



Hon Greg Smith SC MP

Attorney General
Minister for Justice

MEDIA RELEASE

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RESPONSE TO REPORT ON ASBESTOS COMPENSATION

The NSW Government has today announced its response to the Law Reform Commission's report on compensation to relatives.

The Attorney General, the Hon Greg Smith MP, said that the Government had reluctantly decided that it would not be appropriate to implement the Commission's recommendations.

This followed legal and actuarial advice that indicated that to do so would have constituted a material breach of the Asbestos Injuries Compensation Fund (AICF) Funding Agreement.

That Agreement was entered in 2006 into following negotiations between the NSW Government, unions, victims' representatives and James Hardie. It includes a provision under which the NSW Government promised that it would not legislate to increase or decrease damages for dust diseases.

The AICF Funding Agreement is the key mechanism by which Australian asbestos victims continue to have access to around \$1.5 billion in compensation funding from James Hardie. The Agreement will run for at least another thirty years.

"The Government appreciates and regrets that this response will disappoint some asbestos victims and their families," Mr Smith said.

"However, we hope that they will understand why the Government needs to consider the importance long-term of providing certainty of continued compensation to all asbestos victims, both current and future generations."

For the Government's response, including the legal and actuarial advice, go to:

http://www.dpc.nsw.gov.au/about/accessing_dpc_information/dpc_disclosure_log