

Miners face delay in pact over silicosis class action

Hopes have been tempered of a quick resolution to the occupational lung disease class action including thousands of former miners afflicted with silicosis, with expectations of a settlement to take to the courts expected in the next six months instead of early in 2018 as three new companies join the action.



Graham Briggs. Photo: Towerstone

Speaking on the sidelines of the Investing in Africa Mining Indaba, Graham Briggs, former Harmony CE and now chairman of the Working Group on Occupational Lung Disease, said the lawyers and parties involved in the class action were hammering out a complex settlement, with many details that had to be resolved before the matter could be returned to court for ratification.

There were hopes in 2017 that an agreement for which six mining companies have made provisions totalling R5bn could be in place by the end of the December. It was then rolled over to the end of March 2018.

"Realistically speaking, I'd say it's going to be six months before we have something finalised that we can take back to court," Briggs said. "We are close but the devil is in the details and there are a huge number of moving parts."

The six mining companies are Harmony Gold, Gold Fields, African Rainbow Minerals, Sibanye-Stillwater, AngloGold Ashanti and Anglo American. Just recently Pan African Resources, DRDGold and Randgold & Exploration have joined the matter.

In the 12 months to end-October 2017, a total of 7,756 compensation payments amounting to R226m were made to former miners with occupational lung diseases compared with 1,628 compensation payments to the value of R79m in the matching period in 2015.

The funds were paid from R3.5bn in unclaimed funds held in the Medical Bureau for Occupational Diseases as six doctors and senior managers from gold mines were seconded to the fund, stepping up the tracing of former miners in SA and neighbouring countries, leading to the increase in claimants.

The mining companies will pay a lump sum into a trust that will locate, verify and assess former miners with silicosis - caused by breathing silica dust generated during gold mining - and occupational tuberculosis. Once confirmed, the trust would make a payment to the former miners or to families if the miners had died, Briggs said.

Mining companies would not pay the full R5bn into the trust, but a portion of that to fund the trust's work and make payments as claimants came into the system over the next about 12 years and the trust made cash calls on companies, Briggs said.

Source: *Business Day*

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