

Rt Surge

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Rt Hon David Mellor MP  
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Telephone 071 210 3000  
*From the Secretary of  
State for Health*

22/4/91

2 Dend,

## HAEMOPHILIACS WITH AIDS

Thank you for your letter of 25 March.

2. I am very surprised that you have chosen to take this line on the haemophiliacs settlement. You know that, in the discussions last December, there was a clear understanding that the costs of the settlement - including the legal costs - would be met from the Reserve. That was the basis on which we agreed the announcement would be made, and you must realise that I would have needed to take a different line in those discussions if that understanding had not been reached. The position was reflected in the submission at the time to the Prime Minister, which made clear that the full costs, including legal costs, would be a charge on the Reserve "probably spread between this year and next".

3. I hope you will be able to reconsider your position, and agree to make the resources available from the Reserve.

4. I am copying this letter to Peter Brooke and Ian Lang.

GRO-C

Mr Canavan  
EHF1

WILLIAM WALDEGRAVE