

Newsletter of People Against RTZ and its Subsidiaries

# parting company

Spring 1990

GEARING UP  
FOR THE AGM

Special six page  
report on the  
Threat to  
Wisconsin



CYANIDE LEACHING

GOLD IN IRELAND

PLUS All the Latest news on the world's  
Most Powerful Mining Company

PARTING COMPANY is the newsletter of PARTIZANS, the People Against RTZ and its Subsidiaries. We are a voluntary collective of individuals who liaise with other groups, worldwide, to campaign against multinational mining companies and the effect that they have on indigenous peoples, the environment and on all our healths.

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## RTZ: DOING IT ALL OVER THE WORLD

As we go to press, news has arrived that this year's a.g.m. will be three weeks earlier than usual. It will be on May 9th, the time and the venue have not yet been announced. We therefore ask you to read the last two pages of this newsletter carefully, and return the form to us as soon as possible. Our a.g.m. hotline is now open to answer your queries, and provide more information for those who have not attended the a.g.m. before - give us a call on 609 1852 !

RTZ is the biggest and most powerful mining company in the world. Of course there are plenty of other companies with controversial mining operations all around our globe, but our experience shows that RTZ's subsidiaries employ some of the most ruthless and unscrupulous tactics of them all. Taking our leads from the worldwide communities affected by RTZ, PARTIZANS has got its hands full. We didn't have room in this issue to tell you about the proposed gold explorations which are going on in Ireland at the moment. The local press in Omagh showed a photo of a Riofinex North trench which was literally five metres from one outraged man's home. The company have been exploring WITHOUT planning permission, which they have then obtained retrospectively. The Gold Mining Action Group in Omagh have said that the long term consequences of mining in the area are frightening to contemplate.

The long awaited report on RTZ's Capper Pass smelter in Humberside has now been published, and made the television news headlines. For the last three years the Hull Action on Child Cancers group have been fighting the conspiracy between RTZ, local authorities and researchers, which refuses to acknowledge the link between the high incidence of child leukaemias around the radioactive polonium-belching smelter. The report from the Scottish University Research and Reactor Commission has revealed that there is evidence ("although not conclusive"!.) that levels of radiation at Capper Pass are higher than those at Sellafield.

The Capper Pass report is a victory for campaigners, as is the news we have received that CRA is being prohibited from mining for uranium in the Western Desert of Australia. It was two years ago that two delegates from Aboriginal communities in the Western Desert confronted RTZ at the a.g.m. in London over this issue; their hard work (and ours!) in resisting the most persistent of companies has paid off.

News that RioAlgom have closed-down two of its Elliot Lake uranium mines in Canada is indicative of the state of the world uranium market. As prices steadily fall RTZ, the world's largest non-state-owned uranium producer, and third largest in the western world, will be moving into precious metals and specialist minerals. As we can already see, (centre pages) the dangers associated with these processes are considerable.

**CORRECTION:** Page 15: Sir Alistair has not vacated his seat as chairman of the board of RTZ, but as chief executive. The Wellcome Foundation is British and not American. Davy International is also British, and it is its US subsidiary Davy-McKee which is one of the world's biggest constructors of nuclear plant. Whoops.....sorry.

# Wisconsin



Will you be coming to the RTZ a.g.m. ? There is little doubt that the main campaigning point at this year's a.g.m. will be the proposed copper mine at Wisconsin in the U.S.A. which will threaten the livelihoods of many native Americans, and which will have dire consequences for everyone living in that area because of the serious environmental implications.

RTZ inherited the Kennecott interest in the BP deal, and it is Kennecott which hope to be able to mine in the area. Because this issue is going to be so critical at this year's a.g.m. we have dedicated seven pages to it, so that those campaigners who come along to the a.g.m. will be well briefed.

We will be hosting a delegation from the Lac Court Oreilles band of the Chippewa people - they feel that coming to put their case to the parent company in London will be an important part of their campaign. We are also hoping that they will be able to do a speaking tour. If you can help us to pay the considerable sum needed to finance this tour, we would love to hear from you. The a.g.m. will, as usual, be at the end of May/beginning of June, so if you intend to come along, or you simply want to know more about it, then give us a call.

*Activists say  
Kennecott plan  
could help  
make Wisconsin  
a resource  
colony for the  
multinationals.*

Churchills and others believe the life they have known is in jeopardy.

"The land can only support so much, you know," says Evelyn. "The city always wants to grow. But to stay rural, we can't."

At issue is a proposed copper mine a short mile from Ladysmith. All along Highway 8 from Marinette to Rusk counties, massive bodies of sulfide-bound ores have attracted multinational corporations for 30 years. Now Kennecott, through its subsidiary Flambeau Mining Co., wants permits for a copper mine in Rusk County. Approval is a step toward unlocking the area for development, an intriguing prospect to some local officials. But the Churchills, and many of their neighbors, stand united in opposition.

On Labor Day, 1989, more than 200 people—part of Wisconsin's nascent Green Party—camped on the Churchills' back forty for the fourth Honor the Earth Festival. Dozens of activists canoed down the Flambeau River from Ladysmith to the mine site in a protest organized by Earth First! activist Bob Kasper of Madison. There was a rainbow, an eagle flew overhead, and police were waiting on shore to escort the protesters off the mine site.

The battle in this northwestern Wisconsin community may be a prelude to an all-out resource war. If Kennecott gets its way, other mining interests are expected to follow: Exxon, Noranda, Phelps-Dodge, Getty Oil, Minatome and Uranerz (French and West German uranium outfits), Kerr-McGee, International Minerals and Chemicals, etc. Mining could change the face of northern Wisconsin—something the current participants understand full well.

"Now that the multinational mining corporations have lost many of their resource colonies in the Third World, they are desperately seeking to colonize 'safe' resource areas within the United

States," says Al Gedicks, a mining opponent and professor of sociology at the UW-La Crosse. "The end result of this extractive activity will be multiple mines, mills, smelters, waste dumps and the toxic and radioactive contamination of the delicate ecology of northern Wisconsin."

#### THEN AND NOW

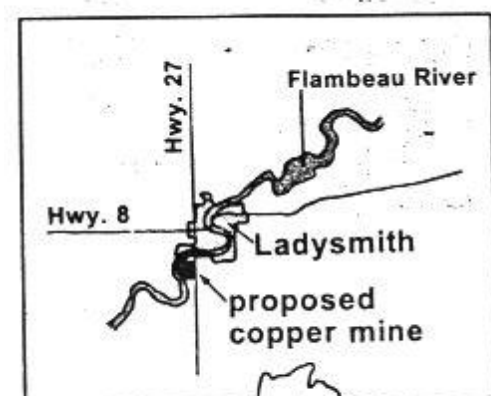
To open the Ladysmith mine, the company needs to get permits from the 2

BY WILLIAM HURRLE

**E**velyn and Roscoe Churchill are worried. The lean, silver-haired former educators, both in their 70s, have lived in Grant Township near Ladysmith all of their lives. Oak Knoll Farm belonged to Roscoe's parents. Now he and Evelyn raise Appaloosa and Belgian horses there.

It is a beautiful part of Wisconsin, steeped in rural traditions. But now the

state Department of Natural Resources and to beat back a court challenge. Last fall the DNR released a draft environmental impact statement (EIS) on the project; the final form of that document will be released late next week. Members of the public will have 120 days to comment; a master hearing on the plan will be held this July in Ladysmith.



**Kennecott wants to mine ore from a pit 225 feet deep covering 32 acres along the Flambeau River near Ladysmith.**

This is the second time a mine at Ladysmith has been proposed. The first attempt died in 1976 when Rusk County refused to issue a permit. Then as now, Roscoe Churchill was a member of the county board. At that time, what he said carried the issue.

Anti-mining sentiment, says Churchill, "grew like Topsy" during the late '70s and early '80s. As more and more mining companies leased land and began exploratory drilling, scores of northern Wisconsin townships passed mining moratoriums. Mining is unwelcome in the rural north.

A case in point: In the early '80s, Exxon tried to open a mine just east of the Mole Lake Reservation south of Crandon. But the town of Nashville, informed by Gedicks' Center for Alternative Mining Policy, would not issue a permit, and Exxon eventually bowed out. "A group of us went to every town of Nashville meeting for months," recalls Gedicks, "and Exxon couldn't answer our questions."

This time the mining interests have been more successful. Town of Grant residents passed zoning laws restricting mining at their annual town meetings. But township officials ignored them when they signed a local agreement with Kennecott. Now Rusk County Circuit Judge Frederick A. Henderson will decide if the officials exceeded their authority.

Roscoe Churchill is convinced they did. "Historically the governing body of a town is the people at the annual meeting," he says, vowing to appeal the case to the state Supreme Court if necessary.

If the courts rule in favor of the citizen petitioners, Kennecott won't

have a valid local agreement, and the DNR can't issue a permit to mine. If the local agreement is upheld, Kennecott is ready to begin.

