1. Compensation Commission for Occupational Diseases on its 2015/16 Strategic & Annual Performance Plan

2. Committee: Health

3. Chairperson: Ms M Dunjwa (ANC)

4. Date of Meeting: 25 Mar 2015

5. Summary

Portfolio Committee on Health
25 March 2015
Compensation Commission for Occupational Diseases on its 2015/16 Strategic & Annual Performance Plan

Chairperson: Ms M Dunjwa (ANC)

Documents handed out:
Strategic Plan of CCOD (2015/16-2019/20)
Annual Performance Plan of CCOD (2015/16-2019/20)

Summary
Within its Strategic Plan, the Compensation Commission for Occupational Diseases (CCOD), detailed legacy issues, achievements, future activities, resources and constraints of the Department. On the matter of legacy, it noted that multiple policy and legal frameworks across the Departments of Labour, Health and Mineral Resources, complicated caring for the welfare of miners. Different agencies and funds dealt with different ailments, complicating the matter of treatment and leading to inefficiencies. Other issues the Commission articulated were a non-functional governance structure, lack of management capacity, lack of specialisation positions, and a lack of financial records and resources. Additionally, its IT infrastructure was inadequate, its turn-around time for claims was poor, and there was no registry system to organise and manage past and present claimant cases.

Looking forward, the Commission was preparing for a valuation of its Compensation Fund
and has submitted a request to the Treasury to increase the annual dispensation to move towards a target of 10% of Compensation Fund value from its current 2%. The Fund is currently valued at R2.9 billion and the dispensation helps to pay for services, administration and service delivery, in combination with levies collected from mines. Vacancy stood at 6%, down from 24% in the previous year, and CCOD hoped to fill the more essential remaining administrative positions soon and expand employment once approval was granted.

Toward these mandates and others, the Commission had thus far achieved: the integration of Medical Bureau for Occupational Diseases (MBOD) and Compensation Fund activities (CCOD), the roll out of two One Stop Facilities (Northern Cape, Kuruman and Limpopo, Burgersfort), improvement of stakeholder communication and consultation, and increased emphasis on the Distressed Mining Communities initiative put forward by the Presidency.

The Commission briefly documented its plan for reform of the CCOD. The CCOD was originally created to provide pensions and aid to a relatively small demographic of white South African miners in the 1960s. Since then it has been deracialised, opening it up to some 2 000 000 miners from the previous 30 000. In light of these changes, legislative reform was necessary to adopt the Act to modern circumstances. Along this vein, the CCOD was establishing decentralised services to reach areas far away from its service centre in Johannesburg, developing a database to quantify new claims, and working on processing the backlog of payments and compensation cases it was experiencing.

Furthermore, it was engaged with tracking current and ex-workers not registered in systems, mapping current and ex-worker geographic distributions, and surveying Tuberculosis (TB) and Silicosis cases in mines.

The main issues the Committee raised with the Strategic Plan were the lack of details on the numerous problems and how they would be solved. Also, there was criticism on the late 2019/20 date for legislative reform, members asking why the final reform would take so long if initial drafts and studies were set to be complete by the end of the year. They also questioned the slow implementation of One Stop Service Centres, seeing them as a solution to the great demand for service in the Northern and Eastern Cape. Finally, they raised serious concern with the registration of claimants and the tracking of miners and ex-miners, both domestic and foreign. The current pace of work and backlog at the CCOD/MBOD made is seem like thousands of miners and their beneficiaries would never be accorded the compensation they desperately needed, because the CCOD was too busy trying to upgrade. They recommended seeking more funding and increasing staffing to expedite service to these cases as quickly as possible.

The Commission responded to these points by asking for the Committee’s assistance in pushing forward the reforms that would solve many of these issues. They are currently seeking additional manpower and a re-catagorisation of their entity to a government component, which would increase their autonomy to pursue these problems.
The Annual Performance Plan of CCOD (2015/16-2019/20) more clearly illustrated the problems with the databases that the Commission was facing. Information on country of claimant, nature of disease, and gender of claimant, was in many cases not available. This complicated efforts to track down unregistered miners and ex-miners, though the Committee made the recommendation that they might access the miner unions, with which every miner was typically registered. Difficulties in the process of claims was also displayed, as some 20 993 (11%) claimants had no certificate of compensation and another 123 440 (62%) had a certificate but their ID had not been confirmed. In terms of payments to compensable claims, roughly half of the 208 098 cases had been paid and half had not. Records of fingerprints were archaic and frequent mismatches with other databases occurred.

