Gold Fields: AIDS impact in South Africa

Chris Thompson

Chris Thompson has played a prominent role leading the South African business community in working with the government on AIDS prevention and care programs. He is chairman of the World Gold Council, an association of the world’s major gold producers which promotes the application and demand of gold. He has been a director of Gold Fields since May 1998 and chairman of the board since October 1998. He was the chief executive officer of Gold Fields from October 1998 to June 2002. Thompson has more than 34 years of experience in the mining industry. He is also director of TeckCominco Corporation and is a past director of the South African Chamber of Mines and of Business against Crime. He has a BA from Rhodes University, and an MSc (Management Studies), University of Bradford.

Early prevention methods are vital to halting the spread of AIDS, said Chris Thompson while addressing the Global Executive Forum on this killer disease’s cost to South Africa and Gold Fields’ efforts to contain its fatal advance.

"The problem is that once HIV, the precursor to AIDS, starts running in a country, it takes off and it's difficult to control it," said Thompson, pointing out that "97 percent of people with HIV get AIDS."

In South Africa, where there is a lack of government leadership in addressing the problem, companies like Gold Fields have stepped in to fill the vacuum. Considering that 20,000 of Gold Fields’ 50,000 employees are HIV positive, Thompson readily admits that it’s in the company's best interest to do so.

The cost to Gold Fields for dealing with one person with AIDS is huge, 185,000 rand or $30,000 in U.S. currency. Medical care eats up 59 percent of this amount; absenteeism 15 percent; losses of productivity as the sick get gradually sicker 22 percent. Funeral leave and training costs account for the balance. Another calculation puts the cost at US$3.22 per ounce of gold produced.

"It's a huge cost to us to do it with no help from the government.

"But there is a lot that can be done through prevention, educating the public about the consequences of unprotected sex and effecting behavior change.

Mortality rate

There's good news and bad news about the HIV/AIDS story in South Africa, said Thompson.

"The bad news is that 20-25 percent of the current population will die from AIDS over the next 20 years. This less than doubles the current mortality from other things. The life expectancy in Africa is 50-60 years. That means something like 1.8 percent of the population dies every year.

"The good news is that with proper treatment it will take a long time before AIDS starts filling the morgues with thousands of people. But because the mortality rate is not so dramatic it doesn't frighten people into behaving responsibly in their sexual liaisons. HIV/AIDS is a heterosexual disease in South Africa and females, strangely, are more susceptible than males.

"People get HIV but they continue to live, while more people come into the work force and get HIV so that your total prevalence rate instead of going down tends to keep climbing. If you can be effective at prevention it changes the whole picture and the rate of increase goes down.

While Gold Fields does provide ART to its employees and it is effective in extending life, Thompson said there are a lot of complicated issues associated with it. Furthermore, it's not a cure.
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"Relying on anti-retroviral therapy, which has been successful in the U.S., is not necessarily a solution in South Africa. It's only successful where people will take the pills in the morning and in the evening religiously. There can be toxic side effects. But we're using it, a few other people are using it and so far we haven't had much problem with toxic side effects.

The South African government has not wanted to use ART, claiming there is evidence that if only five percent of the regulated dose is missed, drug resistance occurs, the disease mutates and the therapy doesn't work. "We have yet to find out whether that's true because full scale use of ART is just starting in South Africa.

"President Thabo Mbeki does not believe there is a connection between HIV and AIDS, and he is backed by a board of inquiry which he appointed to study the matter."That's why we have AIDS in South Africa and why a whole bunch of people are going to die.

"Pressure from Nelson Mandella and others on Mbeki and the Minister of Health has gotten them to agree to distribute ART free to those who want it. The pharmaceutical companies are going to provide it at almost no cost. In the U.S., a full course of ART costs $10,000 to $15,000 a year. It will probably cost 20-50 cents a day in South Africa.

"Unfortunately, the government now has to deal with AIDS instead of prevention, which would have been a much more effective strategy," said Thompson. "The lack of vision to see the consequences and take immediate action has been appalling."

Politically charged

Part of Gold Fields' prevention program is to promote the distribution and use of condoms. "We provide free condoms to the work force, about 150,000 a month. In the Western Areas, Gold Fields and NGOs are handing out about 2 million condoms a month.