The 1.9-million-ton ore body just south of Ladysmith is said to be 10.5% copper, now valued at about \$1.15 per pound. Precious metals are also said to be present, but probably not in what one observer calls "profitably extractable" amounts. The total value of the proposed mine's ore is said to be \$400 million to \$500 million.

#### PAVING THE WAY

Northern Wisconsin's geology is similar to Ontario's, site of much mining, some of it for uranium. Aerial magnetic surveys and hundreds of exploratory coreholes drilled during the last 20 years show where deposits are. According to the Rusk County Citizens' Action Group, 25 mining corporations have bought or leased 500,000 acres in northern Wisconsin. Kerr-McGee alone has some 50,000 acres for uranium exploration.

The new resource colony straddles the headwaters of the Pine, Popple, Peshtigo, Oconto, Wolf, Eau Claire, Wisconsin, Tomahawk, Chippewa, Flambeau and Red Cedar rivers. They flow into the Mississippi River or Lake Michigan—waters already struggling with pollution.

Kennecott is working in loose concert with other corporations who have eyes for the bioregion's metals. And Wisconsin discoveries and politics are the talk of the trade.

Larry Mercado, Kennecott's project manager for the Ladysmith mine, confides that other mining outfits were not pleased that his company agreed to refill the mining pit when the dig is done. "They are afraid it will set a precedent," he says.

(Another precedent was set this week when the state Public Lands Commission agreed to lease 160 acres of state-owned land to a mining partnership. Dissenting member Douglas La Follette, Wisconsin secretary of state, said it was a "major step backward.")

Mining interests are well positioned for a foray into the Badger State. James Klausner, Gov. Tommy Thompson's secretary of administration, used to work as a lobbyist for Exxon Coal and Minerals. Peter Peshek, a public intervener involved in constructing the legal context for mining, now works for the Madison law firm of DeWitt, Porter et al., which represented Exxon in Wisconsin and is now representing Kennecott.

Peshek helped institute the state's "consensus" model for environmental bargaining. It assumes everyone wants development. Outright rejection of a project is not part of the model. Thus, interveners can only attempt to minimize damages; they can't just say no—not even if no is the ecologically correct answer.

Mining interests won other gains. The severance tax, which guaranteed the state a percentage of the value of

metals mined, was changed to a net-proceeds tax, which means the mine only has to pay if it makes a profit. "And," exclaims Churchill, "they get to keep the books!"

Other rules allow mining companies to degrade surface and groundwater within quantified levels, and offer exclusion zones and zones of initial discharge, where anything goes. The state Supreme Court said it was okay (Norada vs. Wisconsin, 1983) for the miners to keep core-drilling results a secret.

But the most useful gift to the mining interests was the Thompson administration's inclusion in the 1988 budget bill of a provision authorizing local governments—any county, town, village, city or tribal unit—to unilaterally enter into agreements with mining companies. Thus the companies can bypass public sentiment and focus their lobbying efforts on a few officials.

#### BOOM OR BUST

Rusk County (population 16,000) ranks 65th in per capita income among the

## Mining could change the face of northern Wisconsin. If Kennecott gets its way, other mining interests are expected to follow.

state's 72 counties. The economy is a mix of farming, tourism, services and logging. Ladysmith (population 3,800) is the only city. Many residents commute to Eau Claire and Chippewa Falls, about 60 miles south. Area households tend to draw their income from a variety of sources.

Besides horses—"my pets," says Roscoe—the Churchills plant corn, oats and alfalfa. They also harvest timber, manage a household garden, keep chickens and goats, and use a wood stove for heat.

The area has its share of hard-luck stories, including the closing of a Master Craft casket factory in Ladysmith. The city is named after a woman who owned the land, sold it for its timber and never visited.

In addition to touting the boomlet a mining operation would bring, Kennecott's Flambeau Mining Co. put pressure on local officials. The company threatened to have Ladysmith annex the necessary 2,750 acres of Grant Township's land (one-eighth of the town) and to sue Rusk County over its restrictive zoning laws. It also offered the governments up-front money.

In early 1988, the mining negotiating committee was split. Then, on the Monday before Election Tuesday, mail appeared accusing some incumbents of improprieties. Eleven county board

members lost their seats, a purge. Roscoe Churchill survived.

The board's new chair and vice chair are a real estate agent and a large-scale farmer. They favor mining and led the new bloc to restructure the committee, which voted over the objections voiced at public hearings. Thus Kennecott secured its local agreement.

Complaints about the voting scandal went to Attorney General Donald Hanaway and died there. But the issue is not dead in Rusk County. "Depositions are being taken," says Roscoe Churchill.

Under the local agreement, Kennecott promises to pay Ladysmith, Grant Township and Rusk County each about \$500,000 with an additional \$1.5 million to the county if the mine makes a profit.

The state's share—including wages, taxes, purchased materials, contributions to the mining fund, etc.—will be around \$6 million per year for a total of \$50 million, 10% of the ore's value. John Strasma, a UW-Madison professor of resource economics, says Third World nations receive as much as 40% of the value of minerals, although the Wisconsin mine is a relatively small-scale operation.

Production employment is pegged at 40 locals, with more hired during a few months of start-up and again at close-down. Even including secondary employment gains, this represents only a 1% increase in county employment. Mine opponents seize on such information.

"For so few jobs we're expected to roll over and play dead to an environmental threat," grumbles economist Rob Kennedy, author of *Wisconsin at the Crossroads*. "There are at least as many jobs tied to having a clean environment along the Flambeau. When the natural esthetic is changed, these jobs will be gone permanently."

As Kennedy sees it, "Northern Wisconsin needs economic development, but we need a development policy that fits our environmental policy. Mining is unsustainable, a boom and a bust that will make us less attractive at the end."

subsidiary of Kennecott Copper, which used to be owned by Standard Oil and later British Petroleum. Now Kennecott belongs to Rio Tinto Zinc, a British company and the world's largest metals corporation, with mines in Australia, Brazil, New Guinea, South Africa, Zimbabwe, Chile, Canada, Namibia, Norway—40 nations in all, according to a corporate profile in the August 1989 *Engineering and Mining Journal*.

The Wildlife Federation's list of the nation's top 500 polluters has Kennecott's Copperton, Utah, mine in ninth place. "Kennecott's not been a good corporate neighbor," says Allen Miller of the Utah Environmental Center in Salt Lake City. "They've had to be put in the corner before they'd do the responsible thing."

According to Miller, the company only reluctantly agreed to spray the

tailings piles (the fine powder left after the ore has been processed) when the wind picks up and is still stonewalling on the aquifer problems. "I expect they'll eventually go bankrupt, and it will become a Superfund site," he says. "Those English guys are treating us like a Third World country. They have no remorse for poisoned wells. If they plan on doing something near a river where you are...the very idea appalls me!"

Flambeau Mining wants to dig a pit 225 feet deep and covering 32 acres, set the waste rock aside in two piles, crush the ore and railroad it out of the state for refining. The company says it will do this in six years of production and two of reclamation.

Under the pact struck with Kennecott, local zoning ordinances and moratoriums are set aside, and the mining company can apply for major changes in the conditional land-use permit—such as enlargement of the pit, extension of the time allowed to mine, building a smelter, and cyanide leaching of the waste-rock piles for inexpensive recovery of gold.

Residents and activists opposed to the mine—including Chippewa Indians, who believe their treaties give them the right to stop environmentally damaging activity in ceded territory—fear that acid drainage from the mine will pollute surface and groundwaters with heavy and radioactive metals.

"We are afraid of the heavy metals in various compounds that will be carried by wind and water as particulates," says Evelyn Churchill. "There is no way to put the poisons back in the bottle once they've escaped."

There will be plumes of dust from the blasting, crushing and handling of ore. The particulates will mostly settle on Grant, Flambeau, Dewey, Thornapple and Grow townships dairy farms, woods and waters—where the environment is now almost pristine. (The EIS says the dust at the crusher and on the haul road will be held down by watering.)

Currently, Kennecott's plan calls for erosion control, settling ponds and a wastewater-treatment plant. The company will place plastic liners underneath high-sulfur wastes. The land will be graded to drain into the pit, and pit pumpings will be treated.

After the mining is complete, Kennecott promises to refill the pit with high-sulfur waste rock and sludge from the water-treatment process, then cover that with low-sulfur rock and finally with the piled-up overburden of 181 acres until the grade is close to what it once was.

Concerns remain. The plastic liners under the high-sulfur waste rock pile, runoff pond and surge pond are said to be 99% effective. That means 20 million gallons of acid runoff will get through in the mining years. The settling ponds are designed with leaky bottoms—perhaps 6,000 gallons per day will recharge the groundwater. The runoff will mostly drain into the pit, be pumped out, treated and discharged into the river.

In addition, a discharge of 20 gallons per minute is planned to go into a wetland, then into the Flambeau. Hydrogen sulfide in lethal amounts may come out of the treatment plant. Some sedimentation is inevitable. There will be acid hot spots in the back-filled pit.