The Commission reiterated some governance, management and service issues it expressed in the Strategic Plan. The major concerns of the Committee were what was being done to track down miners and ex-miners that were unaccounted for and fill in the large blocks of information that were not appearing in many of the reports.

6. Minutes

Compensation Commission for Occupational Diseases (CCOD) Strategic Plan (2015/16-2019/20)

Mr Barry Kistnasamy, Commissioner for the Compensation Commission for Occupational Diseases (CCOD), National Department of Health (NDoH) provided background on the legacy issues that CCOD faced followed by its achievements, future achievements, resources, and constraints.

He began with the challenge of the fragmented legislation for compensation. Compensation for mining injuries was dispensed by a myriad of service providers depending on the nature of the injury. Nuances between injuries were as specific as Tuberculosis of the lungs versus Tuberculosis in the bones or spine, greatly complicating compensations. Within governance and management, he noted a non-functional governance structure (Risk Committee), lack of management capacity, lack of employees in specialised skill positions, staff vacancies (26% in 2013/14), and lack of financial records. There were 1 800 entities with mineral resources, but only 20 under the controls of the CCOD. On service delivery side, general benefit medical examinations were only available in Johannesburg, where the main office was located, which could impose difficulties for miners seeking evaluations. Though additional general practitioners, provincial hospitals, mining hospitals throughout the country helped dispense treatment services.

There was no inspectorate to verify revenue from mines and some slipped by without paying levies. Revenues from the levy were crucial as they cover the cost of administration, cost of
services, and benefits. The Compensation Fund only covers the cost of benefits, which frequently leaves the Department of Health having to cover the cost of administration and service delivery.

Mr Kistnasamy detailed issues of minimal stakeholder interaction and poor cooperation with other governmental branches that deal with worker health. The CCOD was further hampered by the lack of a registry or adequate database to quantify claimant numbers, and the lack of a disease surveillance system.

There has been no recent valuation of the Compensation Fund leading to inaccurate annual adjudications out of the Fund. Annual adjudications are 2% of total fund value.

Regarding achievements of the CCOD, workshops on legislative amendments have been held to determine the substantive revisions that need to be made to the old miner compensation act. The CCOD was originally founded in the 1960s to provide compensation for white miners only. It was deracialised in 1993, but no one looked at the specifics of opening a system for 30 000 up to 2 000 000. Recently, workshops have been started with stakeholders like the Chamber of Mines, trade unions, ex-mine worker associations, on amendments to look into substantive changes. Registry and file protection have been outsourced, finally allowing the CCOD to determine the number of files coming in. Though the big issue of the number of unaccounted ex-miners in South Africa and neighboring countries is still at large.

CCOD occupational vacancies have been reduced from 24% in 2013/14 to 6% currently, though employees with specific specialised skills are still sorely needed. An internal audit plan has been put in place to review financial documentation from previous years and an assessment of the IT infrastructure and systems has been made. The conclusion being that the legacy IT system from the year 2000 is inadequate to handle current requirements.

Integration of the Medical Bureau for Occupational Diseases and Compensation Fund activities has been achieved enhancing communication and resulting in monetary returns as the physical offices have been consolidated under one government building.

The One Stop Service Centre initiative was successfully launched with a location rolled out in Kuruman and Burgersfort this year and more forthcoming in later years.

Stakeholder communication and consultation has been improved, and issues of mineworker and ex-mine worker compensation are on the agenda in multiple forums. Additionally, many development partners and NGOs have expressed interest in CCOD activities.

The Presidency recently stressed the importance of development projects for distressed mining communities. Four areas of development were emphasised: socioeconomic development, housing, working conditions, and mining charters. And the CCOD is looking
into the first three. When considering miners, there is an obligation to work with foreign countries due to the migratory nature of the occupation. Many came to work in South Africa, but since then have left to return to other countries, though the effects of their work still remain with them.

