole becoming full-time salaried servants of the State or local authorities.

II. The medical profession should remain free to exercise the art and science of medicine according to its traditions, standards and knowledge, the individual doctor retaining full responsibility for the care of the patient, freedom of judgment, action, speech and publication, without interference in his professional work.

III. The citizen should be free to choose or change his or her family doctor, to choose, in consultation with his family doctor, the hospital at which he should be treated, and free to decide whether he avails himself of the public service or obtains the medical service he needs independently.

IV. Doctors should, like other workers, be free to choose the form, place and type of work they prefer without governmental or other direction.

V. Every registered medical practitioner should be entitled as a right to participate in the public service.

VI. The hospital service should be planned over natural hospital areas centred on universities in order that these centres of education and research may influence the whole service.

VII. There should be adequate representation of the medical profession on all administrative bodies associated with the
The Council of the Association submits the following report for the information of the profession. It falls into two parts: part A, a statement of the principles adopted by the Negotiating Committee with explanatory paragraphs; part B, a report of the Council of the British Medical Association on the Bill to be submitted to a Special Representative Meeting to be held on May 1st and 2nd, 1946. All members of the profession, members and non-members of the Association alike, are urged to give this document the most careful study and to attend the meetings of the profession to be called in every area in the next few weeks.

This report is accompanied by a copy of the Government White Paper in which are described the provisions of the Bill.

A. THE PRINCIPLES OF THE PROFESSION

The Negotiating Committee, representative of the British Medical Association, the Royal Colleges, the Royal Scottish Medical Corporations, the Society of Medical Officers of Health, the Medical Women's Federation and the Society of Apothecaries, crystallized the views of the medical profession as a whole on the subject of a National Health Service in the following statement:

"For a quarter of a century the medical profession has stressed the need for a complete health service.

The profession is willing and anxious to cooperate with the Government in evolving this service, for it believes that the knowledge and experience of the profession are indispensable contributions to its success. It re-emphasizes that good housing, social, economic and environmental circumstances are the principal factors in the maintenance of health and the prevention of disease. It urges the expansion of medical research.

In the interests both of the public and of medicine, the profession regards the acceptance of the following principles as essential:

I. The medical profession is, in the public interest, opposed to any form of service which leads directly or indirectly to the profession as a whole becoming full-time salaried servants of the State or local authorities.

II. The medical profession should remain free to exercise the art and science of medicine according to its traditions, standards and knowledge, the individual doctor retaining full responsibility for the care of the patient, freedom of judgment, action, speech and publication, without interference in his professional work.

III. The citizen should be free to choose or change his or her family doctor, to choose, in consultation with his family doctor, the hospital at which he should be treated, and free to decide whether he avails himself of the public service or obtains the medical service he needs independently.

IV. Doctors should, like other workers, be free to choose the form, place and type of work they prefer without governmental or other direction.

V. Every registered medical practitioner should be entitled as a right to participate in the public service.

VI. The hospital service should be planned over natural hospital areas centred on universities so that these centres of education and research may influence the whole service.

VII. There should be adequate representation of the medical profession on all administrative bodies associated with the new service in order that doctors may make their contribution to the efficiency of the service."

Behind these principles are considerations of profound importance to the public and to medicine.

For the medical profession to be converted into a technical branch of central or local government would be disastrous both to medicine and to the public it serves. The doctor's primary loyalty and responsibility should be to his patient.

The interest of the public demands that he should be free—as civil servants and local government officers cannot be—to act, to speak and to write on professional matters according to the dictates of his conscience, unhampered by interference from above.
new service in order that doctors may make their contribution to the efficiency of the service.

A Special Conference met before the Special Representative Meeting. It resolved, with only two dissentients, that the Representative Body should be informed that Council's report met with the general approval of the Conference. The Conference endorsed the decision of the trustees of the National Insurance Defence Trust to guarantee £100,000 to the B.M.A. Guarantee Fund. These decisions were conveyed to the Special Representative Meeting by Dr. J.A. Brown, Chairman of the Conference. He emphasized that the Panel Conference representing 18,000 general practitioners was solidly behind the Council. The Representative Body passed a vote of confidence in the Council in its efforts to negotiate with the Minister. Mr. Bevan consistently refused to "negotiate" with the profession; he "consulted" it on the Government's proposals.

Spens Committee

In February 1945 the Government appointed an interdepartmental committee under the chairmanship of Sir Will Spens to consider the remuneration of general practitioners. Evidence was given to this committee by the Association. In its report which was issued in March 1946 the Committee accepted the Association's view that unless conditions were substantially improved the social and economic status and the recruitment of general practitioners could not, in the long run, be maintained.
The Minister wrote to the Insurance Acts Committee, accepting the substance of the Spens Report. He considered that the actual terms could not be calculated from the Report by simple arithmetic, because it involved numerous other factors, such as superannuation and the percentage of betterment to be applied to the pre-war figure. The Insurance Acts Committee too accepted the Spens Report (as did the Representative Body) but insisted that discussions on the National Health Insurance capitation fee were not to be related to the discussions on the National Health Service Act. The Minister offered a fee of 12/6, whereas the Insurance Acts Committee considered that a fee of 13/- was appropriate on the basis of a pre-war figure of 9/.-.

In its Annual Report the Committee recommended that all practitioners should place their resignations from the National Health Insurance service in the hands of the Insurance Acts Committee, and authorise that Committee, at its discretion, to put in such resignations to Insurance Committees unless the Minister was willing to apply the Spens Report fully to the current capitation fee from January 1 1946. The Committee were prepared to accept, as an alternative, that the Government should allow Sir William Spens or some other body to interpret the Spens Report. Both bodies should agree in advance to accept the arbitration.

On October 18 the Permanent Secretary of the Ministry of Health wrote to Dr. Hill:-
"I have informed the Minister of the discussions which I had with the Insurance Acts Committee when at your request, I attended their meeting yesterday. The Minister is willing fully to apply the Spens Report to the current capitation fee with effect from January 1 1946, the increase of 2/- being regarded as a payment on account. To this end he invites the Insurance Acts Committee to enter into discussions on the Report forthwith, with special reference to the current capitation fee. The discussions will be conducted expeditiously.

Yours sincerely,

W.S. Douglas."

This letter was read to the Annual Panel Conference and was greeted with cheers. Dr. Cockshutt said that a great victory had been won by the Insurance practitioners and that Mr. Bevan had sustained a defeat. On the recommendation of the Insurance Acts Committee the Minister's offer was accepted.

In November, having considered the report of the negotiating sub-committee, the Council decided to conduct a plebiscite of the entire profession. Sixty-four per cent of general practitioners voted against the continuation of negotiations with the Government. On the strength of this Council decided to call yet another Special Representative Meeting for January 23 1947.

The Bill received the Royal Assent on November 6 1946. On January 2 the President of the three Royal Colleges wrote to Mr. Aneurin Bevan suggesting that negotiations should continue and
that he should make certain concessions. The Minister accepted the suggestion four days later 464.

On January 9 the Minister made a final offer of a capitation fee of 15/6, with effect from January 1 1946. He said that some of the factors on which the 15/6 was based would, in his view, have a bearing on the negotiations for the remuneration in the new service. This, it was agreed, would be on a higher level than the remuneration which had been settled for the health insurance service. The Insurance Acts Committee accepted this proposal 465.

Council met on January 15 466. Dr. Dein informed the members that in his view the circumstances had changed and therefore the Representative Body should be asked to permit comprehensive discussions to take place with the Minister with a view to providing the people with the best possible health service. The possibility that such discussions might lead to further legislation had to be accepted. Council's recommendation that at the conclusion of the discussions a second plebiscite of the profession should be taken on the issue of entering the Service, was accepted by the Special Representative Meeting by 252 votes for to 177 against 467.

The Panel Conference 468 continued its examination of the relationship between the general practitioners and the National Health Service. In December 469 the Journal printed a comprehensive list of the representations that had been made to the Minister by the negotiating committee. The committee took the view that
the Minister should try to meet the points raised by amending the Act where necessary. Further correspondence took place between the profession and the Minister, and a further Special Representative Meeting was held on January 3 1946 to discuss the details of the plebiscite to ascertain the wishes of the whole profession. This plebiscite became known as the "February Plebiscite".

A week later the Insurance Acts Committee, fully conscious of the implications, condemned the National Health Service Act 1946 as being contrary to the best interests of the public, and advised Insurance practitioners to reject it in the forthcoming plebiscite. Council approved a letter to be sent to every member of the profession informing them that although the Council would abide by the results of the plebiscite, it would be lacking in its duty if it did not make it clear that it believed the profession should not take service under the Act, unless it were amended. On the reverse side of the letter was a similar statement from the Insurance Acts Committee. The results of the plebiscite were announced at Council's meeting on February 18 1946. Over 17,000 general practitioners were against accepting service under the Act, well in excess of the 13,000 that were considered essential by the Council if it were to maintain its opposition to the Act. The Council requisitioned a further Special Representative Meeting for March 17.

The following day the Insurance Acts Committee met and heard Dr. Dein claim that the Minister had not succeeded in dividing
the profession and that the "raucous voiced medical politicians" were not so unrepresentative of the rank and file as the Minister had assumed. A Special Panel Conference would be called before the Representative Meeting to enable both bodies to express their views.

The Conference, (the last Panel Conference to meet) reaffirmed the wholehearted desire of the profession for a comprehensive health service available to everyone. It expressed the hope that the Government would make it possible for the profession to cooperate by making such changes in the Act as were necessary to maintain the integrity of medicine, because it was not in the best interests of the public for members of the profession to enter the Service until such changes had been made. A similar resolution was passed by the Representative Body on the following day.

Following these demonstrations of support for the B.M.A. and the Insurance Acts Committee the Minister made certain concessions. An amending act was promised which would make it impossible for a whole-time salaried service to be introduced by regulation.

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This refers to a speech made in the House of Commons by Mr. Bevan on February 9. He described the leaders of the B.M.A. as a small body of "raucous-voiced" and "politically poisoned" people who were exceeding their just constitutional limitations and organising wholesale resistance to the implementation of an Act of Parliament.
There would be continuation of part-time service by specialists, for whom pay beds were promised; complete freedom of speech and publication would be guaranteed and consultations would take place before any regulations were issued. In the general practitioner field the principle of a universal basic salary would be abandoned and the established machinery for distributing remuneration retained. Although the Minister insisted on abolishing the buying and selling of goodwill, all practitioners would retain the right to choose their own assistant or partners, providing that the Medical Practices Committee gave permission for new entrants into the district.

The Council took the view that, as the situation had changed, a further plebiscite was required and open meetings should be held all over the country. It requested any general practitioner who received an invitation from a local Executive Council asking whether or not he would enter the Service not to answer, until after the profession's views had been determined by the plebiscite.

The "April Plebiscite" was sent to 54,724 practitioners of whom 40,622 replied; 14,620 approved of the Act and 25,342 expressed disapproval. Amongst consultants, general practitioners and whole-time voluntary hospital staffs, 13,891 were not in favour, including 9338 general practitioners. This was a marked drop from the 17,037 responding in like manner to the February Plebiscite.

*The British Medical Journal expressed the view that the concessions made by Mr. Bevan had persuaded many medical men to
and well below the minimum of 13,000 set by the Council.

In view of this development the Council recommended to the Representative Body that it should advise the profession to cooperate in the new Service, on the understanding that the Minister would continue to negotiate on outstanding matters.

When the Representative Body met on May 28, a letter to Dr. Hill from Sir William Douglas of the Ministry of Health was distributed. In it the Minister agreed to propose an Amending Bill to Parliament. This would include among its provisions clarification of the position of partnerships and it would make clear that a whole-time salaried general medical service could not be introduced by regulation. Executive Councils would have the right to select their own chairmen after the term of office of the sitting chairmen, who had been appointed by the Minister, expired in March 1949. The proposed Act would also give power to the Executive Council, with the doctors' agreement, to deduct from the practitioners' remuneration the monies required to run the Local Medical Committee. The Council's recommendation to accept service under the National Health Service Act was carried by a very large majority.

*change their attitude and that some of those who disapproved of the Act were nevertheless prepared to enter the Service on July*. 

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The Executive Councils and Local Medical Committees in the National Health Service

The National Health Service Bill received the Royal Assent on November 6, 1946. Section 31 of the Act established Executive Councils which were responsible for providing and administering the General Medical Services, and Section 32 established Local Professional Committees, including Local Medical Committees. Executive Councils were required to consult with the professional committees in exercising their functions; in the fifth schedule Local Medical Committees were given the right to appoint seven of the twenty-five members of the Council. When the Amending Act was being discussed in Parliament, Mr. Hastings asked the Minister of Health whether, in selecting representatives of the medical profession for the local Executive Councils under the new National Health Service Act he had asked for recommendations from the medical committees in the various areas, and whether Mr. Bevan knew that in many areas the Local Medical Committees had been elected in 1933 and that there had been no election since.