Almost certainly, the beautiful Flambeau River will be polluted with heavy metals, acid-laden runoff and silt. Groundwater purity and levels will be negatively affected. The natural esthetic will be changed.

#### UNEQUAL BATTLE

At the DNR's present level of knowledge and motivation, the EIS says everything should be okay. But if technical optimism fails, serious damage could result, as even DNR project manager Bob Ramharter admits. "The primary long-term environmental concern is the high-sulfur waste rock and the potential for that to release contaminants into the groundwater," he says.

The language of uncertainty is everywhere in the draft EIS and, Ramharter confirms, in the final EIS to be released March 8 or 9. Some examples: "Excess acid production could be controlled with the addition of lime...." "Acidic leachate could be produced by oxidation of pyrite...." "In general, it appears that the proposed discharge would meet most of the effluent limits...." "The discharge may contain levels of hydrogen sulfide which are toxic to fish and aquatic life...."

Explains Ramharter: "The purpose of an EIS is to accurately disclose what we know about the impacts, and it simply isn't accurate to predict impacts with absolute certainty."

Opponents of the mine are less equivocal in predicting it will receive state approval, paving the way for future projects. "We are concerned," says Becky Leighton, a member of the citizen advisory committee established by the public intervenor's office, "that the precedents and standards set for this six-year mine will be applied to a 30-year mine."

Whether or not that occurs, local opponents think the Kennecott mine sets a bad precedent on its own terms.

"If a copper mine ever becomes a fact here," says Roscoe Churchill, "it will be because the huge multinational mining corporations have unlimited wealth and unlimited hungry lawyers who work to undermine the legislators, the county boards, the town boards and the local judges to get what the companies want regardless of the wishes of the local people."

"Kennecott has dominated the state and the local municipalities to erode the laws and zoning codes, so it could mine with the least possible restrictions, and has now entered the moratorium lawsuit in the town of Grant to influence the local circuit court's decision. It is an unequal battle that we don't dare to lose." ■

# Wisconsin



## A PARTIZANS REPORT.....

Last October members of the Lac du Flambeau Chippewa tribe took a vote. They rejected an offer of \$50 million to give up their treaty rights, which include fishing rights on 250 lakes for a ten year period.

James Klauser, chief advisor to the governor of Wisconsin, and former lobbyist for state led efforts to buy treaty rights so that Exxon and Union Carbide could operate on Anishinabe (Chippewa) land, has failed once again. Governor, Tommy Thompson said, "It's done, it's dead...It had to be ratified by the tribe...we're going to have to review all of our options".

One could be forgiven for thinking that his statement indicates that RTZ's mining proposal is now 'on hold' since the rights to freely gather, fish and hunt on their traditional land, which are acknowledged in the treaty would be infringed by a mining project which would close-off areas of land, and affect the environmental balance which sustains the flora, fauna and aquatic life in the region.

Governor Thompson couldn't hide how peeved he was, and condemned the Lac du Flambeau members who voted to keep their treaty rights as "militant extremists".

So hearings for the Flambeau Mining Company's application for a permit to build and operate a surface copper, gold and silver mine at Ladysmith have begun. The mine site is just 140 metres from the Flambeau river, has an expected life of six years, and will employ 40 locals. The draft environmental impact study has been released and has already received heavy criticism. There will be several hearings through spring and summer, and the decision on permits is scheduled for August.

Kathleen Falk, from the Public Intervenor's Office of Wisconsin's Department of Justice, (which is acting as a "watchdog" for the environment, to intervene wherever necessary to protect "public rights" in the natural resources of the state), gave testimony that fourteen years ago Kennecott was refused permission to mine. At the time the Citizens' Advisory Committee (CAC) recognised that "Wisconsin was not in any position to intelligently determine whether, or under what conditions, Kennecott, or any other mining company, should be allowed to mine....It was evident that Wisconsin did not have an adequate regulatory scheme for metal mining.. and so, given the environmental risks at stake with mining...the CAC directed the intervenors to vigorously oppose the Kennecott mine". She goes on to say that there is now a "better regulatory scheme by which to judge future mine applications. The law that exists now will set the standard by which this mine's application is to be judged".

But the legal code relieves mining companies of any responsibility for toxic waste generated by a mine after as little as ten years from the mine's closure, and it also states that byproduct extraction does not require an Environmental Impact Study. In 1981 lawyers representing mining interests pressured the Department of Natural Resources into abandoning its policy on non-degradation of groundwater, and into adopting rules that allow pollution from mining wastes up to the federal drinking water standards. An assembly bill was passed which gave the DNR authority to make rules whereby "exemption", "modification" and "variance" of the law could be obtained for solid and hazardous waste. This caused a stink at the time because the person who drafted this legislation resigned and went to work for Exxon. Exxon lobbyists had a large hand in

shaping these laws, but that didn't help them to get their zinc mine off the ground: the Court of Appeals ruled that the Sakoagan band of the Chippewa people had the right to sue Exxon for treaty violations. Exxon withdrew its request for a mining permit just before scheduled hearings on its Environmental Impact study were about to start.

It seems then, that the "better regulatory scheme" that Kathleen Falk, the environmental watchdog mentions, will allow the dumping of pollutants into groundwater up to federal maximum contaminant levels, and would not ask for a permit to be obtained for mining uranium as a bi-product. The small print of Kennecott's local agreement with Rusk County, the City of Ladysmith and the town of Grant mentions the possibility of extracting uranium and thorium as bi-products. According to NURE (National Uranium Resource Evaluation) the area is rich in uranium. The Intervenor's Office asked professor Cherkauer, a hydro-geologist from Milwaukee University to summarize some of the issues. He was quite critical of the draft environmental impact study (DEIS). He said that this mine would lower the levels in local wells by as much as 15 feet. Computer simulations made by the company indicate that there will be a drawdown of the water table of up to 100 feet in the vicinity of the mine during operations, which will only stabilize about a decade after reclamation is complete. That's 15 to 28 years in all. Professor Cherkauer questions some of the company's figures, but thinks that the simulations are "reasonable". High-sulphur waste will be stored in a lined repository with a leachate collection system, but low-sulphur rock will be in an "unlined facility". (That sounds like company jargon for an exposed heap of tailings). Four gallons per minute of groundwater will flow through high-sulphur waste rock towards the river after mining has ceased. Already this contravenes the quality standards demanded by the Rusk County Citizens' Action Group, who want water standards to stay the same as they are at present. They are currently challenging the agreement that Kennecott has drawn up with them, and have taken Kennecott to court.



The Wisconsin Resource Protection Council raise many other worries about the mine:

\*There is little information about the chemistry of the ore deposit. Studies in Canada have shown that 20-25 chemicals are present in trace quantities in the effluent of most copper sulphide operations: copper is poisonous to fish at parts-per-billion levels. During the last mine controversy a senior engineer for Kennecott told the Soil Conservation Society that salmon were being raised in an open pit copper mine that had closed. On investigation this turned out to be a bare faced lie. RTZ also said that they were raising salmon (1982) in uranium-polluted waters. Oh yeah - pull the other fin! We can assume that the traditional livelihoods of the Lac du Flambeau band - fishing, gathering and hunting would be endangered by the mining project, and that since these activities are acknowledged in their treaty rights, the state has a special legal responsibility to protect them.

\*There is no mention of the fact that RTZ is the parent company. Not only has RTZ chosen to continue the corporate identity of Kennecott, (rather than calling it RTZ USA, for example - RTZ know that it's not good politics to draw attention to the smash-and-grab tactic that they have employed elsewhere around the world), but they have also chosen to further distance themselves (and Kennecott) by incorporating the Flambeau Mining Company.

\*They want the DNR to require that RTZ legally declare itself and accept liability.

\*The DEIS makes no reference to the possibility of extracting radioactive minerals.

\*The Mine application is in direct violation of a 1982 mining moratorium.

\*There is no mention of the impact of mining on forestry, recreation, tourism or farming.

\*They say that the reclamation plan is unworkable.

\*The use of drinking water standards (maximum contamination levels) for groundwater protection is inappropriate (especially regarding fish) and ecologically irresponsible. (Federal standards for 17 toxins are less stringent than National Academy of Sciences guidelines).