Mr Kistnasamy’s report then shifted to issues in the future. Reform legislation of the CCOD was scheduled for 2016/17, and at this point the CCOD was ready with initial drafts. Outstanding audited financial reports from 2010/11 were being prepared for resubmission. After which, the CCOD was ready to proceed with clearing the subsequent 2011/12, 2012/13, 2013/14 financial statement backlog. The CCOD was actively seeking to recruit specialised employees for critical administrative positions. Other issues pertained to around 700 000 cases of compensation applications lacking adequate documentation, which was preventing processing; an unknown number of ex workers, and the limited number of South African mines that CCOD had control over. Further, he reported that out of 200 000 certified claims, 100 000 had been paid thus far (50%). He asserted that with increased financial resources, these issues could meet resolution more quickly.

Mr Kistnasamy took a moment to explain the process of determining miner compensation. First a benefit medical examination needed to be conducted, available at the MBOD, a government hospital or service provider contracted by the CCOD. The results are then sent to the MBOD certification committee to determine whether the diagnosis is correct and whether the person is eligible for compensation and the grade of compensation.

The CCOD was targeting a future turn-around period of three months for claimants with the appropriate documentation. Mr Kistnasamy explained that the Department has submitted a request to the Treasury to increase annual payouts from the Compensation Fund to 10% from the current 2%.

Additionally, Mr Kistnasamy sought a new governing framework, changing the entity's classification to that of a government component. This would increase delegated powers to include matters of staffing, infrastructure, among others. He gave the example of the Government Pensions Administrative Agency (GPAA), which deals with civil service pensions and is allowed the classification of government entity.

He reported that workshops were going to be held next week on the IT database and systems. Contract workers and migrant workers were not covered under the current database, and frequently disease would appear 10-20 years after employment, representing another demographic of workers who slipped through the database. He hoped that mapping studies of workers per district would help get the Department to grapple with these instances.

Current One Stop Service centres in Eastern and Northern Cape were swamped with demand, impressing the need for more centres, which the Department was mobilising resources towards.
Annual Performance Plan of CCOD (2015/16)
Mr Barry Kistnasamy briefed the Committee on the Annual Performance Plan of CCOD.

Mr Kistnasamy addressed the verification of CCOD files. There were some 208 100 claims filed, with the Department occasionally discovering rooms of files from the past. Some 84 436 documents, 41% of the total, had no country of origin listed, which made tracking persons adjudicated funds exceedingly difficult.

The preliminary data analysis of CCOD files revealed 115 825 compensable cases of TB (56%), 35 788 compensable cases of silicosis (17%), and 27 103 compensable cases with the disease not recorded (13%), in addition to other compensable cases of less common diseases. As a result of these statistics, TB was placed high on the agenda for preventative measures.

He drew the Committee’s attention to the gender breakdown of claimants. 168 929 claimants were males (81%), while 5 173 were female (2%); leading to the conclusion that mining is still a male dominated industry at the present. More importantly, 33 998 claimants had unavailable gender data (16%), Mr Kistnasamy offered the suggestion that this stemmed from an administration error, rather than a 16% gender ambiguous mining demographic.

Appropriate documentation was crucial to streamlining the compensation process, though 20 993 claimants (11%) had no certificate of compensation. 52 915 had a certificate with the correct ID (27%), 715 had a certificate with a different ID (0.36%), and 123 440 had a certificate though no confirmed ID (62%). Many times these problems of unconfirmed ID stemmed from either the migratory nature of the occupation and changes of passports, older reports losing documents over time, or a discontinuity with the fingerprint system that still utilised magnifying glasses to check prints.

Of compensable filings, 104 633 had been paid (50%) and 103 465 (50%) were not yet paid.

Mr Kistnasamy returned to the issue of fingerprints and described a database mismatch with TEBA records. 149 736 did not have a record of service (72%) while 58 362 (28%) did. 150 934 did not have a fingerprint record in the TEBA database (73%) while 57 164 (27%) did. He questioned what other databases existed that could be cross-referenced and what databases were available in other countries to verify foreign workers.