Mr. Bevan replied that the appointment of medical members to the Executive Councils was made by Local Medical Committees and not by the Minister. He knew that in most areas there had not been elections of Panel Committees since 1939, and therefore his recognition of Local Medical Committees for the new Service had been provisional.

The first meeting of an Executive Council took place at Oldham, Lancashire, on Friday June 13, 1947. The Minister of Health
had appointed the Chairman of the Insurance Committee, Mr. A.C.C. Robertson (Secretary of the Oldham Card & Blowing Operatives Association) as the first chairman of the Executive Council. Following an election, Dr. R.I. Poston, Secretary of the Local Medical Committee, was appointed deputy chairman.

The Establishment of the General Medical Services Committee

The National Health Service came into operation on July 5 1948. The Insurance Acts Committee met three days later, its first business being to consider the designation and constitution of the committee itself within the new Service. The representatives of the consultants and specialists had chosen to use the boundaries of the regional hospital boards for their elections, but the Insurance Acts Committee decided that the grouping of Local Medical Committees which had been used for many years should form the basis of the election to the new body, on the understanding that it could be amended in the light of experience.

Various suggestions were put forward for the name of the new committee; one suggestion was "Central General Practitioners Committee" and another "Health Service General Practitioners Committee". The brief designation "Central Medical Committee"

*By July 10, 16,208,000 people had applied to be placed on doctors' lists (the number of persons on doctors' lists under the National Health Insurance arrangements, who did not require to complete one of the new acceptance forms, was 19,540,597). By December 31 1948 the number was 21,466,755*.
was suggested, but finally it was agreed that the title should be the "General Medical Services Committee".

The Committee then discussed the question of the constitution and the election of Local Medical Committees, a draft model scheme for which had been put forward by the general practice sub-committee of the negotiating committee. This was approved, subject to the inclusion of the provision for a postal vote. The existing Local Medical Committees were asked to arrange early elections. It was suggested to them that they should have power to coopt additional members for the purpose of bringing in any medical member of the local Executive Council. The Insurance Acts Committee was in favour of a voluntary or statutory levy for financing Local Medical Committees. On October 27 the Council agreed to the Insurance Acts Committee's changing its name to the "General Medical Services Committee".

The Annual Conference of Local Medical Committees, the last to be convened by the Insurance Acts Committee, was held in the Great Hall of BMA House on November 25, under the chairmanship of Dr. J.A. Brown of Birmingham.

Dr. Gregg, Chairman of the Insurance Acts Committee, asked for approval of the proposal to rename the Insurance Acts Committee the General Medical Services Committee, leaving the constitution of the new committee unchanged. This suggestion was accepted by the Conference.
The Conference debated a motion which pointed out that the capitation fee of 13/- was grossly inadequate, that the amount of work imposed upon the doctor by the inclusion of the whole population had been vastly increased, and that although in certain parts of the country the doctor's financial position may have improved, there were very large areas in which his income had been halved or even further reduced. The Conference called on the General Medical Services Committee "as a matter of urgency, to take all possible action to secure an overall increase in order to relieve the serious hardship resulting from the present service". It was emphasized that the "global sum" had been based on an estimate of 17,900 practitioners participating in the Service whereas in fact there were 19,400 by October 1948. No financial provision had been made for that increase. It was alleged that the failure to implement the Spens findings was the crux of the difficulty. The Conference reaffirmed its opposition to a basic salary as part of the general practitioner's remuneration.

The first meeting of the General Medical Services Committee (commonly referred to as "the G.M.S.C.") took place on December 3 when Dr. Solomon Mend of Birmingham was elected Chairman. The Scottish sub-committee, the rural practitioners sub-committee (consisting of the members in rural practice along with two urban practitioners) and the sub-committees dealing respectively with remuneration and with terms of service other than remuneration, were all reappointed. A further sub-committee was set up to consider the future constitution of the G.M.S.C. itself.
Many motions which had been referred to the Committee by the Conference were noted for either immediate or future action, or referred for further consideration to the appropriate sub-committee. A report of a meeting which had taken place between representatives of the Committee and the medical members of the Medical Practices Committees for England and Scotland was also considered. The majority opinion of the Committee was that the Medical Practices Committee should continue to decide on the filling of declared vacancies but, should it reverse the decision of the local Executive Council, that Council should have the right of appeal to the Minister.  

First reforms of the G.M.S.C. and Conference

In its first Annual Report the Committee commented on the request by the Annual Conference that the Committee should be reconstituted and that it should review its own method of election. The Committee came to the conclusion that very little change was necessary, but recommended that the number of directly elected members should be increased from 27 to 33 and that there should be some change in the "grouping". Subject to the approval of the Conference, the constitution of the Committee should be five ex officio members (President of the B.M.A., Chairman of the Representative Body, Chairman of Council, Treasurer, and Chairman of the Conference of Representatives of Local Medical Committees), six members elected by the Representative Body, 33 members elected on a territorial basis by Local Medical Committees in Great Britain and Northern Ireland and six members elected by the Annual Conference.
In addition two members were to be nominated by the Central Consultants and Specialists Committee, one by the Medical Women's Federation and one nominated by the Society of Medical Officers of Health, giving a total membership of 54. In addition the Committee should be given power to co-opt not more than four members to secure representation of medical practitioners of a particular class of experience not otherwise represented.

The suggested scheme for the grouping of the direct members and draft standing orders of the Conference was accepted with some minor changes, but a suggestion that the Conference should meet before the Representative Body was rejected.

Discontent within the profession

It soon became obvious that doctors were dissatisfied with their financial position and the B.M.A. accused the Government of failing to honour its pledge to implement fully Spens' Reports.

In addition general practitioners complained that their status had fallen.

* In 1950 a similar suggestion from Birmingham Local Medical Committee was rejected, but in 1951 the Conference accepted the idea that its annual meeting should precede the Annual Representative Meeting, so that the Chairman of the G.M.S.C. could report to the Representative Body on the business of the Conference with a view to making decisions easier and making the combined effort of the Committee and the Association more valuable.
On December 8, the remuneration sub-committee of the G.M.S.C. considered a case to be put to the Ministry on behalf of rural practitioners for an urgent increase in the mileage fund to prevent them suffering hardship.

The Council of the Association met on January 12, 1949 and heard that there was a considerable demand from divisions for a Special Representative Meeting to consider the question of remuneration. It agreed to suggest to the G.M.S.C. that, when it had completed its survey of the information available, it should consider the desirability of calling a Special Conference of Local Medical Committees. The Council formally approved the action of its Chairman in bringing the negotiating committee to an end, but it established a new committee to consider those amendments to the Act which, in the light of experience of its workings, the profession would require.

The G.M.S.C. met a week later and decided to prepare a draft memorandum for presentation to the Ministry and to convene a Special Conference on March 3. At the same meeting Dr. E.A. Gregg, Chairman of the Representative Body, announced that the Council of the Association had decided to call a Special Representative Meeting, but that the Council looked to the G.M.S.C., as it had always looked to its predecessor, for guidance and information. There was to be no attempt on the part of the Council to dictate, or to interfere with the Committee's autonomy.
Establishment of the British Medical Guild

The Annual Representative Meeting of 1948 referred to the Council a number of motions relating to the establishment, in the form of a trade union or otherwise, of an organisation for the better protection of the interests of the medical profession. The Council appointed a special committee to consider the constitutional position of the Association. It recommended that a new organisation should be established in the form of an independent board of trustees, with the power to organise and finance collective action by the profession, and to provide financial compensation to those practitioners who suffered hardship through participation in such collective action. The new body, to be called The British Medical Guild, was to be constituted in accordance with the trust deed which had been drafted by the Association's solicitors. The Council adopted the Committee's report and recommended its acceptance to the Representative Body. The £500 necessary to establish the trust was provided by the trustees of the National Insurance Defence Trust.

The Betterment Factor

A Special Conference took place on March 3, 1949 at which nearly all Local Medical Committees in England, Wales and Scotland were represented. The main business before the Conference was a report by the G.M.S.C. on the remuneration of general practitioners. Dr. Wend suggested the report should be approved as the basis of the case and that the Committee should be instructed to press the Government to adjust their remuneration accordingly.
should be retrospective to July 5, 1948. The Committee insisted that the total pool was inadequate, but that the pool method of payment was the only means of fulfilling, for the profession as a whole, the recommendations of the Spens Committee. The Committee considered that they should recommend to the Government a betterment factor of 170, although there was expert advice, taking 100 as the pre-war equivalent, that 185 was a more realistic figure. The Conference approved the G.M.S.C.'s report.

On April 14 Dr. Wand and others met Ministry officials to discuss the Committee's proposals. Reporting back to the Committee, Dr. Wand complained that the Ministry did not discuss the case at all. Despite statements made in the House of Commons the Ministry did not know precisely how many doctors were working in the Service. It was asking Executive Councils for information on this matter and on the total amount of remuneration received by general practitioners from National Health Service funds. The officials anticipated that the information would not be available until about the middle of May. Until then the Ministry could not state whether Spens was being applied, and would give no assurance that any adjustment which might have to be made would be retrospective. Dr. Dein, Chairman of Council, referred to the Ministry's statement that the Whitley machinery did not necessarily carry the right to arbitration as a gross breach of

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*In the opinion of Eckstein, these must have reached the Government some time before the Special Conference had had time to approve them.*
faith. Had the profession known that fact, a different decision might have been made about joining the Service.¹⁰⁶

Negotiations with the Ministry

At the Annual Conference of 1949, Dr. smell reported on the progress of negotiations with the Ministry.¹⁰⁷ On June 2 the Committee had had an interview with the Minister himself. He had insisted that before any comparisons could be made with the Spence Committee’s recommendations it would be necessary to know what each doctor’s earnings were from all National Health Service sources. The results of an inquiry into doctors’ pay, which had been promised for May, had been received in August. The calculations, together with the inferences drawn from them, were challenged at a meeting with the officers of the Ministry, who then undertook to redraft the document. This redraft was not available before the Conference met. The Conference passed resolutions deploring the delay and demanding that the proper calculation of the amount of the central pool, including an adjustment for any increase in the number of doctors, should be undertaken without waiting for the redraft.

On November 14, 1949, the Ministry furnished a statement setting out calculations; these had been made before the appointed day and were based on an assumption of 20% betterment on net income. It was accompanied by a letter which claimed that the evidence did not provide a reasonable case for any increase in the total remuneration of general practitioners and that there was no reason to suppose that general practitioners as a group were inadequately
paid. The Committee was informed that its proposals had to be seen against a background of the general economic situation and that under such conditions it would be impossible for the Minister to justify any increase in pay for general practitioners. The Committee replied expressing its dissatisfaction. It sought an assurance that the central pool would be continuously adjusted so as to maintain the level of remuneration recommended in the Spens Report. On December 22 a further interview took place with officials. The Ministry was not willing to indicate the global sum necessary to implement the recommendations of the Spens Report. "The Minister is satisfied that at the present time no reasonable case can be made for any increase in the total remuneration of general practitioners." Further unsuccessful negotiations took place during the early part of 1950, including a further interview with the Minister on April 3 at which Mr. Bevan drew attention to the Government's "wage freeze policy". He asked the profession to cooperate in further inquiries into practice incomes and expenses in respect of the first complete year of the National Health Service. The Committee agreed to these investigations, provided they were completed by November, and that the Spens Report remain the basis of general practitioner remuneration until such time as a new basis was agreed between the Minister and the profession's representatives. Furthermore, if investigations revealed that there was inadequacy of the general practitioners' remuneration, or an excessive margin between their pay and that of other comparable professions within the National Health Service or other branches of the medical
profession, the Minister would make available any money necessary to remedy the inadequacy or to narrow the margin.510

Preparations for withdrawal

A further Special Conference on June 29, 1950 heard a report on the negotiations of the preceding eighteen months. It accepted the fact that at no time had the remuneration of general practitioners been agreed. It expressed its displeasure at the repeated delays in the negotiations and called upon the Minister to state immediately his opinion as to the global sum needed to implement the recommendations of the Spens Report. It deplored the failure of the Minister to give an assurance that negotiations on remuneration would be conducted through Whitley machinery, but recognised that an equitable settlement could only be arrived at following accurate information on general practitioners' income and expenses. It expressed its willingness to participate in such an inquiry. The Conference then instructed the G.M.S.C. to make preparations forthwith for the termination of their contracts by general practitioners in the National Health Service. These preparations should be detailed and adequate attention should be paid to the problem of public relations. If and when it became evident that there was no prospect of a satisfactory settlement of the claim, a further Conference should be called to name the date on which general practitioners would be advised to end their contracts. Such a Conference should be called in December 1950 if a settlement had not been reached.511.
Due to circumstances which, it was agreed, were largely outside the Ministry's control, the results of the two inquiries could not be ready by December. On October 26 the Annual Conference agreed to postpone the Special Conference until March 1951. The long awaited practice expenses inquiry was completed at the end of January 1951 and the results were far from conclusive; from a total random sample of 3145 practitioners only 1066 returns were available. Following consultations between the actuaries representing the Government and the Committee, the margin of disagreement was narrowed to 1%; the Committee claimed that 37.5% would be a reasonable figure for practice expenses for the year ending March 31 1950, whereas the Ministry believed that the figure should be 36.5%.

