

**RTZ**

# CAUSE FOR CONCERN ?

You undoubtedly know that controversy surrounds RTZ. However, you may not be aware of the extent or serious nature of criticisms which have been levelled at the company's operations in Canada, USA, Panama, Australasia, Namibia and South Africa.

We, a group of concerned shareholders have been disturbed by the many criticisms made of RTZ. We feel it is our responsibility to present some of them to you now.

## CANADA & USA

Rio Algom, RTZ's Canadian subsidiary, are being taken to court by the Canadian Government for conspiring to fix uranium prices between September 1970 and April 1978, thereby "unduly lessening competition" according to the Financial Times (10.3.81, 16.4.81, 9.6.81).

This court case follows the imposition of moratoriums on uranium mining in both British Columbia and Labrador. Speaking of BRINCO, an RTZ subsidiary at the time, the Premier of Newfoundland was condemnatory:

"BRINCO has failed to satisfy the Government that it can and will safely and permanently dispose of the waste materials (tailings). BRINCO's social impact studies are woefully inadequate and we question the economic feasibility of the scheme."

*Brian Peckford, Premier of Newfoundland Government, Canada, 29th July 1980*

In the USA construction on the Quartz Hill project is beginning, only after intensive lobbying of Senate by RTZ to overturn a 'National Monument' preservation order on the area, according to the Financial Times (27.9.79).

This follows other law suits against RTZ from Westinghouse for fixing uranium prices through a clandestine cartel; law suits that have only been resolved in 1981 by out-of-court settlement. Now it seems, fresh suits have recently been presented to RTZ Services and Rio Algom by the Washington Public Power Supply System for anti-trust violations and further allegations of uranium price-fixing, according to the Mining Journal (15.1.82).

## PANAMA

RTZ's Panamanian Cerro Colorado project has been criticised for a marked lack of consultation with or concern for the Guaymi people living on the land:

"RTZ is writing the rules as it goes along. For that reason there are grounds for anxiety as to the protection the Guaymi can get under the law."

*Survival International observer in Panama, 1981*

"This House expresses its deep concern about the proposal by Rio Tinto Zinc to launch the largest copper mine in the world in Panama without real and proper concern for the Guaymi Indians who have inhabited this land long before the state of Panama was created..."

*Hansard Motion supported by 50 Members of Parliament, 6th April 1981*

## AUSTRALASIA

RTZ have been accused of violating sacred sites and burial grounds. In May 1980, 200 delegates to the Aboriginal Land Rights Symposium in Canberra passed 'mem con' a resolution condemning CRA's entry onto known Aboriginal sacred sites in the Smoke Creek region of East Kimberley (Ashton project) and "immediately request CRA to leave these areas". However, CRA continue their operations in the area.

As long ago as 1978, War on Want wrote to Sir Mark Turner of RTZ: "Can RTZ justify Genocide ... In making these profits (1977 Australian operations) RTZ have pursued a policy which is leading to the genocide of the Aboriginal people of Australia.... Aboriginal people are being forced off their reserves and settlements, their homes burned and their culture destroyed... In the face of this suffering RTZ have shown a brutal unconcern. RTZ as a British company have responsibility not only to its shareholders, but the British public and British Government. (Its) activities are in contradiction with the principles of human rights accepted in this country and undermine Britain's international prestige."

War on Want, letter to Sir Mark Turner, 23rd May 1978

"At Bougainville Papua New Guinea, RTZ was responsible for the native people being forcibly driven off and dispossessed of their land."

World Council of Churches, Pacific & Australasian Consultation on Transnational Corporations, July 1981

## SOUTHERN AFRICA

Rossing Uranium Ltd. provides the Group's largest African profit. The Rossing operation is illegal, following the 1974 United Nations Decree No. 1

"No person or entity, whether a body corporate or unincorporated, may search for, prospect for, explore for, take, extract, mine, process, refine, use, sell, export, or distribute any natural resource ... found to be situated within the territorial limits of Namibia without the consent of the UN Council for Namibia. Any permission, concession or licence... (granted) under the authority of South Africa or the 'Administration of South West Africa'... is null, void and of no force or effect; ... any person, entity or corporation which contravenes the present Decree in respect of Namibia may be held liable for damages by the future Government of an independent Namibia."

United Nations Decree No. 1, 1974

"Despite a ruling by the International Court of Justice and repeated UN Security Council and General Assembly Resolutions, the British-based corporation Rio Tinto Zinc has undertaken and expanded uranium mining operations in Namibia ... Every aspect -not only the illegality- of RTZ's operation in Namibia should be subject to an international outcry."

Sean MacBride, Nobel Peace Prize, former UN Commissioner for Namibia

Following an international Conference on Namibia in 1980, a statement of concern and call for action was issued and endorsed by the following churches:

"All Churches are ... called on to examine their relationships with corporations ... which operate in South Africa & Namibia by disassociating themselves from those institutions which undergird the apartheid regime, ... and in particular ... end the mining operations in Namibia which are contrary to Decree No. 1 of the UN Council for Namibia."

