

BY ELGIN*

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PS/Minister of State*

Copy to: PS/Secretary of State*
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PS/SHHD
PS/Chief Executive
CMO
CNO
Solicitor*
Mr Anderson
Director, SIO*
Mr McNeill, SIO, DH*

HAEMOPHILIACS WITH HIV

1. The Prime Minister in reply to a PQ this afternoon announced that the Government had agreed in principle to proposals put forward by the lawyers representing haemophiliacs infected by HIV for the settlement of the litigation.

2. Details of the compromise are to be announced by the Secretary of State for Health through an arranged PQ to be answered today. The compromise would result in the Government providing to the Macfarlane Trust, in addition to the £34m already paid, a further sum of about £42m for distribution to all HIV haemophiliacs and their families according to their respective circumstances. Furthermore the Government has agreed that payments from the Macfarlane Trust will not affect entitlement to social security or other statutory benefits. The plaintiffs' reasonable legal costs would also be paid by the Government.

Because the proposed settlement will require the formal approval of all individual plaintiffs, and in the case of minors, of the Court, it is not possible at this time to publish further details until all plaintiffs and their representatives have had an opportunity to consider the full terms of the settlement and to approve them. It is proposed to apply the outcome of any settlement to all parts of the United Kingdom.

As the Scottish plaintiffs were not directly involved with the proposals formulated by the English lawyers, it will be necessary to consult with the representatives of the Scottish plaintiffs on the proposals. We propose to arrange a meeting with the legal representatives as soon as possible to ascertain their views.

It is suggested that Forsyth issues the following statement in the meantime. This has been cleared by SIO.

GRO-C

G W TUCKER
11 December 1990

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JSH00411.120

STATEMENT BY MR FORSYTH

I welcome the announcement today that the Government has agreed in principle to proposals by English lawyers acting on behalf of haemophiliacs with HIV as the basis for a fair and reasonable resolution of the plaintiff's claims. These proposals have yet to be approved formally by individual plaintiffs or their representatives. Arrangements are being made to consult with representatives of Scottish haemophiliacs with HIV.

I hope that the proposals will be accepted by all so that this period of uncertainty will be ended for haemophiliacs and their families.