It became obvious that the inquiry into practice incomes for the year ending March 31 1950 could not be available for the projected meeting between the profession's representatives and Mr. Bevan, due to be held on February 28. The Committee therefore accepted the Ministry's figures which suggested that £48,482m was available for payment to the 19,039 principals in unrestricted practice.

Mr. Aneurin Bevan resigned as Minister of Health and so the meeting on February 28 took place between the G.M.S.C.'s representatives and the new Minister, Mr. Marquand, and the Secretary of State for Scotland, Mr. Hector MacNeil. The Ministers agreed

*Reporting to the subsequent Conference, Dr. Wand said that he
that there was a good prima facie case for reviewing the remuneration of general practitioners as a matter of urgency. They would examine the matter without delay and arrange a further meeting with the profession's representatives before the end of April.

Several members of the G.M.J.C. urged that the Conference should be postponed until after the further interview with the Minister but the Committee adhered to the original date of March 29.515. The Conference agreed that the Committee should be allowed to negotiate and report progress but that the preparation for the termination of the general practitioners' contracts should continue.516.

The M.P.U. gains seats on the G.M.J.C.

Consideration was being given by the Minister to the question of a Medical Whitley Council but unbeknown to the Association the M.P.U. made a direct approach to the Minister, who invited Dr. Mend to meet him at short notice. He and Dr. Stevenson (deputy secretary of the B.M.A.) were told that Mr. Bevan found it difficult

* had found the new Minister very willing to listen and to understand the professional standpoint; the Ministry had lost one of its main sections, and there were changes, actual or impending, at the head of the permanent staff.514.
to resist the Union's claim for representation and that he might have to conduct two series of negotiations, one with the M.P.U. and one with a Medical Whitley Council. He asked the G.M.S.C. to consider re-opening discussions with the Union. The Committee made contact\(^517\) and a deputation from the Union was invited to attend a meeting of the G.M.S.C. in December 1950. The Union expressed its desire to cooperate with the Committee and acknowledged that it was the Executive of the Conference and gave an undertaking not to approach the Ministry on any subject if it were given seats on the Committee. The Union's representatives withdrew and the Committee decided with three dissentients "that the M.P.U. be invited to send two of its members to meetings of the G.M.S.C. as observers until the Representative Body and Conference of Local Medical Committees have approved the Committee's action and decided whether to take the further step of appropriately amending the Committee's constitution".\(^518\)

The Council of the Association instructed the Organisation Committee to prepare the necessary bye-laws\(^520\), the Conference accepted the G.M.S.C.'s recommendation\(^516\), and the Representative Body agreed to alter the Schedule to the Bye-laws so that in future the M.P.U. would be entitled to appoint two representatives to the G.M.S.C.\(^521\)*

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* The M.P.U. claimed that its representation was a direct result of a decision of its Council to approach the G.M.S.C.\(^519\)

** In addition to the two official delegates other members of the
The Danckwerts Adjudication

Another meeting with Mr. Morquand took place but in spite of this the situation worsened. In July the Conference called on the Minister to submit the profession's claim to arbitration and instructed the G.M.S.C. to arrange for the collection of practitioners' resignations, unless a suitable form of arbitration was agreed by September 25. Further exchanges of correspondence and meetings with the Minister resulted in an agreement to refer the question to arbitration by independent adjudicator whose terms of reference were:

"To determine the size of the central pool, after taking account of remuneration from all other sources received by general practitioners, in order to give effect to the recommendations of the Spens Committee, having regard to the change in the value of money since 1939, to the increases which have taken place in incomes in other professions, and to all other relevant factors."

At the request of the Minister of Health, the Lord Chancellor agreed to make the services of a High Court Judge available and Mr. Justice Danckwerts was appointed.

Counsel were engaged to present the Committee's case.

Mr. J. Millard Tucker, QC, was originally chosen as leader but as

M.P.U. have been elected to the G.M.S.C. as representatives of groups of Local Medical Committees, e.g. Dr. Terry Gardiner for Northern Ireland, who represents the M.P.U. in discussions with other Trade Unions in Europe.
a result of his being ill the adjudication was delayed. His place was taken by Mr. Frederick Grant who was assisted by Mr. H.B.H. Hilton Foster, QC, MP, and Mr. S.B.R. Cook. The Minister of Health and the Secretary of State for Scotland were represented by the Attorney-General, Sir Lionel Heald, QC, MP, and Mr. Peard Clarke. The hearing of the evidence, which took place in Chancery Court 3, commenced on March 18, 1952 and occupied little more than three days. The decision of the adjudicator was announced on March 25; the pool for the year ending March 31, 1951 should be £51,252m. Mr. Danckwerts explained that he had applied a betterment factor of 100% to the figure of £19.89m for 1939 and that in his view a corresponding factor in 1948 would have been 33%. His figure had been adjusted by reference to the number of doctors in the National Health Service and not the population, and excluded interests on compensation monies and the amount of the inducement fund. He considered that the correct figure for expenses was 33.7%, although he did not entirely accept the figures to which that percentage should be applied.

Both the betterment factor and the percentage for expenses were higher than those claimed by the B.M.A. The adjudication completely vindicated the B.M.A.'s interpretation of the Spens proposal. The Times commented that "the award showed that the family doctor has been underpaid by the State ever since the Health Service was launched".

Concurrently with the decision to refer the determination of the size of the pool to arbitration, agreement was reached on the
establishment of a working party on the distribution of the pool. This consisted of officers of the Ministry of Health and representatives of the G.M.S.C.531

A new Chairman

The G.M.S.C. met on June 19, 1952, between the Annual Conference and the Special Conference which was called to consider the report of the working party on the distribution of the pool. Dr. A. Talbot Rogers, who had served as deputy chairman during the year 1951/2 whilst Dr. Wend had held the joint appointments of Chairman of the Representative Body and Chairman of the G.M.S.C., was unanimously elected chairman of the Committee.

Dr. Talbot Rogers announced that Dr. Wend had been made a member of the Standing Medical Advisory Committee of the Central Health Services Council. Letters had been received from Dr. Wend and his daughter, and Dr. and Mrs. Stevenson acknowledging receipt of the presents that had been given to them by the Committee in recognition of the immense amount of work that they had done for general practitioners534.

An Extraordinary Meeting of the Association

The Report of the Working Party on the Future Distribution of the Central Pool535 agreed with the Ministry's proposals536. It was accepted by the Special Conference which unanimously requested that the necessary steps be taken to implement the award at the earliest possible date537. This decision was endorsed by the Representative Body538. This caused dissatisfaction to some
general practitioners. Following a requisition signed by 159 members of the B.M.A. an Extraordinary General Meeting was convened for the afternoon of May 5, 1953 to consider, and if thought fit, pass the following resolution:

"That the Association, being concerned by the modification of the present method of remuneration by capitation fees agreed in the Working Party's Report, requires the Council forthwith to approach the Minister of Health with proposals for the better protection (financial and otherwise) of the small list doctor and of the doctor newly seeking entry into practice, and request the Minister of Health not to implement the Working Party's Report until the new scheme of distribution of remuneration has been considered in the light of such proposals, and meanwhile to continue the present method of payment."

The General Medical Services Committee took the view that the requisition of the Extraordinary General Meeting was an attempt by a small minority group of the profession to overturn the

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In November 1950 the G.M.S.C. appointed a special sub-committee to represent the interests of assistants and young practitioners. The electorate was enlarged to include assistants actively engaged in general practice, practitioners seeking permanent openings in general practice who were registered with the Medical Practices Advisory Bureau and practitioners on Executive Councils' lists whose gross income did not exceed £1250 per year.
decisions of the Special Conference and the Representative Body. In spite of Counsel's opinion that under Article 37 of the Articles of the Association it was doubtful if a resolution on a major medico-political issue carried by an Extraordinary General Meeting would have any effect, the Committee convened a Special Conference for the morning of May 5. It issued a report giving reasoned arguments in support of its policy and that of the Conference. This reminded practitioners that the Special Conference of 1952 had decided that if it was found that certain groups of practitioners had not benefited as they should have done, the Working Party would have the power to allocate provisionally a proportion of the final settlement monies, thus remedying any obvious defects in the scheme. The Chairman of the Conference wrote to all chairmen of Local Medical Committees asking them to ensure that as many members of the Committees as possible attend the meeting; they should also encourage support from their constituents.

These events produced a lively exchange of correspondence in the British Medical Journal. Dr. Gordon Ward, who had played a large part in the work of the Conference and M.P.U., complained that under the new scheme he would in fact earn less money. Dr. Ivor Jones, who was to play a major medico-political role in the future, condemned the action of those who had requisitioned the meeting and urged all divisions to send representatives to it with specific instructions to vote against the resolution. Another letter, signed by four unestablished practitioners pointed out that the expenses of the delegates to the Conference were paid
for from the general practitioners' Defence Trust's funds, whereas the B.M.A. members attending the Extraordinary General Meeting would have to pay their own expenses. They considered it difficult not to regard the actions of the G.M.S.C. as a deliberate attempt to ensure that a majority attending the Extraordinary General Meeting would be in favour of the Working Party's plans.

The Special Conference unanimously endorsed the G.M.S.C.'s actions. About 850 members attended the Extraordinary General Meeting in the afternoon. During the debate Dr. Breach of Bromley drew attention to the fact that a large number of people present had had their fares paid by the Trust funds, and questioned their right to vote. The Chairman refused to accept this as "a point of order", and the resolution was defeated by an overwhelming majority.
A ROYAL COMMISSION ON REMUNERATION

The profession had always insisted that the basis of remuneration of general practitioners and consultants in the National Health Service was the two Spens Reports. In the opinion of Forsythe the Treasury had resolved to kill the implications of Spens once and for all. An opportunity soon arose.

The Joint Claim

In June 1952 the staff side of Committee B of the Medical Whitley Council submitted a claim for betterment on behalf of the hospital medical staff in the light of the Danckwerts award. The Chancellor of the Exchequer, Mr. R.A. Butler, in reply to a Parliamentary question, said that the terms of reference of the Danckwerts adjudication were confined solely to the question of remuneration of general practitioners. It had no wide application. In the Government's view there was no justification for assuming that the appropriate standard of remuneration for the professional classes was one hundred per cent above that in force in 1939.

Following negotiations, increases were made in the remuneration of hospital staffs. The staff side of Whitley Committee B considered that these restored the balance between consultants and specialists and general practitioners, as at March 1951.

On February 11 1956, at the request of the Chairmen of the General Medical Services and Joint Consultants Committees, the British

*The Joint Consultants Committee ("J.C.C.") was formed in 1948*
Medical Journal published a statement on remuneration. The profession and the Government were reminded that the 1954 award had merely restored the relativity between the two branches and that in so far as the betterment factor was concerned, both were stabilised at 1950 levels. The Minister of Health had been informed by the G.M.S.C., representing general practitioners, and the Joint Consultants Committee, acting on behalf of all grades of hospital medical staff, of their intention to submit their early claim for an increase in the betterment factor. A joint negotiating committee of the two bodies was set up under the joint chairmanship of the Chairman of the G.M.S.C. (Dr. A. Talbot Rogers) and the Chairman of the Joint Consultants Committee (Sir Russell Brain) in order to prepare the claim. It was to be assisted by Professor R.G.D. Allen, Professor of Statistics, University of London, whose evidence had played an invaluable part in the Danckwerts adjudication.

On June 14 1956 the claim for a 24% increase, based on the Spens Reports, was submitted to the Minister of Health and the Secretary of State for Scotland.

following the acceptance by the Central Consultants and Specialists Committee of the B.M.A. of the following resolution: "That it is expedient in the interests of consultants that a joint committee of the bodies concerned should be established to speak for consultants with one voice. The B.M.A. appointed six members and the Royal Colleges appointed eleven."
On July 13 the Ministers replied. They could not accept the premise on which the memorandum was based. In their view the remuneration of the medical profession, like that of others, must be determined from time to time in the light of all relevant circumstances. They did not feel justified in giving consideration to any claim for a general increase in medical remuneration, and they suggested that the negotiating committee might wish to defer their proposal to send a deputation to meet them. The negotiating committee considered that the Minister's curt dismissal would shock the profession; it would be regarded as a poor recognition of the restraint that the profession had shown. The claim did not run counter to the plea by the Chancellor of the Exchequer for a halt in new wages and salaries claims, for the simple reason that it was merely a request for the implementation of an already existing contractual obligation.