Church Group, International Conference on Namibia, September 1980, endorsed by World Council of Churches, British Council of Churches, All African Conference of Churches, Lutheran Church of America, Netherlands Reformed Church, Reformed Church of Switzerland, Council of Churches in Namibia, Lutheran World Foundation, Anglican Diocese of Namibia, United Evangelical Lutheran Church of Germany and others

The British Council of Churches recently published the report of their fact-finding mission to Namibia. Of conditions at Rossing they write:

"We learned that the workforce is very carefully controlled, and that any attempt at independent organisation of labour is immediately stamped out with the organisers being detained and restricted. Racial discrimination is felt to be prevalent..."

British Council of Churches, Report on Namibian mission, November 1981

The British Council of Churches have been critical of RTZ since 1975 when the General Assembly declared:

"The Assembly of the British Council of Churches deplores the fact that mineral resources of Namibia are being exploited by British firms and their subsidiaries."

British Council of Churches, General Assembly, 1975

Criticism has also come from the Labour movement, and many of Britain's Trade Union leaders have clearly stated their position:

"We have noted with special concern ...the contract with RTZ for the supply to Britain of uranium from the Rossing mine. This contract is directly contrary to the decisions of the United Nations which forbid the exploitation of Namibia's mineral wealth while the illegal occupation continues... The uranium contract should be terminated immediately."

Open letter to the Prime Minister, September 1980 from:

J.S. Slater, General Secretary National Union of Seamen; Terry Duffy, President AUEW; L.J. Sapper, General Secretary AUT; G. Gillman, General Secretary SCPS; E.A.G. Spanswick, General Secretary COHSE; D. Hoyle, President ASTMS; C. Grieve, General Secretary Tobacco Workers Union; Joe Gormley, President NUM; A. Kitson, General Secretary TGWU; A. Scargill, President Yorkshire Area NUM; A. Graham, Deputy General Secretary CPSA.

Since 1973, the Labour Party, Scottish TUC, and TUC have added their weight to criticisms of RTZ and the call on Government to cancel the RTZ Rossing contract. In 1981 the National Executive Committee of the Labour Party concluded in their Namibian policy report that given a forthcoming Labour Government,

"...Britain should terminate the 1968 AEA-RTZ contract, so we do not receive uranium from Namibia."

Labour Party National Executive Committee, April 1981

SWAPO, recognised by the UN as the 'sole authentic representatives of the Namibian people', have repeatedly condemned RTZ and the Rossing mine as:

"...a criminal exploitation of the irreplaceable resources which rightfully belong to the people of Namibia."

SWAPO, January 1981

SWAPO have clearly outlined their message to shareholders in RTZ, as presented to the UN Special Uranium Hearings, July 1980:

"RTZ must get out of Namibia ...Our people will, through the Government of an independent state of Namibia, present a Bill of Indictment and of Damages and demand compensation from ...RTZ, which during pre-independence period is involved in illegal acts and in plunder of our uranium..."

SWAPO Statement at UN Special Hearing on Uranium, 7th July 1980

We appeal to you to exert your influence in support of our protests, and to reconsider your investments in the light of this information. A number of institutions have already taken action, many of them by disinvesting their shareholdings:

"We have taken a decision to disinvest from RTZ on the grounds of its South African ... connections."

J.M. Cousins, Deputy Leader, Tyne & Wear County Council

"It's disgraceful that we have been supporting such a company (RTZ) that behaves in such an amoral way."

Tony Hart, Chairperson Finance Committee, Greater London Council

"(RTZ) is a company in which the Diocese would not wish to invest."

Cardinal Basil Hume, Diocese of Westminster

"Some months ago I discovered that the Investment Committee of this Archdiocese had ...purchased certain shares in RTZ. I immediately gave instructions that they were to be sold so that the Archdiocese is not a shareholder."

The Archbishop of Liverpool

"The Salvation Army has always tried to distance itself from any dubious practice by the careful selection of the companies with which it invests..."

David Surman, Commissioner Chancellor, Salvation Army

"Holding shares in a company (RTZ) indifferent to ...United Nations Resolutions... would appear hypocritical."

The Secretary, Ba'hai Faith in Britain

"(RTZ) made a donation to the appeal fund which was not acceptable to a majority of the staff. We were almost unanimous about this...(We were) unwilling to accept the money in view of the company's involvement in South Africa... This decision is consistent with the school's and Inner London Education Authority's policy of multi-ethnic education."

Rod Usher, Headmaster, Pimlico School

"Can (RTZ) hope to convince the public at large that they themselves have social aims, or will the public just yet be more convinced that they care not one jot for the well-being of the community and are concerned solely about the next year's dividends?"

The Guardian, June 23rd 1981