

In this issue... The ART commissioned report on compensation spend, Zimbabwe's continued asbestos mining, Developing new sites and the issue of resettlements, Important meetings ...

Like rain on the desert – the ART 'Great Expectations' report

Paul Stewart, Ross Jennings. 'Great expectations': expenditure patterns and assessment of benefits of Asbestos Relief Trust compensation awards. March 2007.

This research work was commissioned by the ART and presented on 20 June in Johannesburg. Represented were trustees of both Trusts, claims handlers, academics from Wits and the NIOH, the MBOD, NUMSA, Lilly Pharmaceuticals and the Limpopo premier's office. The report examines the experiences of recipients of ART compensation, and to what extent the compensation awards have benefited their lives. The presentation excited intense discussion. The full report is 60 pages long, but here follow selected highlights:



The operating environment was not favourable

Existing socio-economic conditions in the ex-asbestos mining areas of Kuruman, Msauli and Penge were found to be poor - illiteracy was 50%, unemployment was over 30%, half of all claimants depended on welfare, and 20% of households suffered food shortages on a daily basis. In addition, the Trust has inherited anger, resentment and disappointment in the void left by the mining companies. Aggravating this was poor communication and a widespread lack of accurate and relevant information on the provisions of the Trust Deed.

Compensation serviced mainly short-term purposes

For many, payments provided short-term relief from hunger. One third had settled their debts, while others had spent on furniture and household appliances. A quarter had bought transport – typically a donkey cart – for starting a small business. Housing, education and investments in land or livestock were important objectives. Very few had made provision for future medical costs. While the monies were welcome most claimants remained extremely poor. Virtually all claimants had exhausted their once-off lump-sum compensation awards.

Confusion was common, but there were positives

Significant confusion arose around the differing medical criteria for compensation, as well as the calculation of their compensation awards. Most were dissatisfied with the medical information provided on their disease. The obligatory ODMWA/MBOD deductions mandated by the Trust Deed caused significant confusion and dissatisfaction.



The Trust's medical team was highly praised in the report, and overall 60% of all claims were finalised within a year, despite requiring complex medical and stringent administrative processes. Most claimants indicated that the Trust had been helpful and welcomed the assistance received. Compensation constituted social recognition of past labours, although in some cases claimants had to hide evidence of their awards from envious neighbours.

Identifying qualifying claimants raises and attracts hopes and expectations which the Trust is unable to realise. Ironically, being free of an asbestos disease is generally greeted with disappointment where 'asbestos money' is a last hope for financial relief for thousands of potential, but unsuccessful claimants.

The future

While the ART settlement was lauded as progressive and precedent-setting, the overall effect has thus far been minimal. Much work is needed to resolve the issues identified, and sustained strategic advocacy will be required to deal with the ongoing environmental asbestos poisoning as well as compensation claims arising after the dissolution of the Trust. As the Trust matures, its legacy and the significance of its work may go beyond its mandate of compensation for asbestos diseases until 2028. It may demonstrate how Southern African mining as an industry can resolve its negative legacy. Read the full report at www.asbestostrust.co.za, under News





Paul Stewart and Brian Gibson listening intently to the discussions

In his reply to the socio-economic report, Brian Gibson – Chair of the KRT – summarised the Trusts' responses to the issues into "Actionable" and "Not-actionable" items:

The actionables were ✓ Improving the turnaround times of claims
 ✓ Financial advice to accompany pay-outs ✓ Improving our explanations to claimants ✓ Considering if pay-outs can be staggered rather than lump-sum ✓ Encouraging autopsies and benefit examinations ✓ Using the findings to inform the broader mining sector
 ✓ Partnering with government agencies ✓ Getting other asbestos industries involved, possibly to set up new trusts. The not-actionables were ✗ Paying more money to claimants ✗ Social involvement that does not directly relate to the activities of the Trust

Staff News

Cape Town: • Thandikhaya has recently achieved the double of both moving into his own home and obtaining his learner's licence • Our condolences go to Faieza who recently lost two of her close aunts.
 Jo'burg: • Shaheda passed her UNISA exam on Tax for Individuals – a feat seldom achieved at the first attempt! • Tshidi suffered a hit-and-run and had to take sick leave for the first time since she joined in 2005. She has also passed her recent UNISA exams.
 Kuruman: • Phemelo has settled in well and become an integral part of the office and ... ♥ Brenda got engaged on 1st July ♥



Patrocia Beukes poses proudly outside her revamped Danielskuil office with its new dual ART/KRT logo and colours

Developing new sites and the issue of resettlements

Both the Trust Manager Tina da Cruz and Medical Specialist Dr Jim teWaterNaude were in Swaziland recently to scout out sites for claimants who worked at the Havelock/Bulembu chrysotile mine. A mobile chest x-ray service will screen claimants, and is geared to start in the latter third of 2007. A worrying feature was the resettlement of people back into the Bulembu villages, following the pattern of Heuningvlei and Penge.

IMPORTANT MEETINGS

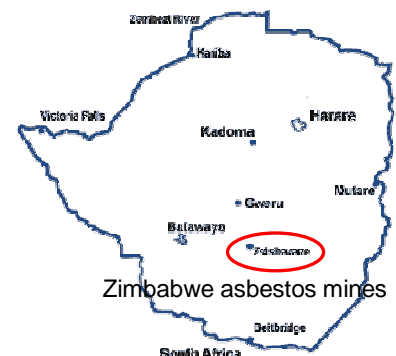
- The Trustees of the ART will meet on 17 July
- **The ART and KRT will hold their AGMs on 21 August 2007 in Johannesburg. Please phone 011-530 8460 for the venue and times.**

SHORTS

A strategic planning workshop with the Asbestos Interest Group was held in Kimberley on 4 July. Led by Phiroshaw Camay, it was very successful. The ART has now paid out a total of R105 million and the KRT has paid out R10 million – these milestones were reached in June. A new user-friendly calculation of payment and explanation sheet which goes to claimants, has been implemented in Setswati, Setswana, Sepedi, English and Afrikaans.

South Africa stands resolute on asbestos ban

On 20-22 June 2007, South African and Zimbabwean government and asbestos stakeholders met in Cape Town to review South Africa's plans to ban any use of chrysotile asbestos. As previously reported in this Newsletter, Zimbabwe still produces and exports large tonnages of chrysotile, and South Africa currently provides both a market and arterial routes for the asbestos. At the meeting, the "safe use" mantra used by industry fell on deaf ears, and South Africa remained intent on fulfilling its pledge to ban asbestos. The South African regulations are in the final stages of preparation by the Department of Environmental Affairs and Tourism. The meeting was followed by a misleading article that appeared in the Zimbabwe government-owned Herald on 26 June 2007 declaring that the meeting had rubber-stamped the continued production, use and exportation of asbestos. For more on this matter, go to the IBAS website below.



http://www.ibas.btiinternet.co.uk/Frames/f_lka_shrinking_asb_world.htm