Professor Cherkauer says that the monitoring system for water pollution described in the DEIS is "not adequate". But the Intervenor's Office, (remember that they are supposed to be protecting public rights to natural resources) have commended Flambeau Mining for the way that they have taken into consideration the concerns of the CAC in their DEIS. Kathleen Falk says "this was indeed a very different exchange than occurred fourteen years ago, when numerous lawsuits and enormous antagonism abounded". She says, for example, that Flambeau Mining "does not propose any processing in

Wisconsin, thereby eliminating the most significant and long term environmental questions about how to handle long term pollution effects of mine tailings", and that "Toxicity of an open pit that would fill-up with water over future years WILL NOT BE AN ISSUE given the company's environmentally preferable choice of backfilling the open pit with waste rock". She goes on to say that the CAC "has had to make a choice to devote limited Public Intervenor's resources to what it viewed as the potentially most significant impacts...because of its other workloads intervenors have been asked to concentrate on the groundwater aspects of this proposal, and groundwater levels". From the information that we have, it sounds as though the stance that the CAC are taking is to work with the mining company to create a proposal which will minimise damage to the environment. Kathleen Falk says "It was the CAC's hope that early and constant advocacy during the preapplication process would make the application more environmentally sound...We have been very appreciative of the company efforts to answer our questions, and more importantly to take into consideration our urgings as they have drafted and designed their project". But the stance of this body, set-up to protect the rights of the public, falls far short of environmental concerns of the Rusk County Citizens Action Group, and the Lac du Flambeau band of the Chippewa people. It seems that the mining companies have learnt a new tactic since Kennecott's last attempt to mine this area. Two days after that application was dismissed, a Kennecott official told his superiors that "Getting into bed with environmentalists might rub raw with many of our colleagues, but in this day and age I cannot recommend a better course of action for expedition of our project".

So now it seems that the flight 3000 miles across the water to RTZ's a.g.m. in London to put pressure on the parent company and its shareholders, could be a very valuable part of the campaign to put across the point of view of the local communities. We look forward to welcoming the delegation from Lac Court Oreilles in May, and meanwhile concern ourselves with raising the considerable funding to make this possible. Your own contributions and suggestions for funding will be gratefully appreciated ■



PARTIZANS is still trying to find funding for its new MINEWATCH service. As we reported last month, Minewatch will provide information to people all over the world who are affected by mining operations. Our offices contain what may be the most comprehensive documentation on world mining from an environmental and peoples' perspective, anywhere in the world. We have already been asked to help many groups, but still need a funding body to finance the scheme. So far we have been contacted by:

- CEDI, Sao Paulo, Brazil; Tipi Enterprises (aff. International Indian Treaty Council (USA));
- Environment Liason Centre, Niarobi, Kenya;
- Citizens' Committee Against Uranium Mining in the Black Forest (West Germany); CIMI (Conselho Indigenista Missionario), Brazilia, Brazil;
- CEASPA, Panama City, Panama; Dalit Sahitya Academy, New Delhi, India; Witoon Permpoonsacharoan (Project for Ecological Recovery), Bangkok, Thailand; CEDOIN (Centro de Documentacion e Informacion), La Paz, Bolivia; TWGIA (International Work Group for Indigenous Affairs, Copenhagen, Denmark);
- Peninsular Watchdog Group, Coromandel, Aeotora, (New Zealand);
- Friends of the Earth, Sweden; TAPOL, Indonesian Human Rights Campaign, Britain; Indian Law Resource Centre, Washington, USA; Rainforest Action Network, San Francisco, USA; "Watching Brief", Public Radio News Service, Victoria, Australia; Friends of the Earth, Fitzroy, Australia;
- Multinationals and Development Clearing House, Washington, USA; Third World Resouces, Oakland, USA; Centre Europe-Tiers Monde, Geneva, Switzerland; Conservation Council of South Australia, Adelaide; Amigos da Terra, Lisboa, Portugal; Minority Rights Group, London, Britain;
- Socio-Ecological Union, Moscow, USSR; Confederacion de Nacionalidades Indigenas de la Amazonia Ecuatoriana, Puyo, Ecuador; The Ecologist Magazine, Dorset, Britain; Foundation L.A.K.A., Ede, Netherlands;
- Multinational Monitor, Washington, USA; Probe International, Toronto, Canada; Western Desert Puntukurnuparna, Western Australia; Environmental Policy Institute, Washington, USA; PLASMA, Samarinda, East Kalimantan, Indonesia, Survival International, London, England; Burma Support Group, London, England; Tibet Support Group, London, England; Comision Pro-Amazonia, Madrid, Spain; Australian Council for Overseas Aid, Canberra, Australia; Cordillera Environmental Concerns Committee, Baguio City, Philippines; North-South Institute, Ottawa, Canada; North Queensland Conservation Council, Australia.



From this overwhelming reponse it is clear that the need for a service to empower campaigners with the information that they need is very urgent, and that the issue of mining should be taken as seriously as other concerns (such as the rainforests, whale killing, ozone destruction), which threaten our environment.

MINEWATCH has started to produce a series of briefing sheets which deal with different aspects of mining, and its implications for this planet and the people, animals and plants that live on it.



NOW AVAILABLE FROM PARTIZANS (Please send 40p in stamps to cover expenses):

- \*No.1 - "Tin or Teak?" An introduction to the implications of mineral extraction on rainforests around the world, and on rainforest-dwelling people.
- \*No.2 - "Yellowcake Roads" Outlining the world market in uranium, current regions of production, and likely areas of future developments.

Maybe my ears or my memory deceives me, but I thought that at last year's a.g.m. Sir Alistair said RTZ was not involved in any form of cyanide leaching. This method of separating precious metals from their ores is perhaps one of the most worrying developments to occur in mining technology over recent years, and it is little consolation that on hearing about Kennecott's intentions to use cyanide at Barney's Canyon in the USA, PARTIZANS were assured in a letter from Sir Alistair Frame that no RTZ subsidiary would use 'in-situ' cyanide leaching. He claims that this was the assurance he made at last year's a.g.m.

There are three ways in which cyanide is used in the process of gold extraction. "In-situ" or "solution mining" (as it is sometimes called), is the most dangerous. This involves pouring the cyanide solution directly into the ground, where it will permeate the ore and dissolve the gold. The gold, (still in solution), is collected further downstream, or is pumped out of the ground, leaving amounts of irretrievable cyanide in the ground, where they can enter the water systems. Remembering the news headlines during the recent crisis over the cyanide canisters that were being washed-up on the south coast of England during the February storms, "One Sniff And You're Dead!", (all the beaches around Brighton were evacuated), it is strange that solution mining has not been outlawed across the world. This particular form of genocide would probably be a preference for many mining companies, if they could get away with it, because it is like going to the toilet - once you've pulled the flush, it becomes somebody else's problem.

Heap leaching involves piling-up the ore on a supposedly "impermeable" pad, pouring the cyanide solution over the ore and collecting and separating the residues via a drainage system. This is the method that Kennecott will use at Barney's Canyon. It is far from satisfactory, for the pad which isolates the poisonous solutions from the environment are made from polythene which is about one eighth of an inch thick, (Imagine thousands of tons of ore sitting on that). The process is more expensive for mining companies, and leaves them with the responsibility of having to monitor the huge pile of poisonous rubble which is left at the end of the operation for thousands of years.

# Cyanide



# e Leaching

Say when!!

Engineering and  
Mining Journal  
January 1990

Dear Editor:

• In describing liners for leaching operations whether compacted soil OR polymeric membrane, there is no such thing as "impermeable". Permeability in this context must be defined by rate, in cm/sec. The use of an absolute word like "impermeable" can result in consequences similar to those from a recent federal act (the Delaney Act): The expression "no" or "zero" concentration, despite the best of intentions, has led to thirty years of problems!

• Barrens ponds located at leach sites are not "hazardous wastes," at least until the cessation of operations, if even then. Since they recycle, they are in-process materials and are questionably subject to hazardous-WASTE regulations. The decision on how they should be lined may not be affected by this fine point, but mandatory vs voluntary decisions and the jurisdiction (federal, state, or local) involved are certainly significant aspects.

Let's extend quantitative thinking to all our language and minimize the long-term pain that could result from these fuzzy expressions!

