

# PARTING no.3/83 COMPANY

20p

## RTZ threatens critics

Guardian 29/4/83

By Rafiq 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 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 frus-

trated 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.

*explain!*

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 of no account 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 force 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 guillotine 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.

*substantiate*

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.

*Explain!*

*sexist!*

*Explain!!*

*4/10  
This is a sloppy  
end-of-term  
offort. See me!*

*A.F.  
(Headmaster)*

*Anthony Tuke  
(Form 3c)*

??

# EVEREST PIQUED IN FRAME-UP STORM



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 1101b 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 painful 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 multinationals, to attempts to control their activities. In a lengthy study "Multinationals and Political Control"

(Gower 125) 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)

### WHO SAID?

"...the board...have no wish to guillotine the discussion"

ANSWER: Sir Anthony Luke, RT-Z's chair in the Annual Report 1982 referring to "dissent" one-share, shareholders

## 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 Regan." (FT 15/4/83)

# SINKO TINTO WRIT



Moving at snails-pace through the dusty corridors of Westminster County Court (and the more appealing niches of various pubs and cafs) 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

WHEEL 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 Wheel 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 Wheel Concord spokesman laconically.

RT-Z has a stake in all the current Cornish tin-mines. It took over Wheel 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. — FLIES in-plague proportions have helped to boost bids at the giant Mary Kathleen auction.

People brushing them away from their faces have been mistaken for bidders, with some prices taking an upward jump of \$1000 as they waved their hands about to ward off the sticky pests.

Auctioneers had to tell buyers to bid by raising their catalogues instead of their hands.

One auctioneer said the flies were a constant menace when he was selling.

"An auctioneer is not much use with his mouth shut, is he?" he quipped.

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 £57m. 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 corporations studied, this was worse than any other- except for Esso Petroleum.

... Palabora, RT-Z'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 Labour government might try to revise CRA/RTZ's link with the CSO...

# Rio Tinto-BOMZ

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% 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 CEBG. 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 CEBG to take power from Wylfa. The terms 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 or 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!



Stephen Ritterbush, energy and resource consultant from the United States

## 'RTZ ACTS LIKE NATION'

*Rio Tinto Zinc, through its holdings in South Africa, Namibia, Canada and Australia, presently accounts for about 25 per cent of the world's annual production of uranium and controls roughly 24 per cent of the world's reasonably assured uranium reserves. That puts Rio Tinto Zinc in the position of acting in many respects as a uranium producing and exporting nation.*

*From the testimony of Stephen Ritterbush, Consultant on international resources issues, Cambridge, Massachusetts, U.S.A. Jan 1984 - p. 17 of 1984*

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 AD 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" (cruise silo constructors) 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

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