



Rio Tinto

(“rio”- river, “tinto”- dyed/stained- Collins concise Spanish Dictionary)

Rio Tinto: the company

As one of the world’s largest mining companies Rio Tinto is an extremely powerful international corporation and is one of the worlds most aggressive resource companies. The company began its operations in Spain from its base in Great Britain in the late 19th century.

Now based in Great Britain and Australia since the merger of RTZ and CRA in 1995 Rio Tinto has worked hard to improve its image with a series of company policy launches and targeted public relations messages. Despite this Rio has been unable to avoid controversy and strong opposition to its operations. With resource interests on every continent, Rio Tinto is a leader in the minerals sector. Unfortunately Rio has been leading the industry the wrong way and epitomises the worst aspects of globalisation with its practice of undermining national regulations and over-riding indigenous landowners. Only through the concerted efforts of landowners, shareholders, community organisations, trade unions and concerned citizens (and potentially, strong governments) will Rio Tinto be made accountable for its activities and truly responsive to community expectations.



Some of Rio Tinto’s more notorious mining operations



Australian
**Conservation
Foundation**



Environment Centre NT Inc



Rio Tinto: the mines

Following is a snapshot of the poor performance of a handful of Rio Tinto's 40+ operations. