



DEPARTMENT OF HEALTH & SOCIAL SECURITY

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From the Secretary of State for Social Services

Andrew Turnbull Esq
Private Secretary
10 Downing Street

18 November 1983

Should it be
of higher?
not

don't have the
under

Am not
we at children

Prime Minister

Agree statement?

Dear Andrew

DWS
18/11

FUTURE OF OPTICAL SERVICES

I attach a copy of the latest draft of the statement my Secretary of State will be making on Monday afternoon.

I am sending copies to John Kerr (Chancellor's office), John Graham (Mr Younger's office), Colin Jones (Mr Edwards' office), John Lyon (Mr Prior's office), Charles Marshall (Mr Biffen's office), Murdo MacLean (Chief Whip's office), Ron Thompson (Mr Fletcher's office) and Richard Hatfield (Sir Robert Armstrong's office).

Jones
Steve

advised that SPS has now
decided to propose
The PM has an opinion.

S A Godber
Private Secretary

She feels that the
proposed age of 10.

SECRET



10 DOWNING STREET

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From the Private Secretary

21 November 1983

FUTURE OF OPTICAL SERVICES

Thank you for your letter of 18 November to Andrew Turnbull, with which you enclosed a draft statement on the future of optical services. I understand that your Secretary of State has now decided to postpone this statement.

The Prime Minister has one reservation about the draft. She feels that the age limit of ten which your Secretary of State propose§ in paragraph 4 may be too low. In the Prime Minister's view, the Government would be justified in making the dividing line sixteen.

I should be grateful for your Secretary of State's views on this suggestion by the time the Prime Minister returns from the Commonwealth Heads of Government Meeting on 30 November.

I am sending copies of this letter to the recipients of yours.

MR. D. BARCLAY

S.A. Godber, Esq.,
 Department of Health and Social Security.

LT.

SECRET

SECRET

DRAFT STATEMENT ON OPTICAL SERVICES

Children under lens?
 surely we should be involved
 in going up to 16.
 See summary

With permission, I will make a statement on the optical services.

2. Last December the Office of Fair Trading made a report on the effects of the prices of glasses of the powers granted to the General Optical Council to regulate advertising by opticians and of the monopoly granted to opticians (and doctors) to sell glasses. The report concluded that these arrangements restricted competition and resulted in prices being unduly high. The Government accepts these conclusions, and I will shortly be bringing forward appropriate legislation.
3. Firstly, we propose to take action on advertising. At present, the rules made by the General Optical Council allow no general advertising of the price of glasses or advertising on such matters as the speed of service. This handicaps the consumer who wishes to get the best value for money and the optician who can provide a better deal or wider choice. The General Optical Council did review their rules in the light of the report by the Office of Fair Trading, but the changes they proposed came nowhere near to those needed. Legislation will therefore be introduced to enable the Privy Council to amend the rules made by the Council. These powers, which will be used carefully, and in particular to draw a distinction between the professional function of sight-testing and the commercial activity of selling glasses.
4. Secondly, we propose to take action on the monopoly to dispense glasses. There is still a need for public protection in certain areas such as dispensing to children or fitting of contact lenses. However, all laws which create a monopoly have to be examined to see whether, under the cloak of public protection, there is not simply too much protection for the seller. We have concluded that this is the case with opticians. The legislation which I will be introducing will therefore enable the Privy Council, by Order, to make exceptions to the present monopoly, that is to allow non-opticians to sell glasses under carefully prescribed conditions. The conditions laid down will ensure that no risks are taken with people's sight. All sales will have to be made against a recent prescription, following a sight test by an appropriately qualified optician or doctor, and no-one other than a qualified optician or doctor will be able to sell

glasses for children under ten years of age or to fit contact lenses. It is our intention to maintain the present arrangement for the registration of qualified opticians and the public will therefore be able to make a choice between the services of a registered optician and those of other sellers who may offer price advantages.

5. I turn now to the public sector provision of glasses. The General Ophthalmic Service has two functions. First it provides free access to a sight test by either an ophthalmic optician or a specially qualified doctor. We intend to continue this arrangement. Second, it provides a range of frames and lenses free to certain exempt groups. Other people pay the full cost of these frames and a substantial proportion of the cost of their lenses and the dispensing of them although there is some subsidy involved - about £5. Most people however buy private frames and lenses or have NHS lenses fitted to private frames.

6. The action I have announced on advertising and the end of the dispensing monopoly, will I believe bring the price of private glasses within the reach of most people. It will therefore no longer be necessary for the NHS to make arrangements to supply glasses except to the exempt groups. These will comprise those who are entitled to free or reduced cost glasses under the present arrangements, namely children and adults on low incomes. The legislation I will shortly be introducing will give effect to this.

My Rt Hon Friend the Secretaries of State for Scotland, and Northern Ireland will be bringing forward proposals to give effect to the changes in the General Ophthalmic Service operating separately.

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