On August 1 representatives of the negotiating committee met the Ministers, who did not accept the Committee's contention that the Government had any contractual obligation to the profession; on the contrary they insisted that the Spens Reports merely established a starting point and did not entail automatic and periodic adjustments of remuneration. In September the profession submitted a supplementary memorandum on the legal aspects of the contractual obligation. Mr. Turton, Minister of Health, addressing the conference of the Executive Council Association in October said that the Government had not examined the details of the claim and had passed no opinion on it because it could not be reconciled
with the Government's policy of fighting inflation. However, the Government had agreed to a request by the negotiating committee that the matter should be referred for legal advice.

Mr. Turton pointed out that the claim was not concerned with any increase in practitioners' expenses, as other agreed arrangements existed to cover these and the extra money was being paid to meet them. The B.M.A. reminded the public that the "expenses money" was money which the family doctors had spent on providing the service. It had been owing to the doctors for nearly two years.

On November 21 the Ministers reiterated that they were still of the opinion that no contractual obligation existed. On December 19 a meeting of the board of trustees of the British Medical Guild was held at BMA House with Dr. S. Wand in the chair. It was unanimously agreed that the Guild's machinery should be put into operation and that the honorary secretary of each local division of the B.M.A. should be invited to convene a meeting of the whole profession in his area, in order to establish a local committee of the Guild. The negotiating committee and the trustees of the various defence trusts were informed of these decisions.

On January 17 1957 the G.M.S.C. met. Dr. Talbot Rogers, who had been absent through illness for four months, resumed the chair and thanked Dr. A.B. Davies, the acting chairman, for doing his work. On the same day, as part of a Government reorganisation, Mr. Dennis Vosper was appointed as Minister of Health. A report was received of the meeting of four members of the
negotiating committee (Sir Russell Brain, Dr. A.B. Davies, Dr. J.D.S. Cameron and Dr. S. Wand), with the Minister of Health and the Joint Parliamentary Under-Secretary of State for Scotland on January 4. The Minister had repeated that neither he nor the Government had considered the merits of the case at all because of the economic position of the country.

Establishment of the Royal Commission

On February 20 the negotiating committee's representatives met Mr. Vosper. He "kept harping on the economic situation" and announced, without any consultation, that a Royal Commission would be set up for a full review of medical and dental remuneration. The negotiating committee authorised its joint chairmen to write to the Prime Minister expressing their profound dissatisfaction and emphasizing that the Government had broken its agreement with the doctors. In the negotiators' view a Royal Commission was no answer to the situation. It was manifestly unfair that doctors, who had had no compensation for the rise in the cost of living for six years, should await the slow deliberations of a Royal Commission. The chairmen suggested that the dispute should be submitted to an independent arbitrator without delay.

The G.M.S.C. met the next day. Although the meeting was held in private, a statement was issued to the press while it was going on, informing the public that, unless the Government agreed to an immediate and satisfactory settlement of the profession's claim or to arbitration, general practitioners throughout the country would be advised to send in their resignations. The Committee
expressed its anger and resentment at the Government's cynical disregard of the profession's claim and arranged to call a Special Conference of Local Medical Committees to consider the problem. On February 25 Mr. Macmillan, the Prime Minister, wrote to Sir Russell Brain and Dr. Talbot Rogers expressing his sorrow that it had not been possible to arrive at an agreed solution. The Government felt that a Royal Commission was the only way in which a permanent system could be devised. It was not his intention that the Royal Commission should waste time and he would urge its chairmen to proceed without delay. Moreover, the work of the Royal Commission would not preclude some interim adjustments. He confirmed the Government's offer to deal with the pay of hospital medical officers up to the grade of senior registrar at once.

Three days later the joint chairmen of the negotiating committee again met the Minister of Health, who maintained the arguments set out in the Prime Minister's letter. On the same day the Council endorsed the G.M.S.C.'s decision to recommend to the forthcoming Special Conference that general practitioners should resign from the National Health Service and arrange for a Special Representative Meeting to be held. In the Council's view the Prime Minister's statement on an interim adjustment did not fundamentally alter the situation but it invited the negotiating committee to approach the Prime Minister for clarification of his statement. Assurances of support for the general practitioners were received from the J.C.C. and the Public Health Committee.
The terms of reference of the Royal Commission were announced in Parliament: 

"To consider:-

1. How the levels of professional remuneration from all sources now received by doctors and dentists taking any part in the National Health Service compare with the remuneration received by members of other professions, by other members of the medical and dental professions, and by people engaged in connected occupations;

2. what, in the light of the foregoing, should be the proper current levels of remuneration of such doctors and dentists by the National Health Service;

3. whether, and if so what, arrangements should be made to keep that remuneration under review, and to make recommendations."

They were received by the B.M.A. whilst the Council was in session. Dr. Mand said that the terms of reference were so vague and carried so many dangers that more information was needed before the Council could determine its attitude towards them. Immediately after the Council meeting another meeting of the trustees of the British Medical Guild was held. It was reported that Guild machinery had been set up in most areas of England, Wales and Scotland and Northern Ireland.

The negotiating committee asked its joint chairmen to approach the Prime Minister, but when they met him on March 12 the results were disappointing. Mr. Macmillan confirmed that no real progress could take place at that time and that the Government did not regard arbitration as appropriate.
Later in the day Mr. Macmillan announced in the House of Commons that the pay of junior hospital doctors and dentists up to and including the grade of senior registrar would be increased by 10% from April 1, and that the Government were considering what should be done by way of an interim adjustment for the other doctors and dentists covered by the Commission’s terms of reference. He revealed that the Chairman of the Royal Commission was to be Sir Harry Pilkington, Chairman of Pilkington Bros., Director of the Bank of England and a former president of the Federation of British Industries.

The G.M.S.C. met in emergency session and received from Dr. Talbot Rogers a full report of the meeting with the Prime Minister.

The Times reported: "The Committee considered that the Prime Minister’s statement made no change in the situation. The

* The other members of the Royal Commission were Mrs. Kathleen Baxter, Secretary to the Cambridge University Women's Appointments Board; Mr. A.D. Benham-Carter, a director of Unilever's; Mr. J.H. Gunlêke, Vice-Chairmen Institute of Actuaries; Professor John Jewkes, Professor of Economic Organisation, University of Oxford; Mr. I.D. McIntosh, Headmaster George Watson's College, Edinburgh; Sir David Hughes Pery, Professor of English Law, London University; Sir Hugh Watson, Deputy Keeper of Her Majesty's Signet and Mr. Samuel Watson, Secretary Durham Miners Association.
Government have rejected all negotiations. They have also refused to let the doctors take their case to arbitration, and this at the very moment when they are pressing workers in other fields to accept arbitration with their employers.

In the face of this situation - no settlement of a claim going back five years, no negotiations, no arbitration - the General Medical Services Committee can see no reason to alter the recommendation of the Conference of Local Medical Committees that general practitioners should be advised to withdraw from the National Health Service."

An emergency meeting of the Public Health Committee endorsed the G.M.S.C.'s recommendation to Council that the Association should not cooperate with the Royal Commission. It deplored the exclusion of public health doctors from the terms of reference of the Royal Commission and recommended that any future decision to cooperate with the Royal Commission should be conditional upon the inclusion of public health medical officers within the terms of reference.569

The G.M.S.C.'s recommendations to the Special Conference and a plan for the organisation of general practice in the event of withdrawal from the National Health Service were published in the British Medical Journal. In certain areas all doctors would be asked to withdraw from the medical list from October 2. They would charge patients a token fee and issue a receipt for it. Patients would be advised to seek repayment from the nearest National
Insurance office. Doctors would issue private prescriptions and private certificates and the Defence Trusts would supplement the income of those who were selected to withdraw from the Service. All others would be asked for a levy of 3d. per patient per quarter, to provide the subsidy\textsuperscript{570}.

The Council met and endorsed the G.M.S.C.'s view that the terms of reference precluded the Royal Commission from making just decisions on the level of medical remuneration within the National Health Service. It agreed that it was undesirable for the Association to cooperate with the Royal Commission. If at a later date the circumstances should alter so as to enable the Association to reconsider its attitude, participation would be conditional upon the inclusion of all public health medical officers within the terms of reference of the Commission. In addition the Council wished to institute an inquiry into the whole field of publicly administered medical services\textsuperscript{571}. A memorandum entitled "A Crisis of Confidence" prepared by the Association's public relations officer, Mr. John Pringle, which summarised the Association's views, was sent to all members of both Houses of Parliament\textsuperscript{572}.

An exchange of letters

During the next few weeks the leaders of the profession addressed meetings of doctors all over the country\textsuperscript{*} but unfortunately

\footnotesize{\textsuperscript{*}For example, Dr. Wadd addressed a meeting of 463 Cheshire doctors}
behind the scenes the unity was disintegrating. On April 11 a statement was issued by the Royal College of Physicians of London that, "The Royal College of Physicians at a special comitia today, after hearing the letters exchanged between Sir Russell Brain, their President, and the Prime Minister; and the President's account of his meetings with the Royal Commission and its Chairman, Sir Harry Pilkington, decided that they wished to cooperate with the Royal Commission on the remuneration of doctors and dentists". 574

The Royal Commission issued a statement as to how it intended to proceed 575. It was issued with the knowledge of the sponsoring Ministers and was understood to be wholly consistent with the Government's intentions. The Spens Reports and Denckwerts award and also the reports of any other commissions and committees were to be studied. The Commission would bear in mind the need for maintaining a proper level of recruitment to the medical and dental professions and the phrase "other professions" in their terms of reference would be interpreted widely so as not to exclude, for example, science and other graduates in industry. Although the Commission was not being asked to recommend a level of remuneration for doctors and dentists employed by local authorities, these doctors and dentists were among the "other members of the medical and dental profession" on whose remuneration evidence would be received for the purposes of comparison and
"other connected occupations" would cover a wide range of persons including hospital administrators, nurses and medical auxiliaries. The Commission would, in the light of this and any other evidence recommend such current levels of remuneration as appeared to them to be justified, but its duties did not include the construction of detailed schemes of distribution. After considering the desirable current levels of remuneration, the Commission would consider whether, and if so what, arrangements should be made to keep that remuneration under review.

The Commission asked all interested persons or organisations to offer evidence, pointing out that the preparation of this evidence would take a considerable time, but as the Commission were anxious to complete their task with the utmost speed they hoped that all written evidence and submissions would be in their hands within the next three months. The B.M.A. issued a statement that the exchanges of letters, and the explanatory memorandum published by the Commission, emphasized the necessity for discussions between the Government and the profession on the terms of reference.

*The Chairman of the B.M.A. Council had asked for such discussions in a letter to The Times of April 8, following a speech in the House of Lords by Lord Jowitt, who had suggested that the remit of the Royal Commission should be enlarged.*
On April 16 the Prime Minister made a statement in the House of Commons that the Government intended to increase the basic remuneration of consultants and specialists and all dentists engaged in general dental services by 5% from May 1, and from the same date to add 5% to the aggregate net remuneration of general practitioners. It proposed to consult representatives of the profession as to the best method of distributing the money between individual practitioners. 577

The change of Chairmanship of the General Medical Services Committee

A Special Meeting of the G.M.S.C. was held on the morning of April 17 to consider the recent developments. Dr. Frank Gray questioned the views expressed by the Chairman in putting forward the Committee's policy to the negotiating committee and the Council of the Association. Dr. Gray realised that the views held by the Chairman were perfectly genuine, but they were not the views of the Committee. At that grave hour it was essential that the Committee should have a chairman who fully supported its policy. Dr. Talbot Rogers said that he had made it clear to the previous meeting of the Committee that he would feel it his duty to inform the Council of his own views, in so far as they were derived from his personal contact with the Prime Minister and the Minister of Health, but if the Committee felt he had done more than he was

*Dr. Talbot Rogers believed that the profession should cooperate with the Royal Commission.
entitled to do he was prepared to vacate the chair. He had himself considered resigning the chairmanship but had felt that it was not the time for the Committee to change its chairman in view of the possible public reaction, which could well damage the profession’s claim.

Dr. Telbot Rogers vacated the chair to enable the Committee to discuss the matter in his absence, the chair being taken by the Chairman of Council. The Committee proceeded with its business in camera. At the end of the meeting a press statement was issued:

"A sincere difference of opinion between Dr. Telbot Rogers, the Chairman, and his Committee on the future course of medico-political policy having manifested itself at the meeting, the Committee decided that in the circumstances it was better for Dr. Telbot Rogers to relinquish his chairmanship. Dr. Rogers agreed that this was the right and proper course to take."

The Council met in the afternoon. Dr. Davies, acting chairman of the G.M.S.C., reported on the proceedings of the morning. He informed Council that the G.M.S.C., having considered the recent public statements, had reaffirmed its earlier view that it was undesirable that the Association should cooperate with the Commission. The Council, once more, endorsed the Committee’s views.

The G.M.S.C. met again the following morning and elected Dr. A.B. Davies to the chair for the remainder of the session.
It then prepared a supplementary report on the situation for consideration by the Special Conference.