Concerning engagement with stakeholders, an amendment or re-write of the Occupational Diseases in Mines and Works Act (ODMWA, 1973) was advisable after holding workshops with interested parties such as the Chamber of Mines, gold mine companies, NGOs, the Department of Labour, the Department of Mineral Resources, and Treasury. He referred to a 2010 case where the Chamber of Mines took the Department of Health to court, opposing the levy raises. Ultimately, the Chamber of Mines lost, but the state still had to pick up the
tab for the legal dispute. Mr Kistnasamy hoped in the future that the departments and organisations would be more collaborative and constructive with one another.

Chief among his concerns was the lack of specialised personnel, especially in the role of Chief Director of Finance, in the organogram. He believed that if more than 2% of the Fund value could be procured per year, many more services could be provided more effectively. The Department reiterated its targets for a turn-around-time of three months for new applications, a database of controlled mines and works, 100% collection of levies, and an increase in inspections of controlled mines and works.

Lastly, CCOD was preparing for a forthcoming actuarial valuation and an external audit, in addition to preparing the 2011/1 audited financial report for resubmission to the Minister and Committee.

Discussion
Mr I Mosala (ANC) began by sympathizing with the challenges the CCOD was facing, but reminded them it was the Committee’s job to hold them accountable. He referred to the Strategic Plan of the CCOD and asked what the CCOD’s plan of action was to correct the lack of audited financial statements.

He added there was no explanation on how the Department intended to reach miners or ex-miners in all areas of South Africa and outside of the country that could not be traced through the system or were not registered with it.

He raised a similar problem with the audit findings – a lack of program of action to turn around the situation.

On the issue of pensioners, he asked for clarification. There was no provision for pensioners under the current Act and so no more were being added, but why then were the annual grants increasing?

Also, he asked what the specific difficulties were with recruiting for the professional positions that were vacant. Was it an issue of reaching candidates? Or was it perhaps funding?

In the Annual Performance Plan of CCOD, Mr Mosala questioned why the development of new legislation would take until 2020, when it was listed as a final quarter target for 2015/16 elsewhere in the document. He believed the amendment of the old legislation was the most important strategic objective for the Department and should be given utmost priority.

Finally, in the attempt to amend the legislation, he asked Mr Kistnasamy what his opinion was on a consolidation of the CCOD and Compensation for Occupational Injuries and Disease Act (COIDA).
Lastly, he asked how much the Department was paying TEBA to get information on miners.

Dr P Maesela (ANC) considered the challenges the CCOD was facing as a mountain, though the resolutions were a starting place for it to get its house in order. He pointed to the fact that the CCOD had to deal with the health of miners, but only controlled $\frac{1}{4}$ of the total mines and seemed to be struggling with only this fraction. He said if money is the issue, it is the CCOD's job to figure out how to get more, as there is plenty of money available.

He defined the CCOD as dealing mainly with TB and Silicosis, though it seemed that most mining injuries were external damage from rock falls and other risks. Related to that point, TB was a disease that sometimes manifested in the lungs but other times was found in the bones or spine. The fact that the Department was only dealing with one classification of this non-compartmentalised disease was a big inefficiency. He concluded by saying that it seemed to him that the Committee and CCOD were discussing some of the same issues they discussed last year, without much resolution since then.

Mr A Mahlalela (ANC) had questions on both documents. The Department reported it had failed to finalise the 2010/11 Annual Report because the Committee rejected the actuarial report. Why did the Department only refer to the finalisation of the 2010/11 annual report when subsequent yearly reports also had issues. He wanted to know whether the reasons were the same for each year and what was being done to clear the backlog.

Under the organisational environment, there was a 26% staffing vacancy in 2013/14, which was currently down to 6%. However, he made the observation that the 6% is misleading because those jobs are mainly administrative and so more critical to the function of the CCOD. He asked what organisational environment the CCOD wanted to create moving forward to attract specialised employees. Within the current organisational environment, the CCOD could not hire these people, so even if the CCOD received the money tomorrow it would not be able to fill these positions. What was its vision for five years from now?

Mr Mahlalela asked where the fund was allocated and how much Mr Kistnasamy was requesting beyond the annual Fund payout. He asked whether the budget by year included the fund, as there was a discrepancy in figures. He ultimately wanted to know what the CCOD wanted the Committee to get approved in Parliament when they went back to them.

