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POLICY IN CONFIDENCE

CHIEF SECRETARY

REC. FEB 1992

ACTION CE

COPIES CX SUT BUMS MA

MA. EULOW S M CK

PRIME MINISTER

BLOOD TRANSFUSION PATIENTS

- 1. I have seen the record of your meeting with Senior Conservative Party members on the question of financial help for people infected with HIV through blood transfusion or tissue transplant. I also met Michael McNair-Wilson and Gavin Strang on the same day. You will have experienced for yourself the strength of feeling that the issue is causing across all parties.
- 2. I had put proposals to the Chief Secretary for resolving this issue on the same lines as we did for the haemophiliacs. But for reasons which I well understand, he did not feel able to agree.
- 3. However, given the mounting Parliamentary and public concern, I believe we should reconsider my proposals.
- 4. There are three main elements to them:-

First, we pay similar monies as to the haemophiliacs.

Second, we handle decisions on individual cases, which will be less clear cut than the haemophiliacs, by establishing a small panel of two or three including a doctor and chaired by a lawyer. The panel will decide on eligibility.

Third, anyone accepting payment would, like the haemophiliacs, have to give an undertaking not to pursue legal action. Though like the haemophiliacs, negligence claims could be pursued.

5. We must recognise the risk of weakening our general opposition to no fault compensation. The Chief Secretary is rightly concerned about this. But we shall have to make plain we are responding, as with the haemophiliacs, to very special circumstances but that our general policy remains firm.

- 6. Given the other claims on my budget, I cannot meet all the cost of around £12m. I can, however, find £3m myself in this year and next, and would want an equal sum each year from the reserve. Should the cases be settled at a faster rate than I anticipate I would hope to be able to use some of the second year's money this year.
- 7. I am copying this minute only to the Chief Secretary.

GRO-C

W. A. W. 7 February 1992