Yours very truly,

F.W. DeVries

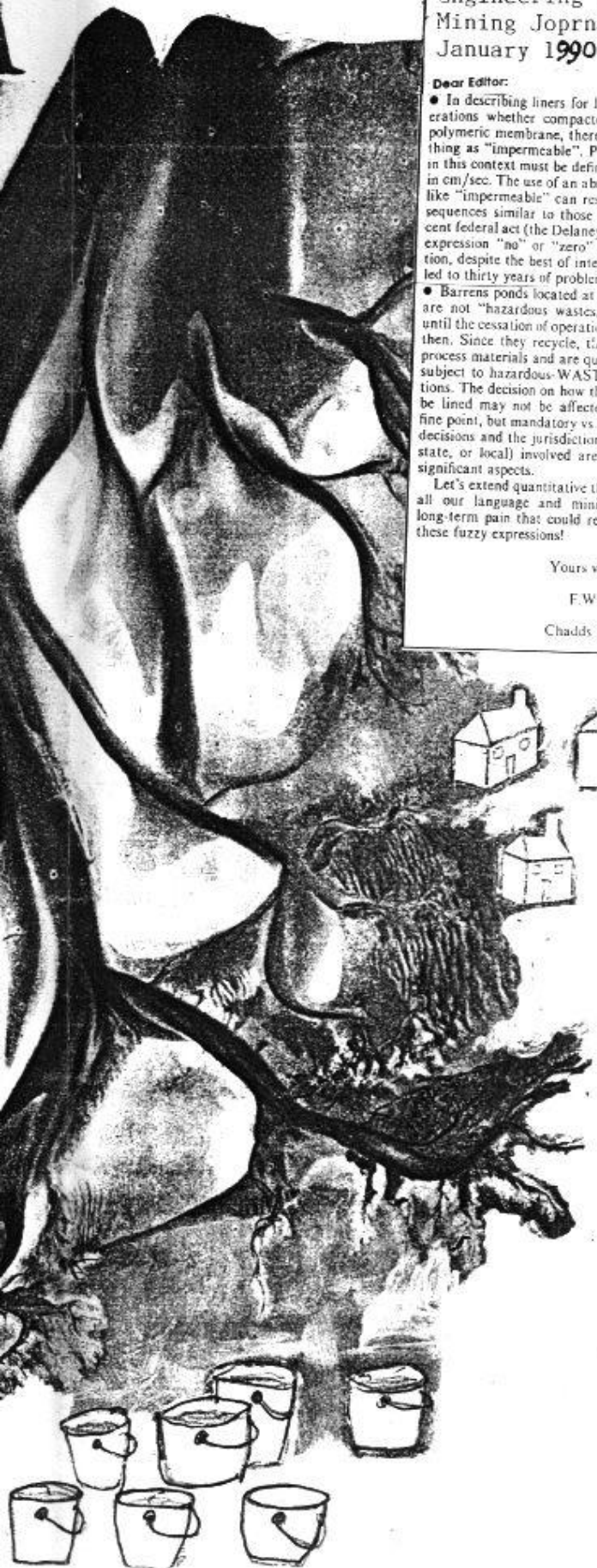
Chadds Ford, PA

Vat leaching is the safest of these three alternatives; the same process takes place in a sealed vat. Perhaps we should be asking the question: Is it really worth using such poisonous processes simply in order to get at one of the world's most useless metals? Mercury is also used in a similar way to cyanide, and at the end of 1989 we reported that 0.5% of the world's total stock of this highly toxic metal had been stolen from an RTZ factory in East London. We never heard if the mercury was recovered, or what RTZ was intending to use it for, but it is possible that it was for use in precious metal extraction. Who now has that "deadly" mercury is anybody's guess.

The risks are too high, and the benefits to humanity non-existent. The new gold boom has taken-off because this new technology can be used to exploit previously unviable low-grade deposits. RTZ has got interests in such deposits all around the world: Ireland, USA, Canada, Papua New Guinea, Indonesia, France, Australia, South Africa and Brazil. The Mining Journal reports that about 80% of world cyanide demand is from the gold mining industry, and as gold production has grown by 6% every year since 1984, cyanide demand has also grown; by 10% in 1987, and 19% in 1988.

Perhaps Sir Alistair did not deny that RTZ would use cyanide in heap and vat leaching, but neither did he openly admit to it. Far more outrageous is that CRA did attempt to use cyanide leaching in situ, at the Eastville deep leads in Victoria, Australia. CRA were denied a permit to use cyanide and they said that they were considering using other solutions.

Sir Alistair's letter to PARTIZANS categorically denies such usage. The excuse that he has used in the past to shirk responsibility for CRA's atrocities, (although he is quite happy to include their profits in the record of accounts handed out to shareholders), is that CRA is now an "associate" company of RTZ rather than a "subsidiary" - that since they cut their interest in CRA to 49%, they have been leaving CRA to make its own policy decisions. But Sir Alistair cannot use that excuse in the case of Eastville: it was 1983 when CRA were sent packing by local farmers around Mount Mitchell, who formed the local Ground Water Protection Society.



# NO MORE BOUGAINVILLES

Events around the Bougainville copper mine in the North Solomons province of Papua New Guinea have now culminated in CRA, the managers of the mine, pulling out their personnel and closing down the operation. After more than a year of armed struggle between the Bougainville Liberation Army, who have been fighting for compensation from the mining company for destruction to their land, and the PNG government (who as well as receiving colossal revenue in the form of taxes, also have a 20% in the mine).

The struggle, which involved more than 40 deaths, and military aid to the PNG government from the Australian government, has become internationally renowned. At an RTZ presentation in New York earlier this year, set up to encourage investment from the USA, several prospective investors were concerned at the events which have taken place around the Bougainville copper mine, and as the Financial Times article opposite shows, CRA has taken a considerable financial blow from what RTZ once referred to as the "jewel" in its "crown".

When questioned about Bougainville at last year's a.g.m. Sir Alistair tried to suggest that the conflict had arisen over the issue of Bougainvillean secession from the central government in Port Moresby, but this is quite unfounded: the struggle was always centred around the mine area, and now that CRA have pulled-out the BLA have called for a cease-fire.

The implications for other mining projects in that part of the world are considerable. Over the last year there has been a surge of foreign companies into PNG and Indonesia. One of the justifications for this plunder is that it is only the sophisticated multinationals that have the technology and financial clout to develop these remote rich deposits. But at Mount Kare, for example, where CRA has obtained a licence to mine for gold, we are told in a PNG newspaper that it would be quite possible for this deposit to be mined by Papua New Guineans using relatively unsophisticated equipment. There has been considerable support for the PLA, despite attempts by some government officials and newspapers in PNG and Australia to try and brand them as unreasonable terrorists. Since the laws returned the land in PNG to its traditional landowners when it gained independence from Australia, there is also a strong feeling amongst Papua New Guineans that they should be able to determine what happens on their land and that it is not there to be used and abused by greedy foreigners. That conflict was the basis of the bloodshed at Bougainville.

PARTIZANS/MINEWATCH! will be producing a special booklet giving a thorough account of the events at Bougainville. Please send us a large S.A.E. marked "Bougainville" plus £1.00.

## CRA pessimistic despite third year of record earnings

By Chris Sherwell in Sydney

F.T. 08/03/90

CRA, the Australian resources group 49 per cent-owned by RTZ of the UK, yesterday reported its third successive year of record profits, but suggested it was unlikely to repeat the performance in 1990.

Results for the 12 months to December showed after-tax equity-accounted earnings of A\$648.4m (US\$489m), up 28 per cent from A\$504.7m. The 1988 figure has been adjusted upwards under new accounting standards covering extraordinary and abnormal items.

Earnings per share were 113.1 cents, up from 89.6 cents, and directors declared a fully franked final dividend of 38 cents to make 58 cents for the year, up from 42 cents.

Before the equity contribution of Pasminco - CRA's 40 per cent-owned base metals joint venture with North Broken Hill Peko - the group's earnings were actually lower at A\$642m, including A\$77m of abnormal items.

Overall sales revenues were also down, to A\$4.97bn from A\$5.31bn.

The group blamed the falls principally on the shutdown of the Bougainville Copper gold and copper mine in Papua New Guinea, which contributed A\$16.5m in losses, and on lower aluminium prices which, together with a strike in the US, cut by a third the group's contribution from Comalco, its subsidiary.

Offsetting this, apart from Pasminco's higher earnings, were stronger profit contributions from CRA's iron ore, coal, diamonds and salt activities.

The resulting overall improvement was an illustration of CRA's strength, Mr John Ralph, managing director, said yesterday.

But he also indicated that the group would have difficulty matching this performance in 1990, chiefly because of slower world economic growth and Bougainville's continued shutdown. Last month's A\$102.5m insurance recovery would ameliorate the effects of the closure, but it was unclear when the company would be able to resume production, he said.

The A\$77m in abnormal items included profits from the sell-down of CRA's Pasminco holding to 40 per cent from 50 per cent, offset by the personnel and repair costs relating to the Bougainville closure.

During the year the group spent A\$671m on new projects and investments, including the purchase of BP Australia's coal operations, construction of the Channar iron ore mine in Western Australia and construction of the Kaltim Prima Coal project in Indonesia.

On top of its expanding interests in Indonesia and Papua New Guinea, the group also revealed yesterday that it had spent US\$15m on a 30 per cent interest in an underground gold and copper deposit in the northern Philippines. The major shareholder is Lepanto Consolidated Mining.

CRA now has gross debts of A\$1.06bn and cash and short-term investments of A\$263m.

Gearing, measured as debt (net of cash) as a percentage of debt and equity, fell to 14.9 per cent from 18.4 per cent.

On an otherwise lacklustre stock market, the results provoked a positive response and CRA shares finished 25 cents higher at A\$12.15.

● Galactic Resources has sold 75 per cent of its 40 per cent stake in Far Southeast Gold Resources, to a wholly-owned unit of CRA for US\$15m, Reuter reports from Vancouver.

CRA has an option to purchase the remainder of Galactic's interest for \$20m until May 1 1990, and for \$25m until October 28.

Far Southeast Gold, which Galactic jointly owns with Lepanto Consolidated Mining, owns the right to mine a gold/copper property in Benguet province in the Philippines.

# Breakthrough in Bougainville

*A crucial breakthrough in the 16 month old Bougainville conflict came from an unlikely source - a Swedish professor skilled in conflict resolution techniques.*

*Two days after arriving on the island of Bougainville, he was in the jungle talking face-to-face in a relaxed four and a half hour conversation with Sam Kauona, military chief of the Bougainville Revolutionary Army.*

\* The professor has played a key role in building the mutual trust slowly developing between the combatants in a war which has cost more than 100 lives." (Rowan Callick, *Financial Review* 2.3.90)

He was introduced to the Bougainville situation by Graeme Kemelfield, director of the University of PNG's centre on Bougainville, himself married to a Bougainvillian woman. Kemelfield is a member of the task force set up by the provincial government on Bougainville, to examine fresh options for breaking the deadlock which has forced the closure of all government services outside the provincial capital of Arawa. (PNB Feb.'90)

In Port Moresby there had also been a shift of approach, with the widely respected Secretary of Foreign Affairs Bill Dihm brought in by Prime Minister Namaliu, to lead a team of senior officials searching for new solutions, particularly non-military ones.

The present Justice Minister Bernard Narakobi and the present Foreign Minister Michael Somare led the PNG government's negotiating team.

Dialogue and intensive discussions then resulted in a cease-fire between PNG government security forces and the Bougainville militants. The cease-fire was announced on 1st March, and has held to date.

Emergency orders, placing a total ban on the movement of goods and the movement of people and vehicles, have been lifted. People are free to move around.

According to reporters in Bougainville, the greatest single feeling is one of relief - that the cease fire has come into force, and that it appears to be holding.

The PNG government security forces, which have already begun withdrawing, are scheduled to be out of Bougainville by the 16th of March, according to the terms of the cease fire.

Kauona has appealed by radio broadcast for Bougainville militants not to shoot at the departing security forces; he has also appealed for no further damage to Bougainville copper mine, which may in future be reopened along lines more advantageous to the Bougainvillians.

Swedish professor Wallensteen offers no explanation for the breakthrough beyond the "patience and openness of purpose" of the provincial government task force, and the value of a third party removed from any connection with the combatants. For example, Prof. Wallensteen could see no resemblance between the "Idi Amin" figure described from Port Moresby by the controller of the Bougainville emergency, PNG Police Commissioner Paul Tobian, and the calm Sam Kauona with whom he and Kemelfield talked in the jungle. 16 months of conflict builds up perspectives on both sides, which a third party does not carry.

With good will from all sides, the tragedy of the Bougainville conflict may yet become a precedent in the Pacific for the solving of problems - without resort to a bigger and bigger military solution.

Info: *Financial Review* 2.3.90

*Sydney Morning Herald* 22.2.90

**Pacific News Bulletin**

**Vol. 5 No. 3 March 1990**

## Balakau appeals to CRA

The Times of Papua New Guinea 28/12/89

ENGA's new regional member, Mr Jeffery Balakau has appealed to the executives of CRA, to reconsider its 51 per cent share of participation in the Mt Kare Alluvial Mining.

Mr Balakau said the joint venture between CRA and Mt Kare Alluvial Mining will not be recognised by the people of Enga, its leaders and the Enga provincial government because CRA has breached the normal procedure in developing mining in PNG.

He appealed to Mt Kare landowners not to accept the 49 percent share.

Mr Balakau made the comments in relation to Enga Premier Ned Laina's accusation of CRA's

secret deals with Mt Kare landowners.

Mr Balakau called on Minerals and Energy minister Patterson Lova not to recognise the company. He said the state should participate in its equity shares for the benefit of the rest of the Enga people.

Mr Balakau said that the Mt Kare landowners should mine the alluvial gold themselves and not involve international companies like CRA, because alluvial mining does not involve high technology.

Mr Balakau has promised to raise the matter with the prime minister, Mr Namaliu and Minerals and Energy minister, Lova.

# MOG O DOR'S COLUMN

Seventeen years ago, the radical West German philosopher Hans Magnus Enzensberger argued in his "Critique of Political Economy" that big corporations would soon come to present themselves as the saviours of the very "environment" they had despoiled. And the "green" movement (not that he used that term then) would swallow the argument - hook and line, if not sinker. Perhaps as a small indication of the way the tide has turned from the 1960's, one of my colleagues in Partizans recounts a conversation he was having the other week with two representatives of other well-known groups concerned about the quality of life, particularly for the poor of the planet. Said one of them: "Partizans is what we all look up to, these days. The last pure group left!" Can it really be that Partizans is one of a rapidly dwindling minority that won't accept corporate sponsorship in any guise?

So - what's wrong with being fed by the hand that bites you? First of all, it ties the alternative solution into a dependency on the institutional. Subtly, but surely, the latter gets strengthened at the expense of the former, until the two are indistinguishable. Second, we are persuaded into believing that all our problems have to have structural solutions, replete with their computer print-outs, troubleshooters and the technical baggage that accompanies them.

Third - and perhaps most important - we get inveigled into a corporate "mind fix" where problems are abstracted from their context, so that new solutions become new settings for human activity. The world's worst SO2 polluter, Inco of Canada, cleans up its smelters and poses as the great green giant. "Heap leaching" of gold saves the rainforest and protects the underground aquifers. No discussion as to whether we need the smelters, whether we need the gold: total avoidance of issues of local control, land rights, who makes the profit and what they do with it.

\* \* \* \* \*

The Sunday Correspondent for March 25th recounts a story once told by Mike Molloy when he edited the Daily Mirror. Sir Val Duncan called together a late-night cabal including Lord Robens (of the National Coal Board), some army officers and a couple of other journalists. While a Filipino waiter served salmon (mais, naturellement!) Duncan regaled them with his plan to take over electricity generation, should there be a "socialist-inspired" coup. The proposal was given short shrift by the guests, and no doubt Duncan was privately viewed as a nutter. Let's not forget, however, just what Duncan's paid-up position was at this time (1975): he was the chair of Rio Tinto-Zinc.

\* \* \* \* \*

It's significant that Duncan brought in a clutch of newspapermen to chew on the salmon and wash it down with a Rothschild. RTZ has always fancied its chances with the press and when a particular newspaper didn't play ball, has had no hesitation in applying the thumbscrews. Between 1982 and 1983 the Guardian's financial desk was run by a group of quite radical journalists who'd woken up to the mailed fist behind the velvet glove, during the 1982 AGM when Anthony Tuke abruptly halted the meeting, and police were called to roughhouse dissenting shareholders. There followed a spate of critical articles dealing with the company, including a major piece which exposed CRA's manoeuvres to open up the Argyle diamond mine. Eventually this was too much for RTZ. St. James Square phoned the Guardian and threatened to pull its advertising. The Guardian caved in: a thinly-veiled PR hand-out was presented as a major analysis, Rossing was given a clean bill-of-health. And nothing critical about the company (even a letter) has appeared since.

True to form, Roger Cowe's piece announcing RTZ's 1989 results (Guardian March 23) is accompanied by a photo presenting Derek Birkin as a quasi-Chancellor of the Exchequer, handing out the lollipops. Comments Cowe: "RTZ has always been at the forefront of environmental care (it claims)... Opponents worried about Aboriginal rights, pollution from aluminium smelting, and South African involvements, might not like it, but the City tends to agree that RTZ is now a much better-run company ..."

Yes, Mr. Cowe - and Hitler did make the trains run on time!



## LIVING WITH AIDS! DYING FOR MONEY!

Some months ago, Sir Alistair Frame vacated his seat as chairman of the board of directors at RTZ. There was a sickening anticipation as we waited to hear where this man's negative energy would be used next. Sir Alistair joined RTZ after a stint as the Atomic Energy Authority's director of reactor research. During his career he was Mrs Thatcher's first choice to to lead the National Coal Board through its dispute with the National Union of Miners, but he turned down this post and joined RTZ instead.

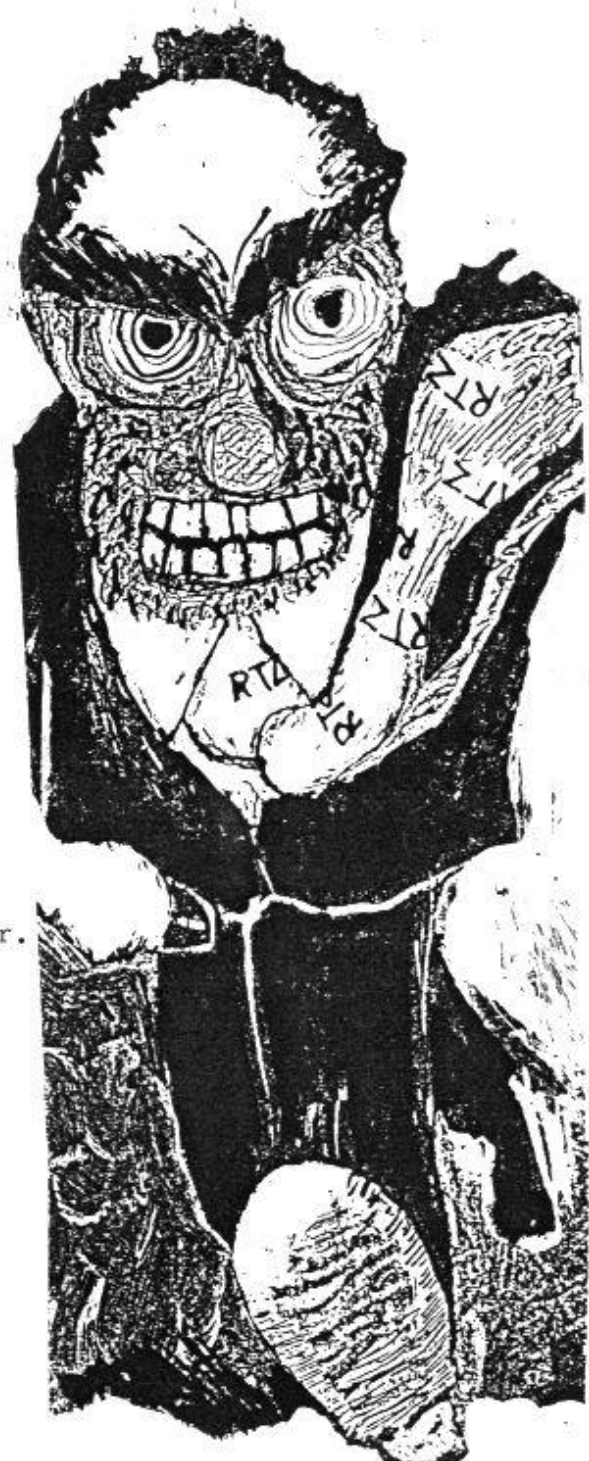
We were hoping that Sir Alistair might take an early retirement and take up his alleged gardening hobby full-time. But no such luck, not only will he retain a position on the board of directors at RTZ; he has also just taken on the chair of the Wellcome drugs company in the U.S.A. This is in addition to his leadership of Davy International, the engineering company which built so many of the world's nuclear plants; and his presence on the board of Glaxo.

Both Glaxo and Wellcome are involved in producing a drug to combat the HIV virus, and we can only speculate that it is because of Sir Alistair's ability and willingness to deflect criticisms and fob-off shareholders' and the public's concerns by fair means or foul, that he has been chosen to head the company. Sadly, the market in AIDS treatments will become more and more lucrative; the need for the profit-minded drugs companies to be able to defend their exorbitant mark-ups on products will become crucial to them. ACT UP (The AIDS Coalition to Unleash Power) used a campaigning tactic which was pioneered by CIMRA/PARTIZANS when they became dissenting shareholders in Wellcome so that they could probe the company on the prohibitive cost of their AZT treatment. Since that action PARTIZANS have contacted ACT UP and we now hope to meet up to share our experience of campaigning against multi-national corporations, and Sir Alistair in particular.

As in most horror stories, the villain rises up to pursue its particular brand of evil in a sequel. But as we are all probably aware, the vampires and sadists which are most destructive to our real world are not the eccentrics who live in the tumbledown house at the end of the street; they are the monsters in suits and ties who have a huge unsanctioned impact on our lives and who often get knighted for their atrocities.

So it's not so much a case of "Goodbye and good riddance", as "Au Revoir - at the Wellcome a.g.m. later this year".

# HE'S BACK!



# IF YOU'RE IN THE KNOW THEN YOU'RE IN THE NORWICH (IF YOU'RE IN THE KNOW then YOU OUGHT TO KNOW BETTER)

One of PARTIZANS' biggest successes in their disinvestment campaign of the early eighties was encouraging the self-proclaimed "anti apartheid" Greater London Council to get rid of its £6 million worth of shares in RTZ. During the past year the local Friends of the Earth group in Norwich have been trying to get the Norwich Union insurance company to disinvest from RTZ. Those who know Norwich will know that this huge company have a very dominant presence in the city and employ a considerable percentage of its inhabitants. The employee's pension fund of the Norwich Union also has a large shareholding in RTZ.

Norfolk F.O.E. received a reply from a Norwich Union Fund Managers official which defended the NU'S and RTZ's position in a point by point rebuttal of F.O.E.'s objections. The man, aptly named Mr. Lovett had contacted RTZ to get answers to F.O.E.'s points. He summed up his letter by saying, "We have no reason not to believe any of the information supplied to us by RTZ".

F.O.E. were told that RTZ had not contravened any of the laws of the countries in which it operates - (What about the their contravention of the U.N. decree on Namibia with the illegal export of uranium from the Rossing mine?), and that RTZ's "willingness to take steps to deal with individual problems" regarding their effect on the environment is "responsible and acceptable". Mr Lovett says that at Bougainville (the huge copper mine in Papua New Guinea which sparked off a war between local landowners and the government, resulting in over 40 deaths), "Tailings have been a problem, but we understand that construction of a pipeline to the coast is currently being undertaken after which a rehabilitation programme for the river will begin".

It is going to be interesting to see if the promise of rehabilitation of the river will be kept now that the mine has been forced to close down and CRA have removed their Australian workforce from the country. We can assume that it was RTZ who gave this assurance to Mr Lovett: if the clean-up does take place, will it be done by the government of PNG (who also had a stake in the mine), or will it be paid for by CRA who managed the mine? Now that RTZ have given this assurance it is up to us to make sure that it is carried out. If the Norwich Union are so confident in RTZ's integrity, maybe we should urge them to hold RTZ to their promise. The Jaba river was a major food source for many of the communities living on the banks of its 30 mile estuary. Since Bougainville Mining started up in the early seventies the river has been pronounced dead by scientists, and the poisonous tailings from the mine have raised the river bed by up to 30 metres in places.

# JUST HOW GREEN HAVE WE BECOME



Mr Lovett also assures F.O.E. that RTZ's relationship with aboriginal people is not a cause for concern. He says that the Argyle diamond mine in Western Australia acted with the consent of local communities, and that at Weipa in Queensland (the largest open bauxite mine in the world), "The aboriginal community remains and has not been moved". Neither of these statements are strictly true, and it is irresponsible of RTZ to deliberately misconstrue the F.O.E.'s points. At Argyle four aboriginal people were whisked-off to Perth to sign what is known as the Glenhill agreement, but they were not elected or authorised by the communities. It later transpired that these four people had absolutely no idea of the contents of the documents which they had signed, and CRA refused to disclose the contents of the agreement in public. In the case of Weipa, yes, the Aboriginal community does remain, but their homes were burnt down and bulldozed, and they were forcibly relocated.

Mr. Lovett is also wrong to assert that RTZ's uranium has not been used in the nuclear weapons industry. But then maybe the clever wording "has not been supplied to manufacturers of nuclear weapons" is a deliberate deceit in word usage, for we are all aware that the BNFL, who buy RTZ uranium also supply the nuclear war machine.

What we are seeing is a clear case of not wanting to rock the boat, and Lovett is hoping that RTZ's pat answers will close the issue once and for all. He says, "On the information available to us any further pressing of RTZ on these issues would be unwarranted". But the Norwich Union can make investments which are less unethical without losing out. What will be interesting to see is how long they can field-off the criticisms; particularly now that RTZ's Capper Pass smelter in Humberstone has hit the headlines because it emits levels of radiation higher than the nuclear industry's own limits, and its attempts to promote a green image for itself are beginning to look more see-through than a non-existent ozone layer. The Norwich Union may be interested to learn that earlier this year RTZ gave a special presentation to encourage investment from the U.S. Many investors in New York were concerned about the events at Bougainville. Whether or not this is an ethical concern is not clear, but CRA has already acknowledged that its pattern of climbing profits will not continue because of their losses due to the closure of Bougainville. Our own forecast is that RTZ will find it increasingly difficult to operate their high profit/high controversy mines around the world, especially now that we are beginning to see the environmental effects of mining become a topical issue.

## LOVETT OR LEAVE IT!

JANUARY 1990

NORWICH UNION NEWS

### Don't invest in pollution

DAVID SMITH, SD Department, writes: Phil Scott is on record as saying, 'We avoid making investments in what we consider unethical areas, be they product or geogra-

We are continuing to monitor on an ongoing basis the environmental aspects of the six companies identified in March as being "the worst polluters of Britain's rivers." For example, we are in contact with the corporate Environmental Affairs Department of RTZ which is working closely with RTZ Group companies' wide range of operations.

Where those companies we invest in are thought to be doing less than they should regarding their responsibility to the environment, we have and will continue to exert pressure on these companies to improve. In the course of the day-to-day operations of

phical, and the NU is presently seeking to achieve a "green" image.

Is it not true that NU took a much tougher line with companies, such as RTZ, whose reputation from an ethical or environmental viewpoint is thought, by most who have researched these areas, to be abominable?

May we please have details of tangible progress with this and the other water polluting companies (see page 4 July issue)?

How bad does a company's reputation need to be before the NU will consider severing any financial links?