He questioned why it took so many years to establish One Stop Service centres. Two were established thus far, but why did the pace of implementation have to be at two per year when the challenges facing miners were so great. Was it a finance related issue? He also forwarded the issue of the thousands of miners outside of South Africa and the lack of One Stop Centres to service them.

Within the legislative process, it seemed the CCOD would finalise consultations on amendment by the fourth quarter. He questioned why then the process was set to start in
2019, in line with Mr Mosala’s question.

Ms L James (DA) inquired about the backlog of compensating beneficiaries: out of the 10 000 that had been assessed only 150 had been compensated on a monthly basis. She asked when this inadequacy would be bridged and what were the time frames on that. She also brought up the issue of the registry to track those who deserved proper compensation and issues with the quality of services offered by decentralised general practitioners around the country that worked with the CCOD.

The Chairperson said the inspectorate would really appreciate it if the CCOD could give the actual number of inspectors and clarify on any differences in inspectors throughout the country.

She then raised concerns for the people of South Africa suffering in mining while the CCOD was sorting itself out. She said that while the CCOD was waiting for a state-of-the-art IT system to solve its problems, people were getting sick and dying and the government was being blamed. She entreated the CCOD to ask Treasury for more funds to bring in more people to process the old system while the new one was being developed.

Further, she requested that in the next quarter, more qualitative information be provided to temper the figures and tables. Information on whether people were using these One Stop Service centres, were their relatives coming, and collection of all the names, she deemed important.

She said she was getting the sense that the Compensation Commissioner and his team were more administrative and neither proactive nor coming forward to assist. She referred to the Freedom Charter and how the Committee would ask difficult questions to which they expected answers, but a lot of what they were getting was administrative. She agreed with Mr Maesala’s point on the issues associated with different organisations covering different types of TB. Next quarter the Committee would want detailed information on what is going on.

Ms M Scheepers (ANC) was curious about the compensation for miners and how the families of miners were compensated if the miner got injured. There were hidden costs in caring for injured miners besides medical bills; the costs of pain and lost income, and the costs of taking care of them. Were these additional costs on families being considered and in the event of death, were miner’s compensations transferred to the family?

Ms James inquired into discrepancies between treatment periods and compensation periods.

**CCOD and Department of Health response**

Mr Kistnasamy started by welcoming the Committee’s inputs and complimented them on being so well read. He took into account the omissions between the document he presented
and the full version he was unable to present due to time constraints, and said he would provide the details.

As far as the CCOD was concerned, Mr Kistnasamy believed he and his team came from a background of boots-on-the-ground work. Though the current legislative issues called for complex administrative processes, they had not forgotten their roots. He detailed some of his past experiences in working with trade unions on occupational safety and difficult health and rights of mine workers cases in the 70s and 80s. He had personally managed post-mortems during crises and though his cluster in the Department is sometimes seen as public enemy number one, he wished to expose his historic personal commitment to positive change.

Mr Kistnasamy said he would deal with financial reports and report on One Stop Service centre services and handed over to Mr Pillay to respond about the legislative process.

Mr Anban Pillay, Deputy Director General: Health Regulatory and Compliance Management in the National Department of Health, dealt with the issue of legislation timing, describing the intention to develop a finalised version of the new legislation, including consultation with stakeholders, and to submit it to the Cabinet and Portfolio Committee for approval in 2016/17. They assumed that this first would take a year and it would be ready for implementation in 2017/18. He pointed to the Quarterly Targets and how it was listed what the CCOD intended to achieve for this financial year.

Mr Kistnasamy went on to the control mines and non-control mines and policy and inspectorate issues. He asserted the clinical service delivery model was not as straightforward as the compensation fund. Other types of TB that afflict other parts of the body besides the lungs were unknown of when the legislation was made leading to the service inefficiency. However, given current medical knowledge, he agreed a change should be introduced to simplify service provisions. Another deficiency resulting from the antiquated nature of the legislation was the lack of provision for those not living in South Africa and the lack of cross border services.

He highlighted the importance of consultation with stakeholders, like trade unions. Without consultation he got the impression that some could perceive the CCOD was trying to push an agenda. Though with the help of the Committee, legislation and processes could gladly be fast-tracked.

