

islands. I can tell the noble Lord that discussions aimed at solving that dispute are in progress this very day in New York—no; to be precise it was yesterday, and I think they are continuing today—when my honourable friend the Minister of State, Mr. Ridley, is having discussions with an Argentinian delegation, at which discussions Falkland Island councillors are also present.

Lord Avebury: My Lords, does the Minister not realise that, in the meanwhile, the Argentine Government is purporting to license companies to drill on our side of what would be the median line between the Falkland Islands and Argentina in the Magellane Este Block, and that the noble Lord the Foreign Secretary has already said that if companies take up these licences protests will be made? How can the noble Lord say, therefore, that any benefit will accrue to the economy of the Falkland Islands when we continue to claim only the resources out to the three-mile limit?

Lord Trefgarne: My Lords, as I have endeavoured to make clear not only today but on earlier occasions when noble Lords have asked me about these matters, the solutions to the economic problems which beset the Falkland Islands are to be found in an agreement with the Argentinians when the various threats which have been uttered by both sides and, indeed, the islanders themselves are brought to an end, and all the resources around the islands, including the oil resources, if there are any, and of course the fish resources, to which the noble Lord, Lord Shackleton, has drawn attention on several occasions, can be developed and used to the benefit of all concerned.

Lord Morris: My Lords, may I ask my noble friend the Minister whether he can assure your Lordships' House that any potential or current economic benefit in the light of the considerable hydro-carbon discoveries in that particular area will not be eroded in any way by a trade-off with the Argentinian Government?—and when I refer to potential benefits I mean benefits not only to the Falkland Islands but to this country itself.

Lord Trefgarne: My Lords, what I cannot do is prejudge the outcome of the negotiations between the United Kingdom Government and the Argentinian Government in this matter, except to say that those negotiations are being conducted with the knowledge and agreement of the Falkland islanders themselves.

The Earl of Lauderdale: My Lords, would my noble friend confirm categorically that the United Kingdom Government alone are the licensing authority for that part of the continental shelf around the Falkland Islands which leads up to the median line?

Lord Trefgarne: My Lords, I speak without a specific note on that point but as I understand it that is the present position.

improving the economic situation of the Falkland islanders, the future of the present population is at risk?

Lord Trefgarne: My Lords, as I have repeatedly said, and as I say again now, the long-term solution to the economic problems of the Falkland islanders is the resolution of the dispute with the Argentinian Government, and that we are working to achieve.

Lord Goronwy-Roberts: My Lords, with the indulgence of the House, may I press this point? While the question of the sovereignty of the islands is not a matter of dispute within this country or in the Falkland Islands, nevertheless one of the two working parties which are now negotiating ways and means of co-operation between the Falklands and the Argentine should surely be looking into the possibilities mentioned by the noble Earl, Lord Lauderdale, among which are the distinct possibilities of very big finds in hydro-carbon oils, and also an extensive area of sea food in that general maritime region.

Lord Trefgarne: My Lords, that, of course, is correct; what the noble Lord has mentioned are important elements in the equation which we hope will in due course lead to a solution to this matter. But, in the meantime, as I have repeatedly said and as I say again, the position is that a solution must be found to our dispute with the Argentinians if a way forward for the long term is to be found.

Blood Products: Imports

3.7 p.m.

Lord De Freyne: My Lords, I beg leave to ask the Question which stands in my name on the Order Paper.

The Question was as follows:

To ask Her Majesty's Government what steps are taken at present to see that blood products imported into Britain are completely free from infection.

Lord Cullen of Ashbourne: My Lords, blood products which are imported for medicinal purposes are subject to licensing under the Medicines Act. The controls over manufacturing and distribution (including import) include provision for checks on the selection of blood donors and the facilities used for collection of the blood, the in-process manufacturing controls and testing of the final product before release.

Lord De Freyne: My Lords, I thank my noble friend for that reply. Can my noble friend tell me how much was spent last year on imported blood products, and the country or countries of origin? May I also ask how he can be sure that these imported blood products are completely free of infection?

