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Asbestos Victims Support Groups Forum UK

News Release

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No Embargo

Minister Slams EL Tracing Scheme as “Unacceptable”

Lord McKenzie, in his forward to the latest Review Statement of the tracing scheme for employers’ liability insurance, says that the performance of the tracing scheme is “unacceptable”.

The latest results of the Review Body, 1 Jan. 2006 to 31 Dec. 2008 show that 78% of tracing enquiries related to post 1972 enquiries, the date from when employers’ liability was compulsory, yet only 46% were traced. Overall, only 45% of enquiries were successful

Post 1999 enquiries, which should have shown a 100% success rate because insurers agreed to hold data from 1999 onwards in a readily searchable format, showed a mere 50% success rate.

The long latency of asbestos diseases has meant that asbestos victims are especially badly affected by the failure of the tracing scheme. The report indicates that the success rate for mesothelioma enquiries was only 52%.

Lord Mckenzie stated that he is currently considering introducing an Employers’ Liability Insurance Bureau, an insurance fund of last resort, which would guarantee insurance cover where policies cannot be traced.

Ronald Tetlow who is seriously ill with mesothelioma, a fatal tumour caused exclusively by asbestos, says:

“I worked for an established engineering company, Henry Crossley (Packings) Ltd. in Bolton, which was taken over in 1988. I cannot accept that my company did not have insurance when I worked for them until 1970. A court ordered £111,000 in compensation, which I had hoped to leave to provide for my children, but the insurers cannot be traced. The compensation system is nothing but a lottery. It is a disgrace.”

Tony Whitston, Chair, Asbestos Victims Support Groups Forum, said:

“It is hardly surprising that Lord McKenzie has lost patience with the tracing scheme, which has had 10 years to improve its performance. Every year’s grace given to this hopeless tracing scheme, means that hundreds more asbestos victims die uncompensated and insurers reap the rewards of the failure of the tracing scheme which they run, and which has provided such benefit to them. We are calling on Lord McKenzie to act now to legislate for an Employers’ Liability Insurance Bureau.”

For more information contact Tony Whitston, Chair of the Asbestos victims Support Groups Forum. Tel: 0161 636 7555; 07748189837

Notes for Editors

The Association of British Insurers (ABI) and the Lloyd’s Market Association (LMA) have been operating the Code of Practice (ELCOP) for tracing employers liability insurance policies since 1st November 1999. The ABI runs the Tracing Service.

Insurers undertook to hold data from 1999 onwards in a readily searchable format. The report expresses shock that the success rate for this specific category should be so low – 50%.

An HSE report says over 99% of employers held EL insurance after it became compulsory in 1972, yet only 46% of enquiries were traced.

Motor accident victims, who are injured by drivers who have no insurance are protected by the Motor Insurance Bureau. Injured workers have no comparable protection.

Latency for asbestos diseases is typically 20 to 40 years. Mesothelioma is a fatal cancer, principally of the lung pleura, for which there is no cure and life expectancy from diagnosis is about 12 months.

Tracing Report HYPERLINK "http://www.dwp.gov.uk/docs/elcop-review-2008.pdf"
<http://www.dwp.gov.uk/docs/elcop-review-2008.pdf>