PHILIP SCOTT, Senior Investment Manager, replies:

our investment portfolios we frequently meet the management of companies and "green issues" are always on the agenda.

We expect to see continually improving standards but a genuine commitment to the environment will not be helped by "severing any financial links." If we sell one share then by definition some other investor will buy that share and the transaction will have no impact on the finances of that company whatsoever. What almost certainly will have happened is that the share will have been bought by a less socially aware investor and our ability to apply pressure removed.

?

# Conservationists Oppose Mining Giant

"Don't let CRA do to New Zealand what they've done to Bougainville."

This is the message of a leaflet handed out by members of the environmental group Maruia Society in Queen St, Auckland on September 28.

Rallies were held the same day in Wellington, Nelson, Christchurch and Dunedin to protest the government's decision to approve prospecting by the mining monopoly CRA at Sam's Creek.

The prospecting license allows for the "sampling" of 8,000 tonnes of rock from a site within North West Nelson Conservation Park.

The group's leaflet is condensed below.

## Conzinc Riotinto of Australia (CRA)

This big Australian mining, smelting and coal exporting company has just announced it has \$2.7 billion of cash to invest, after a record profit for the year.

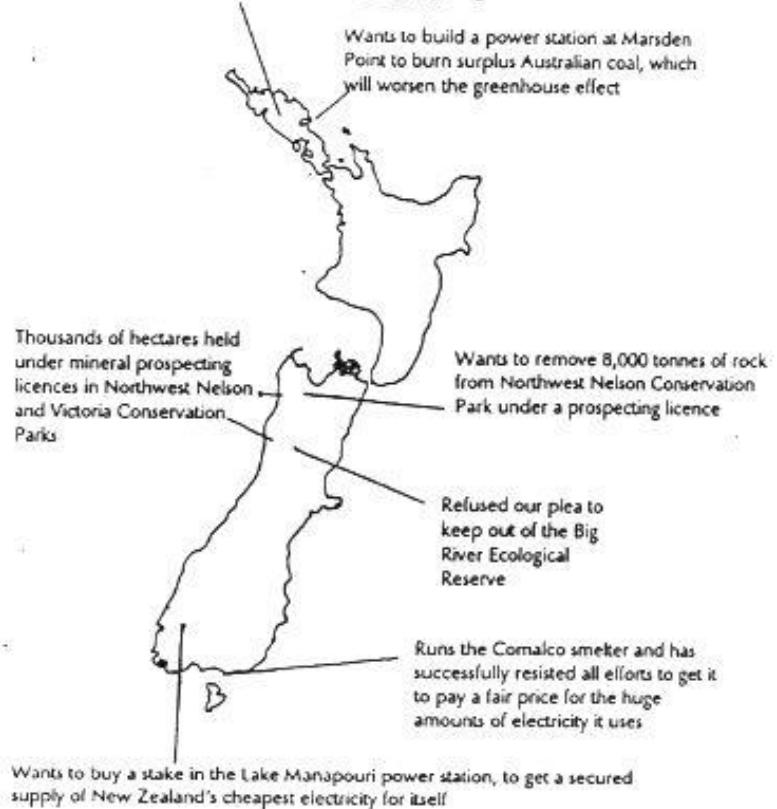
The map shows the kind of thing it wants to invest in here in New Zealand. None of them will be good for the environment.

Are they likely to be any good for New Zealand? The lousy deal we've got with CRA subsidiary Comalco should be a warning to us.

There is another warning from the once-beautiful Pacific island of Bougainville, where CRA operates a huge copper mine.

Mineral prospecting in Northland

CRA



The mine has no tailings dam and no treatment of its toxic discharges.

Thousands of tonnes of mine wastes have overwhelmed the Jaba River and polluted a large area of ocean and coastline.

Local residents have suffered so much disruption, and received so little compensation, that they have

cut off the mine's power supply and are now fighting to get the mine permanently closed.

## Why is New Zealand so gutless in dealing with CRA?

\* The Department of Conservation recently caved in to pressure and changed its policy to give CRA and other multinationals the right to drill for minerals in our conservation parks and ecological reserves.

\* The government and Electricorp have for years been too weak and ineffective to force CRA's subsidiary Comalco to pay the same price that other New Zealand industries pay for their electricity.

\* The Ministry for the Environment talks a lot about the greenhouse effect which threatens our climate and shorelines, but it hasn't taken any action to discourage CRA from putting up a new power station, even though this will have a massive output of greenhouse gases.



# THE RTZ a.g.m. 1990

Perhaps the highlight in our campaigning calendar, the RTZ annual general meeting is, once again, almost upon us. PARTIZANS made its name by pioneering the campaigning technique of obtaining shares in order to be able to raise issues at the RTZ a.g.m. This is our chance to bring the company to task over its worldwide operations; to inform shareholders and investors of the company's activities, and to get answers from RTZ about their operations and intentions.

Always frustrating, sometimes outrageous, but never dull, the a.g.m. is where RTZ assures us and the shareholders of its moral integrity, giving us information (often blatant lies) that we can follow-up later in the year. With the news that Chief Gaiashkibos and Dick Brook will be arriving from Wisconsin to confront RTZ over the proposed mine at Ladysmith, with a cloud of uncertainty hanging over Bougainville, developments in Australia, Papua New Guinea, Indonesia, Ireland, the Philippines, Britain and the USA, this will be an important meeting.

# MAY 9<sup>TH</sup>

## are you ready for it?

We have not yet had confirmation of the venue for this year's a.g.m.

but it will be in London. PARTIZANS will hold a briefing workshop on the morning of the a.g.m. to arrange a strategy and to prepare and inform ourselves on the questions we wish to ask. Please telephone the office if you wish to find out more information. We will be finalising details at a meeting this month, but you can expect that we will be able to provide child care and accommodation for those who require it, and may be able to help with travelling expenses for those who need it. Our next issue of PARTING COMPANY will provide more information. Please don't leave your enquiries too late - we are waiting to hear from you.

## *We Need Your Share ....*

Do you have a share in RTZ that you won't be needing this year? If so we would like you to send us the attendance card which RTZ will send you, so that somebody else can go in your place. But don't forget to sign the proxy section (which gives your authorisation for another person to act as your representative) We will need all the shares we can get our hands on. So even if you can't make it this year, you'll still be helping to undermine the most powerful mining company in the world. So please don't forget - as soon as your card arrives, sign it IN THE RIGHT PLACE and post it on to us.

## *Turn the page & fill out the form*

# Grab a pen now!



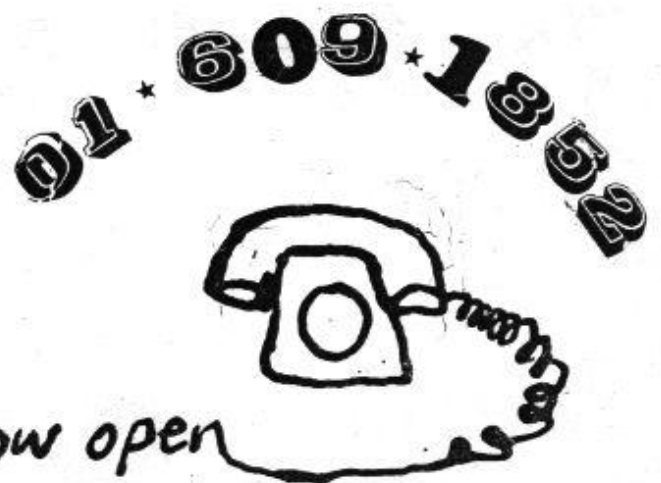
- Yes, I would like to come to the RTZ a.g.m. on May 9th:
  - I already have a share
  - I would like to buy a share and I enclose a cheque for £5 made payable to PARTIZANS.
  - I would like a proxy (free) so that I can attend this year's a.g.m.

An information pack will be sent out to all those who are coming. This will outline PARTIZANS' programme for the day. In previous years our morning briefing has started at 10.30 in central London, with a break for lunch. The RTZ a.g.m. has started at 2.00pm and is usually over by 4.30pm.

- I will require child care for \_\_\_\_\_ people, their ages are:
- I can only come if I am helped with travel expenses; I will need £ \_\_\_\_\_
- I would like to contribute towards the costs of the delegates from Wisconsin. I enclose a cheque for £ \_\_\_\_\_ made payable to PARTIZANS.
- I am an RTZ shareholder, but will not be attending the a.g.m. this year. Please find my signed attendance card enclosed.
- I would like to subscribe to PARTING COMPANY. (£5 per annum for five copies, £4 concession rate). I enclose a cheque made out to PARTIZANS
- I would like more information on PARTIZANS' activities/ RTZ's activities, in particular.....(please send an accompanying letter stating your interests).
- I would like more badges and enclose £ \_\_\_\_\_ (50p each or three for £1)

↓ Your Name:  
↓ Your Address:

**PARTIZANS**  
218 Liverpool Road,  
London N1 1LE.



The A.G.M. Hotline is now open