A legal opinion and a change of policy

The opinion of Counsel on the public statement issued by the Royal Commission was received on April 5. In his view, if the Commission's statement represented a genuine attempt, inspired and backed by the Government, to secure that the work of the Commission developed into an impartial and comprehensive inquiry into the future basis of doctors' remuneration, there might be the strongest reasons of policy for advising the profession to cooperate with the Commission and make its work a success. The alternative, declining to cooperate with the Commission and insisting on the profession's rights under Spens, meant continuing deadlock. The Chairman of the Royal Commission had made it clear that he would be prepared to receive submissions from the medical and dental professions in support of the levels of remuneration which they were claiming but the Commission would not act as an arbitral or adjudicatory body on the present claim or on the question of whether the claim was justified on the basis of the Spens Report.

The Chairman of Council had a further meeting with the Minister of Health, who gave assurances that following the report of the Royal Commission there would be full consultations with the profession before any findings were implemented. Such consultations would include any matters relevant to the report or the dispute between the Government and the profession. The
interpretation of the terms of reference of the Royal Commission should be a matter for its Chairman and the Commission, and the public statements issued by them were fully valid. The Minister insisted that any claim for an increase for doctors in the public health service would have to be made through the normal machinery but agreed that the report of the Royal Commission would be taken into account when their case was being considered.

The G.M.S.C. met at 9 a.m. on the day of the Conference to receive a report from the Chairman of Council on the events outlined above. The Committee decided by a majority of 24 votes to 22 to recommend to the Conference that evidence should be given to the Royal Commission and the decision on withdrawal from the Service be deferred. This change of mind was received with disfavour by the members of the Special Conference. Nevertheless they realised that Local Medical Committees and the profession generally had not had an opportunity of considering the statement of the Chairman of the Royal Commission or of the letter from the Minister of Health. They therefore deferred a decision on the G.M.S.C.'s recommendation to give evidence to the Royal Commission until the Annual Conference in June. It was agreed that the decision on withdrawal should be deferred, that the interim offer of 5% from the Government should be accepted without prejudice, and that immediate negotiations should be entered into with the Ministry upon the best way of distributing this "disappointing and inadequate sum" so as to give the most effective help to the greatest number of practitioners.
The following morning the Council met before the Special Representative Meeting. It was equally divided, 31 votes to 31, on whether or not to give evidence to the Commission. The Representative Body, like the Conference and the Council, declined to make a decision on the matter, deferring it to its next meeting. Council had a further meeting and arranged that the next meeting of the Representative Body would take place on June 12.

The Annual Conference agreed that evidence should be given to the Royal Commission and that a decision on withdrawal from the Service should be further deferred; meanwhile the Association should explore more fully the possibilities of taking legal action against the Government. Dr. W.W. Fulton of Glasgow explained that there was a difference between Scots and English Law, particularly the law of contract; the opinion and advice of Scottish legal authorities should therefore be obtained on the contractual validity of Spens as it applies to Scots practitioners.

The Special Representative Meeting held on June 12 received a report from Dr. A. Beauchamp, Chairman of the Conference of Local

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*In Scotland a contract could not be evaded because the form was incorrect; if its substance was sensible it could be enforced. There were 4000 doctors in Scotland, and a successful action in Scotland would doubtless have an effect on practitioners in England and Wales.*
Medical Committees. The Association too decided that it should give evidence to the Royal Commission.\footnote{590}

On June 20 the G.M.S.C. met. Following a ballot Dr. A.B. Davies was appointed as chairman.\footnote{591} The resolutions of the Special Conference of April 30 were considered. The Committee asked the Council to appoint a steering committee to correlate the evidence to be given to the Royal Commission by the various sections of the profession in the Association and make every effort to obtain the cooperation in the preparation of the evidence from other medical bodies. A sub-committee of the G.M.S.C. (Drs. Mend, Davies, Talbot Rogers, Gray, Knox, Matthias, Pridham and a representative of the M.P.U.) was appointed to consider the question of the evidence to be given to the Commission.

The preliminary memorandum of evidence to the Royal Commission by the B.M.A. was published in November.\footnote{592}

During the autumn the Commission corresponded with the Association and the Joint Consultants Committee on a proposed questionnaire on incomes. It wished to send this to a random sample of doctors and members of certain other professions. A joint statement was issued by Sir Russell Brain and Dr. Wand explaining that they did not object to the questionnaire; they hoped that the doctors involved would complete it and return it to the Social Survey (who were acting as the Commission's agents) as soon as possible, so as to help the Royal Commission to complete its report at the earliest possible date.\footnote{593}
On December 3 Sir Harry Pilkington wrote to Mr. Walker-Smith, the new Minister of Health, explaining that the Commission's task was proving more complicated, and was taking longer than had been expected when they were appointed. Much of the important preliminary evidence, including the questionnaire, was only just coming in and some of the evidence would not be completed until after Easter. There could therefore be no chance that the report and recommendations could be ready until some considerable time after that. Two days later the first public session of the Royal Commission was held at 10 Carlton House Terrace. Oral evidence was given by representatives of the Socialist Medical Association and the Wholetime Consultants Association.

Lord Moran's Evidence

On January 17, 1958, the Royal Commission took evidence from Lord Moran, Chairman of the Advisory Committee on Distinction Awards for Consultants. He gave his views on the relative positions of consultants and general practitioners, on the registrar problem, and on the benefits of secret merit awards.

"This eventuality had been foreseen in May. Mr. Vosper had written to Dr. Wand: 'Should the Chairman of the Royal Commission make a statement to this effect [that the Royal Commission's report was unduly delayed] your Council can be assured that I would be prepared to consider any representations they may make.'"
In reply to a direct question from the Chairman as to whether general practitioners and consultants were level, Lord Moran said, "I say emphatically no". He went on to say that in his twenty-five years as Dean of St. Mary's Hospital all the people of outstanding merit, with a few exceptions, had aimed to get on the staff. It was a ladder off which they fell. The Chairman retorted that he thought Lord Moran was the first person who had suggested that general practitioners were a somewhat inferior branch of the profession to which Lord Moran replied that he would not have done it, except for a leading question.

This remark was to have severe repercussions. In a letter to the press Lord Moran attempted to retrieve his position. He claimed that in the quick exchanges he had allowed himself to be drawn outside his argument and that afterwards he had protested and spoken of the high standard of general practice and the excellent ability of many practitioners. At a meeting of the Council on January 29, a resolution was passed noting Lord Moran's remarks to the Royal Commission on the status of general practitioners in relation to the consultants and regretting that a statement so manifestly false should ever have been made.

On January 16 the Royal Commission heard oral evidence from representatives of the M.P.U. who agreed that the Spens formula was not the only possible solution to the problem. Evidence on behalf of the B.M.A. was given on January 23 and 24. The Association's negotiating team seemed to realise that no single adjudicator such as Danckwerts would be appointed again and that
the Spens formula would, in time, have to be modified. It asked for a Spens based increase of 29% and proposed that for the purposes of reviewing the remuneration a permanent committee should be selected by the Prime Minister and given terms of reference acceptable to both the profession and the Government. This committee should normally make an award on remuneration every three years, and its decisions should be binding on all parties.

Further negotiations with the Government

On June 17 Dr. Ward, Mr. T. Holmes-Sellors, Chairman of the Central Consultants and Specialists Committee, and Dr. A.B. Davies, Chairman of the G.M.S.C. met the Minister to discuss the question of a further interim award. Mr. Derek Walker-Smith refused to consider the suggestion adhering completely to the Government's previous view that there was a continuous danger of inflation and that it would be unwise to prejudge the findings of the Royal Commission.

In July the Royal Commission invited the B.M.A. to submit further evidence on the Spens Committee's recommendation that there should be an augmented capitation fee for an abnormal number of aged patients or chronic sick. The Commission also asked the Association to comment on the possibility of introducing a scheme of merit awards in general practice. The G.M.S.C. considered this request and decided that in view of the previously expressed views of the Representative Body it was open to the Committee, if it agreed, to submit a possible scheme for consideration by the
Royal Commission. The Chairman reminded the Committee that they had never been able to agree on a method which was equitable, because it was tied up with the real need for a proper incentive to attract the best doctors to general practice. It was decided that a memorandum should be prepared setting out the criteria to which due weight should be given if any scheme for merit awards in general practice were to be introduced.

In October 1958 the Committee heard that the Secretary of State for Scotland had refused to join with the Association in the presentation of a special case to the Court of Session on the contractual validity of Spens. This action was considered as a gross affront to the profession. In the same month another deputation saw the Minister and a second interim award was granted from January 1 1959.

The Royal Commission's Report

The Royal Commission's Report, published on February 18 1960, included a minority report signed by Professor John Jewkes. The majority report recommended an average increase in income of £450 per annum for the average general practitioner. This included £190 which had already been received from the interim increases. The basis of payment to medical practitioners would continue to be by way of capitation and other fees. The payments would be made out of a pool covering all remuneration from Executive Councils other than payments, if any, under the differential payments scheme. The size of the pool would continue
Royal Commission on Doctors' and Dentists' Remuneration 1957-1960

REPORT

Presented to Parliament by Command of Her Majesty
February 1960

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to be related to the number of doctors and not to the number of patients but doctors aged 70 and over would be excluded from all pool calculations. No account was to be taken of the value of the Exchequer contribution to superannuation, of private earnings or of group practice loans, but special inducement payments, earnings from hospitals, local authorities and official sources outside the National Health Service would be taken into account. The average net income from all official sources should be £2,425. The pool should be calculated by multiplying this figure by the number of doctors under 70 years of age providing unrestricted general medical services.

The distribution of the pool should be adjusted so that each year not less than £1m would be distributed in arrears as a final settlement and the delay in calculating and distributing this sum should be further reduced. The amounts of the various fees should be determined by the Health Departments in consultation with the profession, but it was hoped that certain principles would be observed: single-handed practitioners should be at less disadvantage than those in partnership, the relativity between urban and rural practitioners should be adjusted to achieve a more even balance between them, and where possible proportionally more should be paid for items other than capitation fees.

The Commission also recommended that the profession and the Departments should consider how a scheme could be devised for the distribution of additional annual payments of £500 or more to a limited number of doctors in recognition of distinguished general
practice, and when such a scheme had been agreed an additional sum of £500,000 should be made available for distribution in accordance with it, over and above the provisions made to meet the other recommendations.

Professor John Jewkes was not able to sign the report because, in his opinion, the recommendations of his colleagues in regard to the level of earnings of general practitioners and of part-time consultants would not suffice to restore the confidence of those two vital sections of the profession. Nor would they provide, in the long run, for an adequate supply of doctors of quality to meet the need of the Service and any improvements that may be sought in it. He recommended that the general practitioner should have an increase from the beginning of 1960 of at least 30% above the corresponding earnings for 1950/51.

The Commission considered that the existing negotiating machinery should continue to be used for the settlement of minor matters concerning remuneration but not for major issues. They recommended the appointment of a standing review body consisting of seven independent persons of eminence and experience to advise the Prime Minister about the remuneration of doctors and dentists taking any part in the National Health Service. Whilst it should be for the Review Body to decide which factors might be relevant at any particular time, the Commission would expect that three factors would always be relevant - the cost of living, the movement of earnings in other professions and the quality and quantity of recruitment in all professions.
The "package deal"

The G.M.S.C. recommended that the Council should enter into early explanatory discussions with the Minister of Health to ascertain his intentions, and that Local Medical Committees should be informed of this first step and of the G.M.S.C.'s view that it would be inappropriate to make any statement about further action until after the results of the expected interview with the Minister were known.

On March 1 a letter was received from the Minister of Health suggesting a meeting between himself, the Secretary of State for Scotland and one or two representatives of the profession, in order to have a preliminary general discussion and consider how subsequent negotiations could best be conducted. The Council welcomed the Minister's initiative and subsequently Dr. Wend, Mr. T. Holmes-Sellors and the Secretary of the Association were appointed as a deputation. The G.M.S.C. considered a motion protesting against the decision of the Council that the Committee should not be directly represented in the exploratory discussions with the Minister and asking Council to reconsider its decision. The motion was rejected by 23 votes to 19, the majority view being that it would not be in the best interests of professional unity to pass it.

The deputation met the Ministers on March 29, where they heard that the Government was prepared to accept the majority report of the Royal Commission and to implement its recommendations. It was also suggested that two working parties, one for general
practice and one for hospital practice, should be set up as soon as possible to work out the scheme for the distribution of back payments and the additional monies made available by the reports. During discussion on the proposed review machinery, it was pointed out to the Ministers that in fundamental respects the Commission’s recommendations were not in line with suggestions made by the profession and that there was a great deal of anxiety on the matter. The Ministers were asked for assurances on three points; firstly that it should be established who would have direct access to the Review Body, secondly that there should be proper consultation with the profession on the membership of the Review Body and thirdly that the profession should be able to seek the views of expert advisers and comment upon any statistical data used by the Review Body. The Ministers promised to give careful consideration to the points and explained that the formal announcement of the Government’s intentions in regard to the Report must be made in the first instance to Parliament. But they agreed that the outcome of the preliminary discussions could be reported in confidence to the Council.

