

DEALING WITH OCCUPATIONAL LUNG DISEASE:

A COLLABORATIVE INITIATIVE BY SA MINING COMPANIES

PROGRESS TOWARDS SOLUTIONS

Graham Briggs | Convenor | OLD Working Group | Mining Indaba | Wednesday, 7 February 2018



BIRTH OF WORKING GROUP

- Occupational Lung Disease Working Group formed late 2014
- Goal to work with all stakeholders to design and implement a comprehensive and sustainable solution in respect of compensation for occupational lung disease (OLD) in gold mining industry in South Africa
- Six major South African mining companies with current or past interests in gold mining:
 - African Rainbow Minerals
 - Anglo American SA
 - AngloGold Ashanti
 - Gold Fields
 - Harmony
 - Sibanye Stillwater

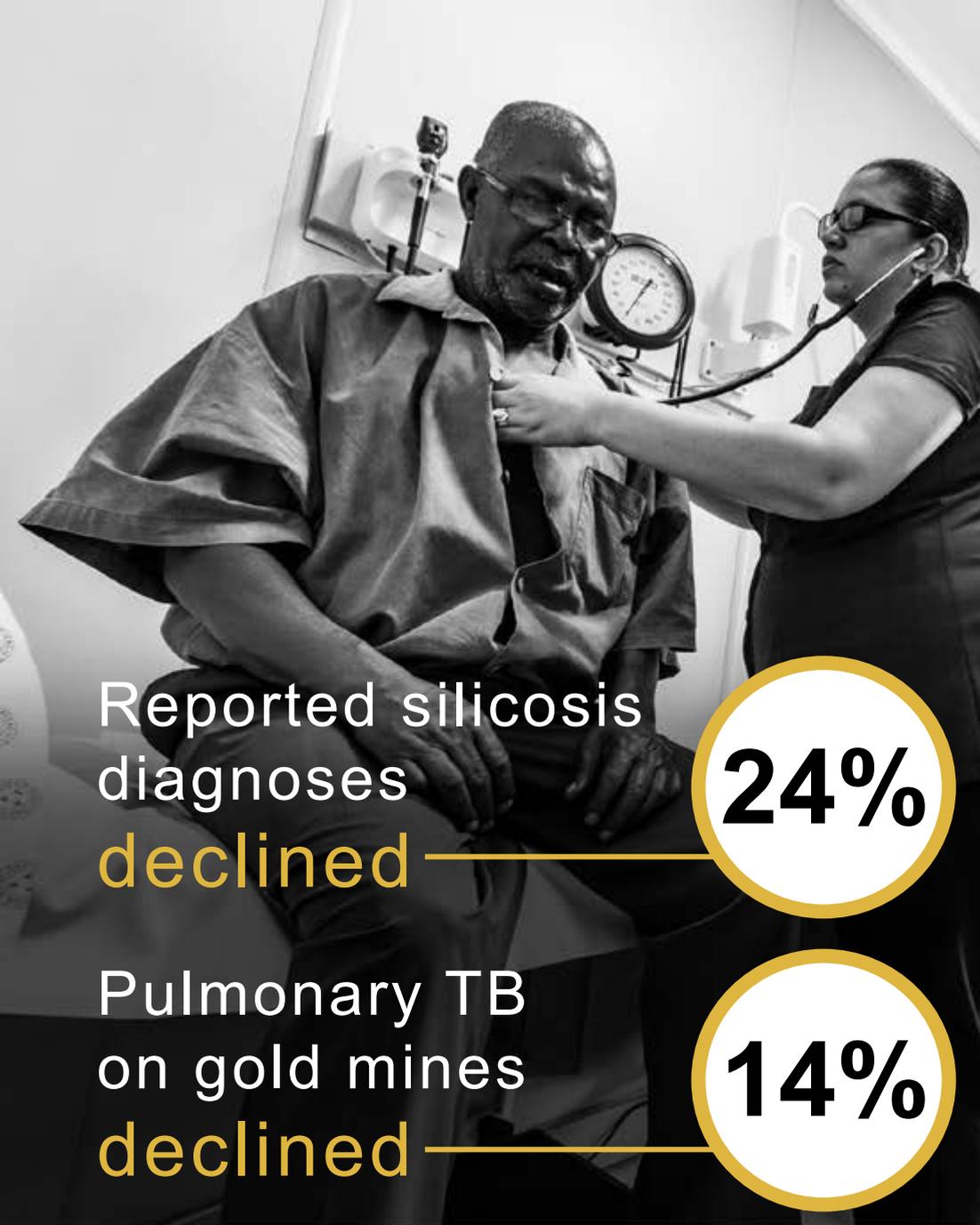


ELIMINATING SILICOSIS

- Fundamental goal is to eliminate silicosis entirely through effective management of silica dust
- Significant and ongoing progress is being made
- Extensive research and development into appropriate technology and mine planning
- Dust monitoring, sampling frequencies and dust analysis methods have improved in recent years



