

ArcelorMittal is having 'a negative impact'

Bench Marks Foundation says steel producer claims it's socially responsible but the reality on the ground is something quite different

GLOBAL steel giant ArcelorMittal is having a negative impact on the environment, its employees and the communities in and around Vanderbijlpark, according to a research report by the Bench Marks Foundation released yesterday.

Despite the company's vision to produce safe, sustainable steel, to pursue operational excellence in all business processes, to care for the environment and communities in which they operate and to become an employer of choice, the research showed a totally different picture, said Bench Marks.

"Through interviews with community members, employees and ex-employees and research using the company's own policies, a picture of persistent exploitation, flouting of environment laws and a poor record of resolving grievances became clear.

"These issues topped the list of injustices that has boosted the company's success at an astonishing cost to the community," said the report.

Researchers found that the steel giant's corporate social responsibility, health and safety and environmental policies appear as high priorities on paper, but are almost entirely absent from its operations on the ground.

"Furthermore, it prioritises productivity over the environment, communities and fair labour practices."

The report highlights concerns raised from the surrounding community about the abnormally high risk of injury to workers, with insufficient compensation.

"Through our research, we found that a shocking 49% of residents and workers surveyed are suffering from respiratory problems," says John Capel, executive director for the foundation.

"Many workers and ex-workers also suffer from a loss of eyesight and hearing, but what is very worrying are the fatalities that occur within the mine.

"Some staff, who wished to remain anonymous due to fear of intimidation, told researchers that deaths in the company are higher than what is recorded, but that the company does what it can to prevent the information from reaching the media or anyone else," he said.

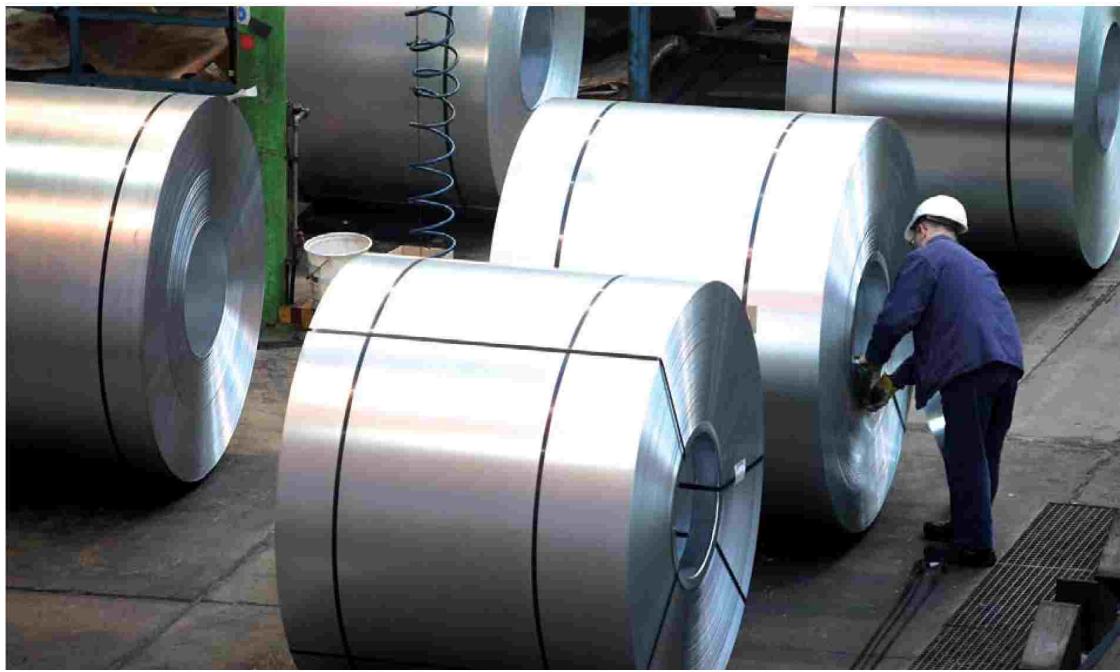
According to ArcelorMittal's safety, health and environment policy, these areas are company priorities:

"The wellbeing of our workforce and contractors is our number one priority. A strong health and safety culture is instilled at every level of the company and is supported by a robust set of safety standards. The company is committed to continuous safety improvement to reach its goal of zero fatalities and injuries."

ArcelorMittal has, in the policy, committed itself to:

- Occupational health and hygiene;
- Having a committee oversee all issues relating to occupational health and hygiene;
- Legal and moral responsibility that protects the health of its workers;
- Identify, manage and eliminate any undesirable impacts its operations may have on the health of employees, contractors and any other stakeholders on its premises;
- A holistic approach to HIV/Aids;
- Manage its environmental impact.

It recognises that its steel-making processes have many potentially harmful effects including CO2 gasses, SO2 emissions, the disposal of slags and other waste, high water consumption, pollution and wastage and high



COSTS: ArcelorMittal has been blasted for damaging the environment and worker and community health. PICTURE: GETTY

energy consumption; and
• Compliance with current environmental legislation in South Africa.

Capel said that ArcelorMittal needs to seriously re-visit its policies and urgently address the shortfalls.

"It needs to, with haste, improve working conditions within the company so as to reduce the fatalities and injuries

experienced and drastically cut down on its carbon footprint."

He also said that the company needs to properly compensate the many ill and injured workers as well as establish a health trust for members of the community who have been impacted upon by the company's operations.

The researchers of the report found evidence that the steel giant disposes of large amounts of polluted water incorrectly, which pollutes underground water and negatively impacts agricultural activities in the area.

The study also indicates that the company declined to provide any information for the report.

ArcelorMittal was founded as government-owned Iscor in 1928 and through various mergers became known as ArcelorMittal in 2007. It is the largest steel producer on the African continent. It produces 7.8 million tons of liquid steel a year and employs 9 000 people in its Vaal operations, most of whom live in the surrounding areas.

Globally, it owns steel mills in 14 countries, and CEO Lakshmi Mittal is among the top 10 richest people in the world. - Sapa