



NORTHERN IRELAND OFFICE

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*Prime Minister*

Michael Alexander Esq  
10 Downing Street  
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*Wanted that the NIO should, subject to the  
outcome of inter departmental discussions, proceed as  
set out below? Yes 17 September 1981*

*Paul - 17/9*

*Dear Michael*

In Willie Rickett's letter of 2 September he asked for advice on the Prime Minister's recent suggestion that the maximum discretionary award payable under Article 8 of the Criminal Injuries (Compensation) (NI) Order 1977, which presently stands at £5,000 for a widow and £500 for each dependant child, might be doubled. The Prime Minister felt that the dependants of soldiers killed in Northern Ireland should be treated well.

We are very much in sympathy with the view that these payments should be increased and are consulting the Treasury as a matter of urgency.

The change will require a new Order-in-Council. This means a slot in the Northern Ireland legislative programme and the usual consultation, and will necessarily take some time. However, subject to the outcome of discussions with the Treasury, we have in mind a statement to the House by the Secretary of State indicating his intention to seek Parliament's approval to an increase in the discretionary amounts which would be back-dated to claims arising from injuries incurred from the date of the announcement.

In bringing forward legislation to give effect to the change suggested by the Prime Minister we are conscious of the fact that this will open up the present Order generally for debate. We expect considerable interest in the House in some of these wider aspects. In April we had an adjournment debate on a review provision in criminal injury cases (tabled by Mr William Ross MP), and in July during an adjournment debate on the Army Mr Julian Critchley MP raised the question of index-linking discretionary awards. As you might imagine the question of periodic reviews of individual compensation awards and index-linking are fraught with complications. In the light of this we are taking steps to review the Order generally though this should not impede progress on the Prime Minister's suggestion.

Finally I think you are aware that the present discretionary award provision covers not only soldiers but also police and civilians. Any increase in the awards would need to be on the same basis so as to avoid invidious comparison.

If the Prime Minister is content we will proceed on the basis outlined above.

Yours sincerely  
M W Hopkins

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