The Council met the following day and decided that as soon as the Minister had announced the Government’s intention to Parliament it would hold a special meeting and that it could not accept the Ministers’ suggestion to appoint working parties on the subject of distribution until the Representative Body had met and formulated its policy.

The Ministers confirmed the Government’s acceptance of the Royal Commission’s recommendations and clarified certain matters.
concerning the establishment of the Review Body in a letter to the Council on April 5. A few days later the Minister of Health announced in Parliament that, "The Secretary of State for Scotland and I have informed the representatives of the medical and dental professions that Her Majesty's Government are prepared to accept the Commission's recommendations as a whole as they stand provided that the doctors and dentists respectfully for their part are ready to accept them on the same basis". This offer became known as the "package deal". The Council recommended that the offer made by the Minister should be accepted without delay.

The G.H.S.C. made identical recommendations to the Conference which accepted them. The Conference insisted that the profession should press for equal rights with the Government on the matter of direct access to the Review Body. The Representative Body accepted the package deal on behalf of the Association on May 19.

The Joint Working Party on the Remuneration of General Practitioners

Immediately following the Conference the profession's side of the working party was appointed. Nine meetings of the working party took place including three joint meetings. Its report, issued in August 1960, recommended that there should be a capitation fee of 19/6d. A loading payment of 14/- should be given for each person from the 501st to the 1700th on the list of a doctor in
partnership, and from the 401st to the 1600th on the list of a single-handed doctor. Doctors practising in partnership should continue to be entitled to be paid on "notional lists". Further arrangements were made for the payment of temporary residents, maternity medical services, initial practice allowances, inducement payments, supplementary payments and an increase in the rural practitioners' fund. A sum of £1m per annum should be reserved from the available monies so that further consideration could be given to making the best possible general medical service available to the public. A further working party should be appointed to consider this matter. The question of differential payments was to remain for separate discussion. The G.M.S.C. endorsed the Report.

A Special Conference on September 27 1960 "endorsed the report of the Joint Working Party on general medical practitioners' remuneration, and accepted the recommendations of the Royal Commission as a whole and as they stand in the light of the Joint Working Party's report". At the Special Representative Meeting the following day it was announced that the J.C.C. had already made a similar decision, and the Representative Body too accepted the Working Party's Report.

Two more joint working parties

The Joint Working Party on differential payments recommended that the additional payment should normally be not less than £500 a year. The Minister, in consultation with the profession, would appoint a Differential Payments Selection Committee with a
general practitioner as its chairman and a layman as vice-chairman. The committee would divide the country into areas in each of which they would appoint five or six assessors from amongst the senior general practitioners, consultants, and representatives of other branches of the profession. The assessors, who would not know each others names, would work from personal knowledge. Their views would be correlated by the committee which would select a number of doctors, up to an agreed maximum, who would retain the award until they were 70 years of age. The names of the recipients would not be published.

It was agreed that £250,000 of the reserve £1m should be set aside for a Post Graduate Education Fund. These general practitioners who attended a minimum of ten educational sessions in a five year period would be eligible for a single payment of £60 within that period. The remaining £750,000 should be distributed as a special loading payment of 1/6d. for each patient on the doctor's list in the range of 1001 to 1500.

A meeting of the G.M.S.C. considered both reports and agreed unanimously to recommend to the Conference of Local Medical Committees that the report of the Joint Working Party on the £1m reserve be approved, but the Committee was divided as to what action should be taken on the report on differential payments. The problems of nepotism, collusion, and the divisive effect on partnerships were all considered. Dr. Grey, who held the view that it was the business of the Committee to give the Conference a lead, proposed that the Committee should submit a definite
recommendation to the Conference but his motion was lost. The Committee deciding that having fulfilled its instructions from the Conference of Local Medical Committees it should submit the outlined scheme put forward by the Joint Working Party without comment, so that the Conference itself could make the decision. The Committee decided that having fulfilled its instructions from the Conference of Local Medical Committees it should submit the outlined scheme put forward by the Joint Working Party without comment, so that the Conference itself could make the decision. The Conference approved the G.M.S.C.'s acceptance of the distribution scheme for the reserve £1m. Dr. Devies then reminded the Conference of its decision of 1960, when it had reversed the decision taken in 1959 opposing the introduction of merit awards for general practitioners and had accepted the principle of "differential payments". The Conference rejected an amendment to the Committee's report which suggested that the Committee had no mandate to produce a scheme for the distribution of differential payments and that the project should be abandoned. However, immediately following this decision Dr. E. Colin Russ of London moved that the standing orders of the Conference should be suspended in order to debate a motion "that the Conference rejects the Conference of Local Medical Committees it should submit the outlined scheme put forward by the Joint Working Party without comment, so that the Conference itself could make the decision. The Conference approved the G.M.S.C.'s acceptance of the distribution scheme for the reserve £1m. Dr. Devies then reminded the Conference of its decision of 1960, when it had reversed the decision taken in 1959 opposing the introduction of merit awards for general practitioners and had accepted the principle of "differential payments". The Conference rejected an amendment to the Committee's report which suggested that the Committee had no mandate to produce a scheme for the distribution of differential payments and that the project should be abandoned. However, immediately following this decision Dr. E. Colin Russ of London moved that the standing orders of the Conference should be suspended in order to debate a motion "that the Conference rejects the Conference of Local Medical Committees it should submit the outlined scheme put forward by the Joint Working Party without comment, so that the Conference itself could make the decision. The Conference approved the G.M.S.C.'s acceptance of the distribution scheme for the reserve £1m. Dr. Devies then reminded the Conference of its decision of 1960, when it had reversed the decision taken in 1959 opposing the introduction of merit awards for general practitioners and had accepted the principle of "differential payments". The Conference rejected an amendment to the Committee's report which suggested that the Committee had no mandate to produce a scheme for the distribution of differential payments and that the project should be abandoned. However, immediately following this decision Dr. E. Colin Russ of London moved that the standing orders of the Conference should be suspended in order to debate a motion "that the Conference rejects

*In 1959 the Conference had opposed the introduction of merit awards for general practitioners by a very large majority. The following year an amendment "that this Conference accepts the principle of differential payments in the remuneration of general practitioners" was referred to the G.M.S.C. after a formal division. There were 106 votes in favour, 100 against and one abstention."
the principle of differential payments". He suggested that the very narrow majority in 1960 indicated there was considerable division of opinion and since then many representatives had had time to obtain the opinions of their constituents. However, the date of receipt of the reports had left insufficient time for Local Medical Committees to send in motions within the period of two months required by the standing orders. The Chairman reminded the Conference that to suspend standing orders required a threequarters' majority. In spite of the opposition of several members of the G.M.S.C. the motion to suspend standing orders was carried by the requisite majority.

During the debate on the London motion Dr. J.L. MacCallum reminded the representatives that if the motion were passed £2m would be lost; in his view it would be a good thing if the profession showed it had the courage to forego this sum of money because it did not wish to use it for the purpose intended. Another speaker, Dr. Knox of Tynemouth, suggested that the substitution of the words "differential payments" for "merit awards" was a mere subterfuge. Members of the G.M.S.C. spoke on both sides of the debate. Before the vote was taken the Chairman agreed with Dr. Knox that "differential payments" and "merit awards" were the same. The motion rejecting the principle of differential payments was carried on a show of hands by 99 votes to 70.
Lord Kindersley, a director of the Bank of England, Chairman of Lazard Brothers, and an honorary F.R.C.S. was appointed Chairman of the Review Body in January 1962. Two months later the names of the other six persons "of eminence and authority" who had agreed to serve were announced. They were Dr. S.R. Dennison, Professor of Economics in the University of Durham; Sir Archibald Forsee, Chairman of the Central Mining and Investment Corporation; Mr. J.H. Gunleke, President of the Institute of Actuaries; Sir Malcolm Knox, Principal of St. Andrews University; Mr. Geoffrey Lawrence QC, Chairman of the Council of the Bar and Mr. John Thomson, Chairman of Barclays Bank and Deputy High Steward of Oxford University.

The Review Body met for the first time in May 1962, and thereafter held fourteen meetings at which written and oral evidence was taken from the Health Departments, the Evidence Committee set up jointly by the B.M.A. and J.C.C., the B.D.A. and others. Its first report was presented to the Prime Minister on February 27, 1963 and the advice given was accepted by the Government.

This first review of professional remuneration was intended by the Review Body to take account of factors which applied to all doctors rather than to particular groups and resulted in the recommendation of a 14% increase for all branches of the profession for the three year period between April 1, 1963 and April 1, 1966; the average net income from all sources of general medical practitioners aged
under 70 providing unrestricted general medical services should be increased from £2425 to £2765. However, the complicated pay structure of the general practitioners was such that many of them received no more than 9%,

£2.7m of the additional money recommended by the Review Body was needed to meet the distribution of payments which had already accrued to general practitioners, and Evans alleged that even if the entire £6.8m had been distributed it would have meant an increase in capitation and loading fees of only 9.5%. He claimed that the average net rise would be about 6%.

The G.M.S.C. appointed some of its members to serve on a joint working party with the Ministry of Health to consider the methods of distributing the enlarged pool. During the debate Dr. Cardew of the M.P.U. emphasized that the Union was in favour of the pool. He moved an amendment suggesting that any income other than that from the provision of general medical services to National Health Service patients should be disregarded, but this was defeated by 15 votes to 28.

The pool concept was defended by Dr. Davies in an interview given to the para-medical newspaper "Pulse". "Since Danckwerts it [the pool] has been built up on two factors, the most important of which is the number of principals, the second is practice expenses - arrived at twelve months in arrears by the Inland Revenue. That is the present system which the great majority of the General Medical Services [Committee] is convinced to be still the best
method because it permits flexibility of distribution. The only variation that we are recommending is that there should be one exception, namely that hospital payments to doctors should not be deducted from the pool. There were requests for the removal of payments from other sources such as Local Authorities, Government Departments and even Maternity Services. It is just not practical. Once you start moving a lot of things out of the pool, you will destroy the pool itself. Over the years the pool has provided the most advantageous method in practice.630

The Annual Conference of Representatives of Local Medical Committees met on June 12 with Dr. C.J. Swenson in the chair and during the course of the meeting Dr. A.M. Maiden of Saxilby, Lincolnshire was elected to be chairman of the Conference for 1964/5. Dr. Davies moved his Committee's recommendation that the existing pool/capitation fee system be continued with the exclusion only of payments from hospital authorities. Dr. G.E.P. Lee of Bristol moved an amendment "that earnings of general practitioners should be assessed solely in relation to general medical services provided to patients on their lists, and when a remuneration is next considered by the Review Body, they be asked to recommend that all other sources of income be excluded", which was carried by 110 votes to 88, and a further amendment by Northumberland, "that the Conference requests that a more direct method of payment for practice expenses be evolved", was carried as a reference to the G.M.S.C.

The Conference dealt with a considerable part of its agenda and then adjourned.631
A Special Conference to consider the Working Party on the distribution of the central pool met on July 3. Dr. Maiden, the new Chairman, ruled that any discussions on the general structure of remuneration would be out of order. Amendments suggesting that there should be a straightforward increase of 14% on the net remuneration of every practitioner, that the Review Body's award should be applied solely to capitation fees, and that the money earmarked should be used only to make a further increase in the loadings payment, were rejected, and many other amendments which were in opposition to the G.M.S.C.'s policy were either defeated or withdrawn. At the end of the Special Conference Dr. Swansen resumed the choir in order to complete the business of the adjourned Annual Conference.

The Annual Meeting of the B.M.A. for 1963 took place at Oxford. A Special Representative Meeting approved the Working Party's report but during the routine business of considering Council's report at the Annual Representative Meeting Dr. Ivor Jones proposed "that the income which family doctors received in respect of the provision of general medical services to their National Health patients should be determined without taking into consideration any income which such doctors derived from any other professional work". This amendment, almost identical to the one passed at the Conference, was carried almost unanimously.

The Representative Body also passed a resolution, which became known as "Resolution 32", "That the Representative Body instructs Council to ensure that the joint discussions between the General
Medical Services and Joint Consultants Committees proceed with the greatest possible speed so that the question of the differential between the remuneration of general practitioners and consultants could be placed before the Review Body for its consideration. 635

During the Representative Meeting, Dr. Talbot Rogers who had been Chairman of the Representative Body since 1960 and a past chairman of the G.M.S.C. announced that he was accepting a post as part-time adviser on general practice to the Ministry of Health from August 1636. Dr. A.B. Davies was elected as deputy chairman of the Representative Body and Dr. Wadd became Treasurer of the Association.

