



PROGRESS REPORT AND ANNOUNCEMENT OF NEW OPERATING MODEL FOR ASBESTOS TRUST

A 120 year legacy of asbestos related disease has been partially alleviated over the past eight years due to the efforts of the Asbestos Relief Trust (ART), which was founded in 2003 to provide additional compensation for thousands of former asbestos miners throughout the country.

The trust was born out of a court action by former mineworkers against the former Gencor Limited, Griqualand Exploration and Finance Company (Gefco) and Msauli Asbes Beperk, who had acquired numerous asbestos mines in the Northern Cape, Limpopo and Mpumalanga, mainly between 1965 and 1988.

As part of a settlement the ART was awarded R380 million to distribute over its lifetime of 20 to 30 years to former miners who had worked on the qualifying mines, or to neighbours who had been exposed to environmental asbestos, and were now suffering with an asbestos related disease.

While the Deed of Trust placed the onus on claimants to come forward and prove that they met all the criteria to claim, the trustees were proactive in finding and assisting individuals to determine if they qualified to claim. This involved setting up an extensive communication and recruitment network, including regional offices in Kuruman, Burgersfort and Msauli. Experienced local doctors were appointed to examine claimants. The trust paid for all claims related costs.

The trust has since registered more than 14 400 claims and paid R221.7 million to 3391 claimants, with another R8.2million in the pipeline for payment to a further 153 claimants. This includes 70 claims paid to families of workers or other people who were exposed to asbestos within the close vicinity of the former Gencor, Gefco and Msauli mines.

“Claimants have been traced to all corners of South Africa and also in neighbouring countries like Lesotho and Swaziland where many asbestos mineworkers were recruited,” said Jan de Bruyn, chairman of the ART.

“Following an intensive recruitment campaign over the past eight years, the number of claims has started to drop – from about 240 a month in the early days to now about 10 a month in the current financial year. This is testament to the fact that we have been successful in locating the vast majority of people who could potentially have a claim for compensation. Given the reduced demand, the trustees have restructured the trust to improve cost effectiveness, including the closure of the regional offices.”

Whereas claims were previously processed by registered claims handlers, future claimants would be managed by medical practitioners located throughout the country, he said. The doctors would determine if the claimants had a qualifying disease and help them complete the documentation required to lodge a claim with the trust.

Given the very long latency period for the more serious asbestos related diseases - lung cancer and mesothelioma (a fatal cancer of the pleura or peritoneum) - the trustees had ensured that a large portion of the trust funds remained available for possible future payments to former workers who could be affected up to 40 years after exposure to asbestos on the mines.

It was anticipated that in future fewer claimants would be compensated with higher amounts because of the increased severity of the disease over time.

“The trustees are confident that, acting on the advice of senior actuaries, they have struck a fair balance between paying meaningful benefits to current claimants and ensuring that there is sufficient funding to ensure the continued operation of the trust over the next 20 years or so, by which time most of the remaining potential claimants, if any, would have been seen,” he said.

De Bruyn announced the appointment of Kuruman-based Dr Lady Jood, a medical doctor with an interest in asbestos related diseases, as a trustee following the resignation of Mr Crosby Moni, who has been appointed a Member of Parliament.

He also announced the appointment of Piet van Zyl, a trustee, and Walter Dlamini, a trust member of staff, to the recently formed Adjudicating Committee for Compensation Commissioner for Occupational Diseases which was set up by the Minister of Health to deal with outstanding claims under the statutory benefit scheme.