

Fatal accidents – dealing with families after an accident

A commitment to a workplace free of occupational injury and illness is a key component of AngloGold Ashanti's values and business principles. But, the company recognises that, in instances of fatal workplace accidents, this commitment must then extend to a comprehensive support programme for the bereaved family.

Historically, the South African mining industry, heavily dependent on migrant labour from remote rural areas, did not provide a climate conducive to personal contact between mine management and the families of most employees. Since its inception in 1998, however, AngloGold – now AngloGold Ashanti – seeks to ensure that support for the spouse and children of employees who are victims of mine accidents is part of safety and health management at operational level.

“Since 1999, all fatalities at AngloGold Ashanti operations have been the subject of an intensive review at corporate executive level,” says Manager: Safety John McEndoo. “The focus of the inquiry is two-fold: a technical review of the causes of the accident, and a detailed investigation into the circumstances of the surviving spouse and children, and of the level of assistance that is required.”

As a matter of policy, members of the management team of the mine together with union officers concerned attend the funerals of all employees killed on duty, irrespective of the distance or remoteness of the employee's area of origin. A community chief at a mineworker's funeral in Lesotho made this observation, “Today is the first time that I have seen a management team comprising mainly white people accompanying the body of one of their deceased employees to his last place of rest. No longer are employees merely tools to bring gold from the ground; management now cares about their lives.”

Benefits paid to the families of employees who have died

OCCUPATIONAL SAFETY AND HEALTH

Case study

Compensation for the families of deceased mineworkers is payable in terms of the prevailing legislation in the country concerned, but, where necessary, interim financial support is provided to the family until such time as prescribed compensation or pension payment is available. "Each case is treated on its merits," says McEndoo, "but the guiding principle is that, in a time of severe emotional trauma, people should not have to undergo financial hardship as well."

In South Africa, Teba Limited, a service organisation dealing with the recruitment of mineworkers for the mining industry, which has an extensive network of offices in the labour-sending areas, carries out a critical role in the payment of compensation and provident fund benefits. Mine officials maintain close contact with Teba throughout the process to ensure payments are made timeously and that ongoing communication is maintained with the family.

The company has also made financial provision for the children of employees who die in mine accidents. The AngloGold Fatal Accident Education Fund, known as Masifunde (meaning 'Let us learn' in isiZulu) was established in 2000 and covers the cost of tuition, boarding and books at public schools. Fund benefits apply retrospectively to all children of employees killed in mine accidents since the company's formation in July 1999. Policy guidelines set out in the Fund apply to all AngloGold Ashanti's operations, although, because of the statistical distribution of fatal accidents, focus is placed on the South African operations. The Fund is financed internally as a running expense. Trade unions were extensively consulted before the Fund's establishment, and they maintain an ongoing involvement.

In the South African operations, through a long-standing union agreement, a nominated relative of the deceased will be employed by the company.

While no amount of compensation can make up for the loss of a loved one AngloGold Ashanti endeavours to ensure that compensation is paid swiftly to bereaved families and that they are supported by this compensation despite the loss of a breadwinner. AngloGold Ashanti is frequently asked what compensation is provided to the families of employees who die in a work-related accident. The following information is therefore provided in respect of South African employees:

- Pension/Provident Fund – all employees have the option of belonging to the industry pension fund (Sentinel) or the Mineworkers Provident Fund (MPF). Most mineworkers are members of the latter. Following the death of an employee in service, the MPF pays the following: a funeral benefit, a lump

sum payment equal to the credit in the fund that has been built up by the employee (50% immediately and 50% one year later); a risk benefit of 36 times monthly salary (10% paid out immediately and the balance is invested to provide an income);

- Unemployment Insurance Fund (UIF), or state unemployment fund benefits for South Africa citizens;
- The mining industry insurance fund, Rand Mutual Assurance, which pays a funeral benefit, an immediate lump sum and a pension to the spouse and children under 18;
- Education fund (Masifunde) – to fund the schooling of the deceased's children for the duration of their schooling; and
- Family support and assistance toward funeral arrangements are provided by the company.