

CONFIDENTIAL

2.
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.

Len saw this at the cabinet.

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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