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PRIME MINISTER

2 November 1987

COMPENSATION FOR HAEMOPHILIACS

I agree with the drift of Mr Newton's memorandum on compensation for haemophiliacs who have been infected with the HIV virus by the blood product Factor VIII.

*Yes saw this at the weekend.*

*ps*

Refusing compensation would give us a damaging reputation for hard-hearted parsimony at the very time when we need public support for more selective spending on health and social security. Since there is widespread sympathy for the haemophiliacs, a refusal to compensate would be hard to sustain, so we would risk the worst of both worlds. And the sums involved are small.

GRO-C

JOHN O'SULLIVAN

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