On the general audit reports from 2010 and onwards, the same problem was reoccurring and preventing finalisation of later general audits 2010/11, 2011/12, 2013/14. In 2010/11, the trade union and Auditor General did not accept the finalised 2010/11 document due to a liability issue with the CCOD not verifying certain mines. This hiccup was causing the backlog in later audits.

Additionally, accounting records were incomplete on both the revenue and the expenditure
side making it difficult to rectify accounts year-to-year and close following year balances. The turnaround strategy for this issue was to get the records correct, establish a registry and start collecting more comprehensive data. The Department claims to have adequate financial staff, though they recently strengthened it further.

In terms of backlog documentation ordering, the Strategic Plan describes how 2011/12 must be dealt with first, followed by 2012/13, 2013/14, and thereafter, the annual valuation on the financial turnaround strategy.

Pensioners were accommodated in the old legislation, as defined by Act 64 of 1962. These benefits only covered white South African miners and the addition of new pensioners was ended with the deracialisation of the legislation. The increase in the pension grant was an artifact of general state grant readjustments by the Minister of Finance, which also covered grandfathered miner pensions. Provisions for out of country miners was another issue that the Committee raised that was dealt with in the original act, but would be dealt with in the upcoming legislative reform.

Mr Kistnasamy said the CCOD was talking to development partners for legal inputs in the wider mining industry conversation. They have requested funds to help with service delivery and have received mostly donations. He asked how members felt about this model. He asserted that this Act should have originally been funded entirely by the industry, as opposed to burdening the state.

The issue of control versus non-control mines was an issue for a meeting of joint committees. Workers, ultimately, don’t understand the differences. Workers from non-controlled mines were covered by Rand Mutual, while the CCOD covered controlled mines.

In response to Mr Mosala’s question, he replied the CCOD does not pay TEBA directly for information on miners, but rather, beneficiaries of miners go to TEBA and pay R90 for a record of service history. Though he believed this service should be free. Additionally, he made the point that the TEBA database coverage was incomprehensive, specifically citing that it did not cover contract workers or locally recruited coal miners.

Regarding the confusion on the budget values and Committee approval, Mr Kistnasamy said the Committee was approving MTF expenditures. R 2,9 billion is the value of the Fund and the expenditure plan described how much was collected and spent. Mr Kistnasamy wanted to make clear that he could not properly run services with the annual 2% of Fund value that was dispensed, in addition to mine levies.

Mr Tladi Ledibane, Medical Director of MBOD, provided some clarification on the TB issue; cases of TB and PTB around the heart lining would be compensated, but nothing more extensive than that outside of the CCOD’s case scope. Afflicted miners would be compensated for loss of income for however long TB kept them out of work plus some
residual relief. Most patients they see are diagnosed with 2nd degree cases of the disease, recommending permanent termination of mine work for them. This, he added, was the unfortunate nature of mine work.

Mr Kistnasamy explained that degree of disease is determined by degree of disablement of lung functionality. He believed below 40% disablement qualified as 1st degree and above 40% disablement - 2nd degree, though he was unable to recall with complete certainty.

Ms Shireen Pardesi, NDOH Chief of Staff, credited the Chairperson for her quality observations and agreed the Department should go to the ground level more often. Regarding outreach programs following last year’s discussion with the Committee, most have been implemented in all provinces. There have been five meetings with ex-mine workers in Khayelitsha, outreach programs in South Africa and outreach programs abroad in Swaziland, Lesotho, and Botswana. Reports were available of ex-miner engagement if the Committee requested. In Swaziland, the Department was working closely with the Swazi workers union, in Botswana a clear program of action was employed since South Africa clearly employs their workers and then sends them home sick.

She assured the Committee that all outreach programs have had extreme support in municipalities from chiefs, community development workers and workers on the ground. The DOH Director General gave the CCOD 29 technical support officers to help clear the physical filing backlog, which was expediting the process tremendously. The Eastern Cape in particular spent time and committed resources to initiatives in East London, Umtata, and Port Elizabeth. Uptake was very positive in Port Elizabeth and there was strong demand for services in Mpumalanga. The Department would send a list of doctors that had been recruited to help the dispersion of services.