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Lord Cullen of Ashbourne: My Lords, blood products are not purchased centrally—they are purchased by health authorities—and I regret that up-to-date information on the expenditure on imported products is not available. The country from which these products come is mainly the United States, and some also come from Austria and one or two other European countries. So far as concerns making sure that these products are free from infection, undoubtedly the careful checks which are made at all stages are extremely effective for all except a very few products, one of which is used in the case of haemophiliacs. There is a danger that Factor VIII, which has to be injected into haemophiliacs, can have in it a strain of hepatitis, and at the moment there is no way of testing for these strains. That is the one product as to whose freedom from infection we cannot be absolutely certain. However, every effort is made to see that it is not infected and, although occasionally something may happen, it is not of a serious nature.

Lord Wells-Pestell: My Lords, may I ask the Minister whether the House is really to understand that the Government do not know how much money is spent on importing blood into this country when it seems to be fairly common knowledge that the amount we spend per year is something like £10 million? Are the Government aware that a lot of this blood is bought from people in poor countries where there is a high incidence of blood-transmitted disease and, furthermore, that blood in some countries is obtained from junkies and alcoholics and others who have nothing to sell other than their blood?—and they sell it. Therefore, we have embarked on a very dangerous undertaking.

Lord Cullen of Ashbourne: My Lords, I am sure that that undertaking was embarked upon before this Government came into power and that the noble Lord knows a great deal about this matter. There is no doubt that much of the material which comes to us comes from areas—some, I believe, comes from Mexico—which occasion the making of the most careful checks. I am sure that the noble Lord knows very well how these arrangements are made. It must have been exactly the same in his time.

Lord Avebury: My Lords, why do the Government refuse to sanction the capital expenditure on blood transfusion laboratories in this country which will enable us to meet our own requirements from domestic sources?

Lord Cullen of Ashbourne: My Lords, the long-term aim is that we should be self sufficient in blood products. At the moment, we import less than half of what is needed in the country. The main laboratory is at Elstree and it is now being upgraded. By the end of next year there will be a doubling of the production there.

Lord Auckland: My Lords, can my noble friend give the figures as to the amount of blood products imported in the last 12 months, what they are used for and whether, when they arrive in this country, there is the absolute minimum of delay in the checking of these samples?

Lord Cullen of Ashbourne: My Lords, I do not think that I can answer that very fully but, certainly, immediately anything comes into the country it is checked at all stages. I should come back to the point raised by the noble Lord, Lord Wells-Pestell, where he said that I should know the actual total expenditure on blood products. I cannot give an accurate figure but I would think that it is something of the order of £5 million to £6 million—but that is only an estimate.

Lord Wells-Pestell: My Lords, may I ask whether it is true that the Government have decided to spend in the region of £1½ million to extend the laboratory at Elstree, where, if the laboratory was completely upgraded, I accept that it would cost something like £30 million? But once the laboratory had been completely upgraded and that amount had been spent, it would make it unnecessary for us to buy blood from abroad and we should recover that £30 million within three years as a result.

Lord Cullen of Ashbourne: My Lords, as I have said, we are anxious to get to the point where we are independent of supplies from abroad. As the noble Lord said, we are spending about £1½ million to upgrade Elstree, and that will be completed by the end of next year. We should very much like to be able to spend the £30 million or whatever is needed completely to rebuild or hugely to expand Elstree; but at the moment (for reasons which the noble Lord will understand, since we have met these reasons before now) we are not anxious to do so.

Lord Mackie of Benshie: My Lords, does the noble Lord not agree that it is very important for this House to know whether there are sufficient supplies of blue blood available?

BSC Corporate Plan

Lord Denham: My Lords, at a convenient moment after 3.30 p.m. my noble friend Lord Gowrie will, with leave of the House, repeat a Statement to be made in another place on the British Steel Corporation Corporate Plan.

Iron and Steel (Borrowing Powers) Bill

3.15 p.m.

The Minister of State, Department of Employment (The Earl of Gowrie): My Lords, I beg to move, that the Bill now be read a second time. A Second Reading of an Iron and Steel (Borrowing Powers) Bill would normally afford to the Government spokesman an opportunity to review the wider issues affecting the corporation and the steel industry generally. I hope that your Lordships will forgive me if I do not take that opportunity. There are good reasons why I should not do so. The Government are now in a position to announce their decisions on the British Steel Corporation's corporate plan. I shall be repeating a Statement which is to be made by my right honourable friend the Secretary of State for Industry in another place later this afternoon. That Statement will deal with the

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