Formation of the General Practitioners Association

There was an outcry in the profession against the B.M.A.'s handling of the crisis, publicised by the magazine "Pulse". It reported that there was a threat by general practitioners to break away from the B.M.A. 637 It printed a series of letters, including one from Dr. Gerald Bliss of London who wished to determine whether the general practitioners of the country were prepared to unite in an independent body to fight for a proper standard of living compatible with their professional work and responsibility. He attached a short questionnaire and asked the editor of "Pulse" whether he would be prepared to publish it with a view to setting up a General Practitioners Association. The editor agreed. Dr. Philip Hopkins, President of the M.P.U., sent a telegram to "Pulse" saying that it was quite unnecessary to set up a new organisation as the M.P.U. existed
and its aims were the same as the proposed General Practitioners Association. Within a fortnight 1300 general practitioners had completed the questionnaire. Dr. Bliss announced in an exclusive interview with "Pulse" that his General Practitioners Association had been established, that it welcomed members of the B.M.A. or M.P.U.; that it had no interest in medical education or the dissemination of advances in medicine and intended to keep meetings and committees to an absolute minimum. It proposed to set up local action groups to dispel apathy and arouse a new interest in general practitioner affairs, and to appoint a well paid professional negotiator. A steering committee was established consisting of Dr. Gerald Bliss, chairman, Dr. Neville Jones, secretary and Dr. D. St. J. Murphy, treasurer.

A case for a further increase in pay

On October 17 1963 the G.M.S.C. received a report from its own planning sub-committee which had been given the task of preparing the basis of a case to be submitted to the Review Body. Dr. Davies

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*The members of the planning sub-committee were Dr. A.B. Davies, Chairman of the G.M.S.C., Dr. A.M. Maiden, Chairman of the Conference, Dr. E.V. Kuenssberg, Chairman of the G.M.S.C. (Scotland) and Drs. James C. Cameron, Cardew, Gray, Murray Jones, I.M. Jones, Killick, McCallum, Ridge, Rose, Scott and Swanson, with Dr. M.A. Wilson representing the Assistants and Young Practitioners Sub-committee.*
reported that there had been a meeting of the Central Consultants and Specialists Committee and that there were great differences between the two branches of the profession, although there was some hope that these could be narrowed. The consultants' views concerning the period over which the earnings of each part of the profession should be compared had been accepted by the general practitioners, and some consultants recognised that general practitioners should be paid a proper rate for a responsible job.

Dr. C.J. Swenson said there was a sound case for an increase in general practitioners' remuneration. Although one of the main props of the argument would be the question of the differential, there was an intrinsically good case without this. Dr. Ivor Jones who undertook to produce a memorandum on the subject for the planning sub-committee's next meeting said that, "the General Medical Services Committee's representatives were informed by the consultants that they saw no point in continuing the discussions because they could see no reason in anything advanced by the general practitioners for any change whatever in the relativity between the consultant and general practitioner income".

Dr. J.C. Knox agreed that general practitioners "wanted the differential improved whether the consultants agreed or not".

The Committee also considered the Annis Gillie Report on the Fieldwork of the Family Doctor which reaffirmed that general practice was the cornerstone of the National Health Service, that more money was needed to make general practice completely effective and that the problems of relativities between different sections of the profession were detrimental to general practice.
Furthermore, it underlined the need to ensure that general practitioners should earn the maximum income without having to burden themselves with a list of patients so large that it was incompatible with the highest standards of medical care.

Dr. Davies informed the Council on November 6 that he hoped the draft report of the planning sub-committee would be considered by the G.M.S.C. at its next meeting and put before the Executive of the Central Consultants and Specialists Committee by November 27. A case to the Review Body supported by the whole profession could thus be ready by about April. Mr. Longston, Chairman of the Central Consultants and Specialists Committee, stressed that consultants did not wish to be obstructive but the J.C.C. thought that discussions should take place in the Association between the appropriate committees of the B.M.A. The Central Consultants and Specialists Committee, which had a dual role as a committee of the Association and a constituent body of the J.C.C., should then report to the J.C.C. 642

A compromise draft report

The planning sub-committee of the G.M.S.C. approved Dr. Davies's statement and the final draft of the case was presented to the G.M.S.C. The outline of the case had been based on two separate pillars, the pure merits of the case for upgrading general practice and recognising the need for proper remuneration for good work and secondarily the differential. This second leg was considered essential by the planning sub-committee in view of the past
decisions of the Representative Body, but the G.M.S.C. itself, by 41 votes to 7, removed two long appendices and several paragraphs relating to comparisons with consultants' life earnings to avoid alienating the consultants. The G.M.S.C. instructed its planning sub-committee to meet and rewrite the document.

The Executive of the Central Consultants and Specialists Committee considered the evidence on November 27 as arranged. Although they offered support they felt unable to agree to the publication of the document without substantial alteration.

The G.M.S.C.‘s planning sub-committee met again on December 4 and carefully considered the comments of the Central Consultants and Specialists Committee and the following day Dr. Davies and Dr. A. Maiden met the Central Consultants and Specialists Committee. There was a further debate on the document relating to one reference to the differential and certain references to recruitment. Dr. Davies then suggested, without the full authority of his Committee, that as the differences of opinion were so narrow, four people (the Chairman of Council, the Chairman of the Central Consultants and Specialists, Joint Consultants and General Medical Services Committees) might agree on modifications which would ensure agreement. This idea was accepted by the Central Consultants and Specialists Committee and the planning sub-committee of the J.C.C. supported it.

*Sir Thomas Holmes-Sellors, the Chairman of the J.C.C. referred to the fact that whilst the Council, the G.M.S.C. and the Central
Dr. Davies reported these events to the Council on December 11.

The draft document "The basis of the case for a substantial increase of general practitioner remuneration" was approved by the Council, which then considered the constitution of the panel which would present the evidence to the Review Body. They agreed that an extra general practitioner member was necessary because the Chairman of the Council, Mr. Nicholson-Leiley, was a consultant. Dr. Noble proposed and Dr. C.M. Scott seconded a motion that Dr. I.M. Jones be invited to join the panel to decide the format of the final document, but Drs. Grey and Gould proposed an amendment that Dr. C.J. Swenson be appointed as the additional general practitioner representative, which was carried. The Council then agreed that a Special Representative Meeting should be convened to consider the draft report.

On December 19 Dr. Davies reported the Council's debate to the G.M.S.C. and informed the Committee that the first meeting of the panel to prepare the final case was to take place that afternoon. Dr. Ivor Jones insisted that the minutes of the planning sub-committee held on December 4 be read out. These showed that the sub-committee had decided that "whilst some rephrasing of the paragraph relating to comparability between the remuneration and conditions of service of general practitioners and consultants

Consultants and Specialists Committee were bound by the Representative Body's resolutions, the Joint Consultants Committee was not.
might be acceptable, none of the basic principles underlined in
the case (including those of recruitment and comparability of
earnings) could be omitted entirely without substantially reducing
the overall strength of the case". Dr. Jones's request that the
Minute should be endorsed by the main Committee was approved with
one dissentient. The profession's representatives,
Mr. Nicholson-Leiley, Dr. Davies and Dr. Swanson (appointed by
the B.M.A.) and Sir Thomas Holmes-Sellors and Dr. K. Robson
(appointed by the J.C.C.) met the Review Body on January 2 to
give preliminary consideration to the business which might
require the Review Body's attention in the coming period.
Lord Kindersley and his colleagues were told that a detailed case
for an increase in general practitioner remuneration was likely
to be ready for presentation in April.

The G.M.S.C. met in camera on January 8 and recommended the
acceptance of the draft memorandum to a Special Conference of
Representatives of Local Medical Committees to be held on March 12.
They heard from Dr. Davies that the Review Body had agreed that
the profession's memorandum of evidence should be published but
its meetings with the evidence committee must be held in private.
It was prepared to accept the addition of another general
practitioner to the evidence committee and the G.M.S.C.
recommende that Dr. Arthur Maiden be appointed.

Dr. Davies submitted a report of the G.M.S.C.'s meeting to the
Council. Dr. Ivor Jones objected strongly to the removal from
the original draft of quotations from the Porritt and the Gillie
reports which emphasized the need for a reduction in the differential between the earnings of consultants and general practitioners. He reminded the Chairman of the Council that he had pleaded with the G.M.S.C. to preserve unity at all costs but from that time on the negotiations had become a policy of appeasement from a position of weakness. Dr. Jones's request that the memorandum of evidence should be referred back for further consideration was defeated and the G.M.S.C.'s recommendation that the memorandum of evidence be approved for submission to the Review Body was carried. The Council also endorsed the G.M.S.C.'s suggestion that Dr. Maiden should be coopted to the Joint Evidence Committee.

The Fraser Working Party

On February 17, 1964 Dr. Davies and the Chairman of Council met the Minister of Health, the Rt. Hon. Anthony Barber, MP., who expressed his concern at the discontent which had been voiced by some of those in general practice. He hoped it might be relieved by the joint discussions which were proceeding on the method of reimbursing the expenses which general practitioners incurred. He acknowledged that the profession wished a claim for remuneration to be considered; the Government would seek the advice of the Review Body on this but there were other matters which required consideration and the Annis Gillie Report had focused attention on them. He suggested, with the agreement of the Secretary of State for Scotland, that a working party composed of members of the profession and of the Health Departments
under the chairmanship of Sir Bruce Fraser should be established forthwith and that its terms of reference should be:

"Having regard to the importance of securing the best possible standards of general medical practice, to consider the report and recommendations of the Annis Gillie Committee and any other matters relevant to the work of the General Practitioner in the National Health Service apart from the quantum of remuneration."

The Council welcomed the Minister's suggestion and offered its full cooperation. It also considered a letter from the Ministry of Health informing the Association that the Review Body had asked the Health Departments to obtain for them statistics on the career earnings of general medical practitioners and hospital doctors. The Council welcomed the initiative of the Review Body in seeking to obtain accurate and up to date figures.

"Document SC7"

The memorandum of evidence to the Review Body was distributed for consideration by the profession and the forthcoming Special Conference and Representative Meeting.*

The G.M.S.C., on February 20 1964, heard Dr. Maiden confirm that the Central Consultants and Specialists Committee had agreed to cooperate in every way in producing statistics on career earnings for the Review Body subject to the advice of the expert advisers.

*The memorandum and the G.M.S.C.'s recommendations were labelled SC7; the Council's report SRM2.
BRITISH MEDICAL ASSOCIATION

GENERAL MEDICAL SERVICES COMMITTEE

MEMORANDUM
OF EVIDENCE TO THE REVIEW BODY

General Practitioner Remuneration
Dr. J.C. Cameron informed the Committee that three of the B.M.A.'s divisions in his area had rejected the memorandum of evidence, two divisions had agreed to it with considerable amendments, and only one division had agreed to it without dissent. One Local Medical Committee had accepted the document by a tiny majority, and the other had rejected it. He suggested that the Committee would be very unwise if it neglected that sort of expression of opinion. A minority of the G.M.S.C. had made it clear that it intended to oppose the acceptance of Document SC7 by the profession, and although the debate in the Conference would be private the Special Representative Meeting which followed it would be public. It would be obvious to the profession and everyone else that there was a clash of opinion between two major committees of the Association. In his view the profession would insist that the two paragraphs which were excluded from the draft memorandum (referring to the Perritt and Gillie Reports) should be restored.

Dr. Cardew pointed out that the Special Conference had been called with specific terms of reference, which were to consider the Document. Meetings had been called all over the country to discuss it and therefore the Committee could not vary it at that time. Dr. Stevenson, Secretary of the B.M.A., read a letter from the Review Body dated February 13 which stressed that the Review Body might well have found itself in grave difficulty if the case on behalf of the general practitioners was submitted without the united support of the whole profession. The Review Body had no objection to this view being made public.
It was suggested that either an attempt should be made to get an agreed statement inserted in the memorandum or the Conference should be postponed, but Dr. A.B. Davies said that as the memorandum had been agreed by the G.M.S.C., the J.C.C. and the Joint Evidence Committee it was not just a simple matter of the G.M.S.C. making a recommendation and assuming that it would be carried out; such a decision would certainly not be binding on the Joint Evidence Committee.

The Special Conference of March 12 1964

Some 280 delegates including most members of the G.M.S.C. and representatives of 170 Local Medical Committees were present at this meeting. Having rejected an amendment by Tynemouth demanding that statistics to indicate "the wide difference between the career earnings of general practitioners and consultants" should be included in the memorandum, the meeting passed by a large majority an amendment by Durham "that evidence should be included to show that recruitment to general practice was inadequate and diminishing and that it had been and continued to be adversely affected by the poor financial prospects, including pensions, of those who chose to become family doctors". It agreed that Paragraph 190 of the Porritt Report and Paragraph 25 (iii) of the Gillie Report, both of which referred to the difference in the career earnings of general practitioners and consultants, should be quoted verbatim in the memorandum of evidence, together with a statement asserting the agreement of general practitioners with those observations.
The Conference declined to take the extreme measures of either referring the memorandum back or rejecting it and considered each paragraph of it separately and in detail. A motion proposed by Dr. R.A. Keable Elliot that the pool should be related to the population of the British Isles and not to the number of principals in practice was rejected.