One of the biggest issues in South Africa when dealing with AIDS is "the prohibition on testing, which is a politically charged issue." Thompson believes that allowing companies to discriminate against prospective hires on the basis of their HIV status would serve as a deterrent to the kind of behavior that leads to HIV.

There is "a tremendous social stigma if you get AIDS. Consequently, there's an unwillingness among the people that have HIV to come to grips with it and deal with it on a personal level. So people won't test. They live in denial. There's a whole culture of denial that I think runs through the government and runs through the population.

"Roughly 20,000 people are HIV positive on Gold Fields mines. But only 500 so far have come in for testing. That's the stigma."

Thompson referred to a statute that proposed to prohibit testing for HIV. It was put forth by a prominent South African judge who is both gay and living with AIDS.

"Prohibiting testing is kind of like flying a plane without instruments. You have no idea what's going on. You don't know who's got AIDS, whether the prevalence is going up or going down. You can implement programs to try and effect it, but you don't know whether they are being effective because you're not allowed to test."
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"The unions, which were initially behind the statute, are starting to understand that this is a totally self-defeating policy."

Gold Fields encourages testing through its IVCTC program Ð Ð informed voluntary consent testing. "People consent to be tested and if they are found to be HIV positive, we put them on a schedule where they get counseling and a special wellness management program.

"We've learned in our business that good nutrition, good exercise and access to medicine defers the conversion from HIV sick to AIDS sick by years."

Medical system

Gold Fields owns three hospitals and some 20 clinics, most of which are in South Africa. "These are world class hospitals fully equipped and with well-trained physicians. We provide complete free medical, top to bottom. We aim to give a comprehensive response to minimize the AIDS impact at a minimum long-term cost, keeping the company financially viable while humanely trying to deal with AIDS.

Last year Gold Fields started an intensive awareness campaign, determined that the work force would not see one more case of HIV from that point on. The result: "You cannot get HIV in Gold Fields and claim you didn't know about it."

There is a connection between HIV and STI, sexually transmitted infection, said Thompson. "HIV is highly virulent if either party has any kind of STI. So the key to controlling transmission is to control the STIs."

Thirteen mine-based clinics provide free testing for STI and free immediate treatment. "We have ten clinics in the communities around the mines that we've donated and they work full time. Treatment is free and it's anonymous."

Not only does the company track the typical AIDS pathways, it also tracks the prevalence rate of the disease among the miners. "The model is now saying that we've peaked. The worst is over in terms of prevalence."

For some, prevention comes too late. "Workers who become terminally ill tend to want to go home to die. Home is usually in a rural area where health care is not available. So we started a nationwide program to provide quality home-based care in these areas and ensure that somebody is there to make life easier for the person in the last year or two of life. The government and other large mining companies have picked up on the program."

The epidemic is starting to slow down in the country, said Thompson. "We'll suffer, but strangely enough, South Africa will continue to grow and continue to grow economically."
Global AIDS

- +65 million worldwide have been infected with HIV
- +44 million today are HIV positive
- +20 million have already died of AIDS
- +28 million of the 44 million are in Africa
- 5.3 million of South Africa's 42.8 million population have HIV/AIDS - approx. 11.8% prevalence

Legends and myths

Rural legends and myths abound in South Africa. "One of the more prominent ones is that sex with a virgin cures AIDS. It has led to some of the most appalling crimes you've ever heard of. Babies less than one-year old are being raped by adult males.

"This myth endures around the country along with a bunch of other legends and beliefs that are difficult to eradicate. All of this makes it difficult to convince people that they need to be accountable for their own actions and for the consequences."

About Gold Fields

Gold Fields produces 4.5 million ounces of gold a year from reserves of 82 million ounces. The company has operations in South Africa and Ghana and gold and platinum metals exploration activities in Africa, Australia, Europe, North America and South America.

With over 50,000 employees, Gold Fields is the world's most profitable gold mining company and is the third largest by market capitalization. It trades under the symbol of GFI on the Johannesburg, Paris, London, Brussels and Swiss stock exchanges as well as on the New York Stock Exchange in the form of ADRs (American Depositary Receipts).