Our goal is to **eliminate**
silicosis entirely



Reported silicosis diagnoses **declined**

24%

Pulmonary TB on gold mines **declined**

14%

MILESTONES AND PROGRESS

- Mine Health and Safety Council (MHSC) milestones set in 2003
 - no new cases of silicosis will occur among individuals unexposed prior to 2008
- For the four Working Group companies still involved in gold mining, there have been zero such diagnoses in the past ten years since 2008
- Not conclusive evidence that the milestone has been reached
 - but a heartening sign of progress
- From 2015 to 2016 reported silicosis diagnoses declined 24% (from 853 to 635 cases)
- From 2015 to 2016 pulmonary TB on gold mines declined almost 14% (1666 to 1436 cases)



FIXING OCCUPATIONAL DISEASES IN MINES AND WORKS ACT (ODMWA)

- History of administrative shortcomings of ODMWA compensation fund
- Working Group quickly established strong, effective working relationship with then new Compensation Commissioner, Dr Barry Kistnasamy and his team
- Among the assistance provided over the past three years:
 - seconding a senior occupational medical expert to be appointed director of the the Medical Bureau for Occupational Diseases (MBOD)
 - seconding senior Harmony manager as COO of the MBOD
 - seconding 6 medical doctors to the MBOD panel for certification of claims
 - Contributing over R58 million for various MBOD support services
- Also, Chamber of Mines contributed tens of millions of rands to data capturing project and One Stop Service Centres

ODMWA ACHIEVEMENTS

- What has been achieved:
 - assisting with processing claims and providing benefits
 - tracing thousands of beneficiaries through various initiatives, including sourcing records from employers and a call-centre
 - swift processing of current claims
 - regularising and consolidating 7 years of financial records
 - first proper ODMWA fund audits since 2010
 - establishing One-stop service centres in Carletonville and Mthatha
 - creating consolidated database of claim and contact information of ex-miners through outreach programs
- Outreach programme work since last August initiated by the Department of Health in Swaziland, Lesotho, Mqanduli, Kuruman and Klerksdorp

700 000 hard copy files captured for valuation

- thousands of outstanding benefits identified

Certification of
15 000 backlog claims
In the last year

BIG IMPROVEMENTS

346%

increase in number
of payments

1 628
compensation payments
(R79 million)
12 months to October 2015

7 756
compensation payments
(R225.9 million)
12 months to October 2017

Here is a short video of
the days at November
Mqanduli outreach

<https://youtu.be/-Jt66iJsq-E>

SETTLEMENT NEGOTIATIONS

- Last month companies' and claimants' legal representatives jointly wrote to the Supreme Court of Appeal asking that the hearing scheduled for March be postponed until further notice
- This followed announcements earlier in the year by each company making financial provision for the expected cost of a settlement

SETTLEMENT STRUCTURE

- Settlement to provide claimants or dependents with top-up payment, over and above statutory payments
- Payments made by trust funded by six Working Group companies
- Settlement will address both silicosis and occupational TB
- To be closely aligned to ODMWA system so claimants only need to be examined and processed once
- Tracking and tracing potential eligible claimants
- Trust to operate for at least 12 years
- Individuals (miners or ex-miners) will have right to opt out
- High Court has to approve terms of any settlement



FUTURE COMPENSATION SYSTEM

- Companies don't want to continue face situation where inadequate compensation system means companies will continue to have to pay 'top-ups'
- Government, industry, unions, other stakeholders in discussions on transfer of new employees to the Compensation for Occupational Injuries and Diseases Act (COIDA) fund
- COIDA fund previously found by Constitutional Court to be of high quality





**Better awareness
and control of dust**

PROGRESS SO FAR

WE AIMED AT A COMPREHENSIVE SOLUTION TO
OLD COMPENSATION

SO FAR:

How does the group measure up to its initial ambitions?



Engaging all stakeholders



Strong levels of trust built with them



**Resources (human and financial) made
available to increase statutory compensation
payouts by **346%****



**Close to resolving the litigation through
a fair and reasonable settlement**



Integrating compensation systems