On the issue of slow implementation of One Stop Service centres, the Department had to determine optimal locations for the efficient dispersion of services. They expected at least 10 One Stop Service centres in the Eastern Cape to meet demand in that province.

Ms Pardesi explained that the nine mine inspectors the Department employed had health or environmental health backgrounds and a professional skill set that was not easy to find, explaining the apparent shortage. In addition to mine inspection, they preformed TB surveillance and visited neighboring hospitals and health facilities to collect health records. Typically mine inspections take one to two days, and the number of mines inspected since November had exceeded targets. She reported that the Department had an additional five inspectors that solely investigated the financial condition of the mines, bringing the total number of inspectors to 14.

Mr Kistnasamy addressed the backlog on compensation filings and beneficiary tracking by referring the Committee to the reform strategy of the CCOD outlined in the Strategic Plan of the CCOD. Of the 100 000 claimants that have not been paid, if they had passed away, the
money would transfer to their beneficiary. These beneficiaries would be located with the help of the mapping strategy that was outlined elsewhere in the document. About 700 000 files have not gone to the certification committee because of missing documentation. There is only one certification committee that has the capacity to clear about 50 documents per day. Grouping cases by compensability and disease type and suspending certain investigation clauses could potentially increase processing capacity. Increasing the number of committees was difficult because of the technical skills required to process chest x-rays and clear medical documents.

Ms Pardesi alluded to problems of misinformation, citing an individual in King Williams Town that had relationships with the miners and was organizing and spreading false information. This was a serious issue and on one occasion, Department staff had to run from a meeting and police had to be called in to quell the crowd.

Mr Maesela emphasized that expediting the amendment of the legislation would help cover a lot of ground for the Department. He then asked whether the Mutual Fund got the post mortem reports from the Department. He also inquired into who performed the lung function test.

Mr Mahlalela alluded to the 2007/08 government appointed Taylor Commission that looked into the Social Security system of South Africa. He asked whether this report and integration into the forthcoming Social Security reforms had been considered. He recommended increased involvement with the process and integration.

He then asked for clarification on slides in the APP presentation. Page 8 described compensation of current and ex-workers, whereas page 6 only described compensation of ex-workers. He assumed that this also included current workers.

He raised concerns that the presentation of the strategic five year plan did not make clear what the CCOD needed to do to address deficiencies moving forward.

Mr Mosala asked for reaffirmation that the obstacle to realizing a single legislative regime was effective audited financial statements.

He also pointed out that the documents did not address relationships with mine workers in unions. He suggested that every miner belongs to some type of union and so it would be easy to trace current and ex-miners through union records.

The Chairperson referred to research being conducted by the Department and asked if the Chamber of Mines was providing any assistance.

Mr Pillay responded on the topic of legislation, indicating that a set number of bills could be presented to the Committee annually, making unprepared submissions wasteful. Treasury
had set up a committee composed of the Departments of Labour, Health and others, to investigate and report on Social Security – though they frequently were concerned with conclusions on the costs. He acknowledged that the current compensation system was inefficient and fragmented and a single system dealing with all worker diseases was important.

On the organisational structure, the approval of the Director General was required to add additional posts and the Department would report back once such approval had been granted.

Mr Kistnasamy said he anticipated a lot of issues with corruption, but only had anecdotal evidence. As more refined data was collected, he expected anomalies and cases to reveal themselves. At present such investigations were thwarted by incomplete data.

The cost of One Stop Service centres stood at R10 million for the physical units, which included an administrative wing, a medical wing, and a rehabilitation wing. Staffing the unit with one doctor, nurse and administrative clerk cost around R2 million per year.

Mr Ledibane replied that the Department did not perform the post-mortems. The heart and lungs of some deceased miners were used to track the progression of the disease, though these organs were often poorly preserved by the organisation that did conduct the post-mortems.

The Chairperson made some concluding remarks about how the mining industry was dehumanising the people of South Africa. She added that having merely nine inspectors to cover the hundreds of mines in South Africa was simply unacceptable. Lastly, she entreated the Department to go back and look at issues raised by the Taylor Report on the Social Security system.

The meeting was adjourned.