RTZ threatens critics

By Rafaq Mughal

Sir Anthony Tuke, the chairman of Rio Tinto-Zinc Corporation, has given a strong hint that last year's tough attitude towards dealing with noisy and controversial annual general meetings, will, if necessary, be repeated again.

Last year, the mining giant's annual general meeting, was brought to an abrupt halt during persistent questioning from dissenting shareholders about the group's interests overseas, particularly in Namibia and Australia.

Sir Anthony, an old hand at dealing with such situations, particularly during the years he headed Barclays Bank, tells RTZ's shareholders this morning in his annual report that "many of those who come to our meeting would prefer to see it conducted in a more traditional way, concentrating on questions directly related to the performance of the company."

Pointing out that it is every company director's responsibility not only to conduct the meeting in an "orderly" manner, but also to give every shareholder, no matter how small, every opportunity to "question and criticise them on any matter connected with the report and accounts." Sir Anthony says that the vast majority of shareholders are becoming "increasingly frustrated and annoyed by the repetitive and often political nature of the questions."

"These shareholders would prefer to curtail the meeting and take the vote after a reasonable time and of course they have the votes to carry out their wishes if they so decide." The next AGM is to be held on May 26 at the Europa Hotel in London.

For a number of years now the group's AGMs have been dominated by questions over its involvement in Southern Africa.

RTZ's critics have maintained that the mining giant is breaking UN sanctions and resolutions by continuing to operate there.

Annual general meeting

Shareholders are probably aware that during the last few years our AGM has often been lengthy and somewhat noisy, and many of those who come to our meeting would prefer to see it conducted in a more traditional way, concentrating on questions directly related to the performance of the company.

Directors of any publicly quoted company have a clear responsibility, not only to run the meeting in an efficient and orderly manner, but also to give every shareholder, no matter how small his holding, an opportunity to question and criticise them on any matter connected with the report and accounts. Directors should not in any way discourage, still less be irritated by this practice, but it does place them in a dilemma as the vast majority of ordinary shareholders, those who buy our shares, because they want to be associated with the prospects of our company, are becoming increasingly frustrated and annoyed by the repetitive and often political nature of the questions. They would prefer to curtail the meeting and take the vote after a reasonable time and of course they have the votes to allow directors to carry out their wishes if they so decide.

The board would obviously prefer an orderly meeting, even if it is dominated by shareholders with one share and have no wish to disrupt the discussion. They are naturally aware that protesting shareholders are well organised, usually have their own meeting before the annual general meeting to work out their tactics and that many of them have travelled from as far away as Australia and Canada to reinforce views already put at public company meetings in those countries.

Thus it is obvious that the board has no easy task in aiming to give a fair hearing to the protesting shareholders and at the same time to carry out their duties to the overwhelming majority who would much prefer a more normal and peaceful meeting.

Anthony Tuke
(Form 34)
Glazed expression from Britain's leading Thatcherist, during historic visit to THERM-A-STOR factory in Plymouth, 1983.

A tiny "David" is locked in do-or-die battle with the ice-hearted giant EVEREST window company. EVEREST is 100% owned by RT-Z and is probably the corporation's best-known public front.

It all began when John Morris, chair of THERM-A-STOR grabbed 6% of the double-glazing market, thus threatening RTZ's 22% lead. At this year's Ideal Home exhibition the two companies did battle royal, and my goodness! did the glass fly!

First THERM-A-STOR was hit with a writ by EVEREST for claiming it offers better insulation than its frosty rival.

Then, THERM-A-STOR was shoved off its pitch at the IH exhibition - at a cost of £30,000.

Next, THERM-A-STOR was stopped from using a 110lb steel ball to demonstrate its warm-hearted resilience - only to discover that EVEREST had all the balls on its stand when the exhibition opened.

Then EVEREST got the IH organisers to order THERM-A-STOR to withdraw all its advertising from the exhibition.

Its cool finally cracking, THERM-A-STOR went to court and got an injunction against EVEREST. And that's where the whole paneful business rests - except that THERM-A-STOR now claims EVEREST (ie RTZ) has cut-off two sources of aluminium supply.

**MNC versus EEC**

"Ritual horror" is how author John Robinson describes the reactions of multinationalists to attempts to control their activities. In a lengthy study "Multinationals and Political Control" (Gower, 1983) he concludes that MNC's are going all-out to "emasculate" (doesn't he mean the opposite? eda) proposed legislation, especially in the EEC, designed to stop the companies evading taxes, manipulating foreign exchange controls, keeping workers off the boards and holding back on information.

Meanwhile, Walter Goldsmith, director general of the Institute of Directors, has warned his cronies that Trade Unions are "...increasingly trying to diversify the investment policies of pension funds away from commercial considerations, towards political ones!"

Good news - if it were really true! (source: FT 31/3/83 and Guardian 2/5/83)

**Don't say we didn't tell you...**

"...some of the problems related to the acquisition of mineral rights could be eased by more use of the Mines (Working Facilities and Support) Acts. These are unique in English law in that they permit the compulsory acquisition of land from the owner for the private commercial gain of another. Introduced originally for the benefit of private coal companies, they have never been fully utilized by the mining houses and could provide a useful means of aiding exploration negotiations for a range of minerals." (Mining Journal report on conference on prospecting in the UK, co-organised by the DMM, of which Sir Alistair Frame is new Chair of Council. Source: MJ 29/4/83)

**NO COMMENT...**

"News of a tentative agreement being reached between Kennecott of the US, one of the world's biggest producers of copper, and unions, over a new three-year contract put the market under pressure initially. It rallied briefly on rumours later denied, of the death of President Reagan." (FT 15/4/83)
SINKO TINTO WRIT

Moving at snail’s pace through the dusty corridors of Westminster County Court (and the more appealing niches of various pubs and cafes) PARTIXANS GRAND WRIT against RIO TINTO-ZINC CORP Plc. begins to take on flesh and bones.

