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The Rt Hon William Waldegrave MP  
Secretary of State for Health  
Department of Health  
Richmond House  
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7 February 1992

*Dear Secretary of State,***BLOOD TRANSFUSION VICTIMS INFECTED WITH HIV***Papers will we?*

Thank you for your letter of 27 January. I have also seen your minute to the Prime Minister of 7 February.

2. I am afraid your letter did not address the reservations I set out in my letter of 13 January. These stem from my fear for the consequences of providing compensation to this group. If we were to go down the route to accepting a right to no fault compensation, it could cost us at least £100 million. At the time we agreed to provide help to the haemophiliacs we thought we could draw the line there and that the settlement would strengthen our position in dealing with Rosie Barnes' no fault compensation Bill. You now wish to draw the line in favour of compensating a wider group. There will no doubt be other unfortunate groups who would take that opportunity to campaign for compensation to cover them.

3. But I have a good deal of sympathy for those who have contracted HIV from treatment with infected blood and tissue. I am therefore willing to withdraw my objection provided you are able to give a firm assurance that you and your department will be prepared to draw the line at this group and to face up to requests from other groups.

4. I must nevertheless ask that you find the entire funding for the compensation yourself. I cannot accept that there is no connection between the funding of the overpayments to doctors and dentists, and the payment of compensation to this unfortunate

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group. Any additional funding for your programme would fall on a Reserve which has been seriously drained by the doctors and dentists. I am not therefore in a position to be sympathetic to further claims, and I am glad that your letter recognised my difficulty. But I am prepared to be flexible in carrying over money between this year and next, if that is helpful to you.

5. I am copying this letter to the Prime Minister.

*Yours sincerely*

GRO-C

DAVID MELLOR

*(Approved by the Chief Secretary and  
signed on his behalf)*

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