Late in the evening, Dr. Arthur of Gateshead, a very senior member of the profession, moved that the Conference had no confidence in the delegation which was to present the evidence. This was supported by Dr. D.R. Cook of Newcastle upon Tyne, and others. Dr. Cutwin of Doncaster, a constant critic of the G.M.S.C., opposed the motion. He did not believe that the discontent amongst general practitioners was caused by the evidence committee, but was due to the inept way that the memorandum had been handled by the G.M.S.C. itself. The motion was lost.

It was then proposed by Dr. R.A.P. Paul of Middlesex that Dr. Ivor Jones should be asked to be a member of the deputation going to the Review Body. He declined to accept a request from Dr. Gray of the G.M.S.C. to withdraw the motion. Dr. Gray then told the Conference why neither the G.M.S.C. nor the Council had elected Dr. Jones. Firstly, the memorandum which Dr. Jones had submitted to the G.M.S.C. had been in his own name and Dr. Jones had been unwilling to see that contribution merged into the Committee's document. In Dr. Gray's view, and in the view of the majority of his colleagues, it was incomplete and therefore to that extent inaccurate.
At that stage Dr. A.A. Clark of the G.M.S.C. intervened on a point of order. He asked whether the motion did not automatically fall in view of the fact that a motion expressing no confidence in the delegation had been defeated, but the Chairman replied that in the circumstances, and as the debate had started, it should continue. Dr. Clark said that he had raised the point because Dr. Gray was beginning to talk of personalities and that so far as he (Dr. Clark) knew it was the first Conference at which personalities had been raised in a discussion.

Dr. Jones then intervened to say that he had been accused of something which was false. The planning committee, by twelve votes to one, that of Dr. Gray, had decided to submit his memorandum to the parent committee in the form in which it had appeared, i.e. as a draft appendix to the draft memorandum of evidence.

Dr. Gray replied that it was not his wish to enter into the matters now being discussed. Although he had been accused of introducing personalities it was the motion which had introduced the name, and the motion was a vote of censure on the G.M.S.C. for not putting Dr. Jones on the deputation. Good though

*Dr. Clark was unaware that in the early days there had been quite vehement exchanges on personal issues. For example, in 1922 Dr. Gordon Ward alleged that members of the I.A.C. were paid by the Ministry and Dr. Dain had called Dr. Ward "offensive".*
Dr. Jones was in a fight, the G.M.S.C. had taken the view that he was not the right man to put forward a sound reasoned argument to a body such as the Review Body. Many representatives of Local Medical Committees supported the motion but Dr. Ridge opposed it on the grounds that it did not specify who was to ask Dr. Jones.

The Chairman of the Conference suggested that the G.M.S.C. should be asked to approach the existing members of the deputation and the Review Body with a view to an additional member being appointed, who should be Dr. Jones. Dr. Jones’s supporters objected on the grounds that he would be rejected if the bodies named were not in agreement. A motion “that the question be now put” was carried. The Conference then agreed that Dr. Ivor Jones should be asked to be a member of the deputation going to the Review Body.

Immediately following this vote a request for a count was received from the body of the hall and it was found that a quorum was not present, and the Conference ended at 3.30 p.m.

The resignation of Dr. Davies

On Monday, March 16, Dr. Davies resigned both his membership and chairmanship of the G.M.S.C. and also his deputy chairmanship of

*For example, Dr. D.L. Williams of Denby and Flint, Dr. Knox of Tyneside, Dr. Noole of Northumberland, Dr. Cutwin of Doncaster, all of whom were to become leaders of the profession in the future."
the Representative Body. He told the B.M.A. that the decision was his own, that it was personal and quite irrevocable, and that he would continue to serve his profession as an ordinary general practitioner and as a member of the B.M.A. In an interview with The Times Dr. Davies said that the precipitating factor was the Conference resolution indicating the desire of the profession for the inclusion in the Review Body Evidence Committee of a doctor other than those selected by the G.M.S.C. and the Council of the Association. Although passed at a late stage of the meeting when it was doubtful if a quorum was actually present, in Dr. Davies's view it was a vote of no confidence in the G.M.S.C. and its Chairman.

Appointment of a new Chairman

The Committee met on the following Thursday. Dr. Ronald Gibson, Chairman of the Representative Body, took the chair and told the Committee they had two duties to perform, the first being to elect a chairman. He had been informed by the Association's solicitors that there was no necessity for the Committee to resign because its chairman had resigned and that it need not elect a new chairman if it so wished. The second duty was to consider the resolutions of the Special Conference and make recommendations to the Council on them, especially those relating to the membership of the Joint Evidence Committee.

Dr. R.B.L. Ridge said that the situation in which the G.M.S.C. found itself was grave. The interpretation each member would place upon Dr. Davies's resignation would vary, but in Dr. Ridge's
view the only possible interpretation was a vote of no confidence, by the Chairmen, in the G.M.S.C. itself. He would seek to show that the action by Dr. Davies was the responsibility of every member. Having developed his argument, he proposed that it be the policy of the G.M.S.C. that when a member wished to exercise his freedom to oppose the policy of the Committee outside the framework of the Committee he must resign his membership of the Committee before doing so. This was supported by Dr. A.N. Mathias, the other representative from the Middlesex Local Medical Committee. In reply to a question from Dr. G. Murray Jones, Dr. Ridge replied that the framework of the Committee meant the Committee and its sub-committee.

Dr. J.C. Knox said that he had not heard such nonsense for a long time. He believed that Dr. Davies was an excellent negotiator and should not have resigned. He had not the slightest intention of resigning if he disapproved of a decision taken by the G.M.S.C. and would fight it wherever he could. The worst thing that he would be able to do from the point of view of getting a proper decision would be to resign. "This is not democracy at all. You must have minority statements."

After a further vigorous exchange of views it was suggested by way of amendment that the motion lie on the table for consideration at a later stage; following more acrimonious discussion, the motion was, by leave, withdrawn.
Dr. Gibson then asked the Committee whether it was prepared to elect a chairman for the remainder of the term, namely until the end of the Representative Body of 1964, pointing out that as the Committee was elected each session it was unnecessary for anyone to be excluded because of doubts as to whether he could serve in the future. Following a ballot Dr. J.C. Cameron was elected to the chair.

The Committee then considered the question of filling the vacancies created by Dr. Davies's resignation from the Review Body Joint Evidence Committee and from the Fraser Working Party on the Future of General Practice. Dr. Jones said it would be unthinkable that the Chairman of the G.M.S.C. should not serve on these, and this was agreed unanimously. Dr. Moiden and Dr. Swanson both offered to resign from the Joint Evidence Committee in order that Dr. Ivor Jones could be appointed. The Committee decided not to accept either offer but to recommend to the Council that, subject to the consent of the Review Body, Dr. I.M. Jones should be added to the Joint Evidence Committee.

The Committee then considered the resolutions of the Special Conference and recommended to Council that the amendments to the memorandum of evidence should be adopted for recommendation to the Special Representative Meeting.

Reporting on these events, The Times quoted Dr. Cameron as saying that in spite of the amendments there was every reason for confidence that the draft would be approved. "He believed that
family doctors were less concerned with the memorandum of evidence and more interested in the Working Party under Sir Bruce Fraser, which would go into the terms of service of medical practitioners. 657

The Revised Memorandum

On March 24, a special meeting of the Council was held to consider a report from the G.M.S.C. on the decisions of the Special Conference and Dr. Davies's letter of resignation. Dr. Cameron presented the G.M.S.C.'s report and recommendations which were accepted. 658

When the Special Representative Meeting met the following morning at Church House, Westminster, Dr. Ronald Gibson, the Chairman, suggested that as Dr. A.B. Davies had resigned as deputy chairman, Dr. Wend should be permitted to act as deputy chairman for the course of the meeting. This was accepted. The Chairman of Council then moved "that the report of the Council on the memorandum of evidence for the Review Body on general practitioner remuneration be received". In his speech Mr. Nicholson-Le-side emphasized that the Council were not asking the meeting to approve the document as printed but the document as it had been amended in the light of the decisions taken at the special meeting of the Council held the previous day.

During the debate it was revealed that the Central Consultants and Specialists Committee and the Joint Consultants Committee had not even considered the Gillie Report. In spite of this the Representative Body, which at that time consisted predominantly
of general practitioners, took the view that it could and would speak for the Association as a whole. It insisted that the relevant parts of the Gillie and Porritt Reports should be included. The members heeded the plea of the Chairman of Council not to tie themselves to a method of remuneration in advance of the report of the Fraser Working Party. A resolution that the pool be discontinued was rejected and the meeting "passed to the next business" rather than vote upon an amendment that the pool should be replaced by a fee for item of service method of payment. A motion by Dr. R.H. Davidson of the West Sussex Division that the Association had no confidence in the G.M.S.C. was defeated.

The G.M.S.C. met again and received a report by Dr. Cameron on a meeting of the Central Consultants and Specialists Committee which he had attended. It reiterated its policy on the form of the draft memorandum.

At its next meeting it considered the statement made in Parliament by the Minister of Health that the G.M.S.C.'s report on expenses in general practice was misleading and the statement which had been issued on behalf of the Committee in reply to the Minister. Dr. Cameron made it quite clear that the findings of the Fraser Working Party, which had been split into two groups, one under Sir Bruce Fraser and the other under Sir George Godber, would not be binding on the Government or on the profession.

The revised memorandum of evidence for an increase in the remuneration of general practitioners, supported by the whole
profession, was published in the Supplement to the British Medical Journal on June 6 1964.862.

The G.M.S.C. under review

At the commencement of business at the Annual Conference Dr. Maiden drew attention to the Chairman's badge which had been presented to the Conference by Lindsey Local Medical Committee of which he was a member. In his opening address Dr. Cameron defined three steps which had to be taken to create new and better conditions for general practice; firstly to present the claim for an increase in remuneration; secondly to negotiate prompter and more direct reimbursement of practice expenses with an easing of the problems of capital expenditure for family doctors and thirdly to negotiate reforms of the terms and conditions of service. Dr. Cameron told the Conference that action was being taken on each of these items. The revised memorandum of evidence was in the hands of the Review Body and the profession's representatives were to meet the Review Body on July 10.

Mr. Barber, the Minister of Health, had stated publicly that he was anxious to encourage the employment of ancillary help by family doctors and that he was very willing to meet the extra expense involved. The Fraser Working Party was meeting weekly and grappling with the main causes of the discontent in the family doctor field.863.

The Conference instructed the G.M.S.C. to institute an immediate review of its own constitution, the method of appointment of its members, its relationship to the Conference of Local Medical
Committees, the B.M.A. and other bodies, and of methods of bringing it into close touch with individual practitioners and vice versa. In carrying out this review the G.M.S.C. should coopt four members, Drs. Joan Chappell, J.S. Noble, A.W. Robertson and M.P. Winstanley, appointed by the Conference. A move to establish a completely autonomous General Medical Services Committee, responsible only to the Conference of Local Medical Committees, was lost by an overwhelming majority.

The G.M.S.C. appointed Drs. Jones, Grey, Cardew and C.M. Scott to serve on the committee which would examine its constitution. It spent a considerable time discussing the appointment of its own sub-committees and agreed that more members of the Committee should be involved in sub-committee work but that it was undesirable to appoint a single executive committee lest the full committee become a rubber stamp. A compromise was reached and a planning sub-committee of 28 members and an investigating sub-committee of 12 members were appointed.

Practice expenses

On September 17 Mr. Barber wrote to Dr. Cameron pointing out that there were two elements in practice expenses, the money that the doctor had to find to build or buy his premises and the running expenses, including the interest on any loans. The Government differed with the doctors on the question of whether the net remuneration recommended by the Review Body should include a return on the capital that the doctor had invested in the practice and Mr. Barber explained why he thought the extension of interest free
loans would be unfair, and why it would be wrong for the Exchequer to take over capital liabilities when there were already arrange-
ments whereby doctors could work in publicly owned premises by
paying a suitable rent. However the Government and the
profession had agreed upon a scheme for improvement grants subject
to certain criteria and that the Government would guarantee
loans in certain circumstances, for example where purpose-built
surgeries would have no other practical use and where there was
a need for a young man to purchase a share of partnership premises.
The G.M.S.C. welcomed the proposals "so far as they go".

The G.M.S.C. considered the details of the Ministry's proposed
scheme for direct reimbursement of expenditure on ancillary help
in general practice. As the planning sub-committee had been
unable to complete a detailed study of the scheme Dr. Cameron
asked the parent committee whether it was practicable, desirable
and in the interests of the profession. It decided to continue
the discussions with the Ministry officials and suggest to them
that they might "prime the pump" to get the scheme off the
ground.

In December a report by the Management Consultants Association
commissioned by the General Practitioners Association was
published. It compared the pay and prospects of hospital
doctors with those in general practice. It evaluated the
earnings of consultants, without merit award, and suggested that
they should be about 10% more than those of general practitioners
but it showed that the existing differential of earnings between
the ages of 30 and 65 was in the region of 40%. The G.M.S.C. considered the report to be useful corroborative evidence of the serious position in general practice.