So far, plaintiffs PETER LENNARD and DAVID BERRY have been to court twice in their efforts to get redress for assault by RT-Z at the last AGM - and an injunction against the Corporation to prevent the same thing happening this year.

Unfortunately the case looks like continuing for several more months (and it hasn’t reached a judge yet!) Any chance of getting an injunction for May 26th (this year’s AGM) has already been dashed. Roll on 1984!

CORNISH MINERS SHAFTED

WHEAL CONCORD - once planned to be this country’s largest tin mine- has gone into receivership, after losing a battle for survival with Rio Tinto-Zinc.

(see Parting Company 2/83)

The mine had a contract with RT-Z, to ship all its ore to RT-Z’s Wheal Jane mine for milling. Last November, however, RT-Z suddenly cancelled the agreement. "The 50 men who were mining came up from their shaft and went home without pay. They have not been back to work since," says a Wheal Concord spokesman laconically.

RT-Z has a stake in all the current Cornish tin-mines. It took over Wheal Jane from Consolidated Gold Fields; it holds 40% of South Crofty; and it has 18% of Geevor.

"In the eyes of some observers" notes NEW SCIENTIST (21/4/83) "Rio Tinto has become a force in Cornish mining for reasons that have little to do with the profitability of the mines. More significant could be that it wants to guarantee supplies of ore to its tin smelter - the only one in Britain at Capper Pass, near Hull."

sources: FT and Guardian 21/3/83

MOUNT ISA. - ALL the flies are on us, say RTZ AUSTRALASIAN EXPRESS, April 26, 1983

PRESS PICKINGS

Charter Consolidated - noted investor in the spoils of apartheid - has sold its 4% holding in RTZ for £55m. Shares in Rio dropped 34p as a result (FT 19/4/83)

... RTZ Services is one of the least generous donors to charity, according to the Charities Aid Foundation. Despite a pre-tax profit of £507 million, the subsidiary gave only 0.37m million pounds away. Among 15 companies studied, this was worse than any other except for ESSO Petroleum.

... Palabora, RTZ’s huge, open-pit mine in South Africa has cut costs while every other copper mine has (metaphorically) hit the ceiling. This is partly due to its electric "trolley-bus" system which draws power from the grid, instead of costly diesel fuel. But it’s partly due to a "sizeable sale" of uranium to an unnamed customer (FT 14/4/83)

... Although Mary Kathleen uranium mine has closed in Queensland, its deadly waste heaps kill on... and the company still has sufficient uranium stockpiled to meet sales contracts for 1983 and 1984 (FT 20/4/83)

... Argyle Diamond sales - acting as agents for Ashton Mining and CRA whose trespass on Aboriginal sacred sites is now legendary in the Kimberleys - has made its first commercial sales. It sold about 200,000 ct of diamonds to De Beers Central Selling Organisation (MJ 29/4/83) HOWEVER, there’s speculation in Australia that the new Labor government might try to revive CRA/RTZ’s link with the CSO...
Does RT-Z own weapons-grade plutonium? Does it need to—given its undoubted assistance to various countries (not to mention Britain) in acquiring nuclear fuel which will go into bombs?

During March at the Sizewell B (nuclear power station) public enquiry the British Department of Energy admitted that it owned a "growing quantity" of plutonium which it is now "trying to sell back to electricity boards."

But the DoE also made clear that original ownership of much of this potential bomb material lies with two private companies—British Aluminium and Anglesey Aluminium. RT-Z owns 33.4% of Anglesey—and Anglesey "owns" plutonium from Dungeness B power station, under a power-pricing agreement. However, Dungeness has been fraught with problems and hasn’t yet produced the goods. When it does, presumably the Pu will go straight to the DoE for resale to the CEGB. But in principle, it’s the company which owns this deadliest substance known on earth.

How far RT-Z has financially contributed to the production of weapons-grade plutonium from the Wylfa power station is not known. At 1981 RT-Z a.g.m., the company’s Chief executive Alistair Frame claimed that Anglesey Aluminium had only a “standby” agreement with the CEGB to take power from Wylfa. The term of that agreement—and how far the "standby" has been implemented—weren’t revealed.

Recently, however, major questions about that plutonium have been raised— notably by Anthony Tucker, science correspondent of the Guardian. "Where is the half tonne of so of high-grade weapons material, which alone would be enough to destroy the hearts of over 100 cities?" he asks... "has it been used for military purposes in the USA?"

Someone somewhere knows the answer. And for all we know RT-Z may part-own this satanic porridge as well!

Beyond speculation is the fact that RT-Z has provided uranium oxide to the so-called "civil nuclear" programmes of several countries, which has (or is being) undoubtedly diverted to weapons' development.

These include South Africa, the USA and Britain—which already have atomic bombs. And, by 2000, says a secret US Airforce document, South Korea, Japan, West Germany and Taiwan will probably have them too.

RT-Z is a major supplier of uranium and other nuclear services to all those countries.

So while CND builds up its "Boycott Tarmac" (crude siro constructo) campaign and local authorities join in—a far bigger contributor to nuclear armageddon continues to escape relatively scot-free. (FACT: The majority of Labour councils holding shares in RT-Z have declared themselves supposedly "nuclear-free").

Sources: S. Times 30/1/83; Guardian 18/3/83 and 10/2/83 and FT 18/3/83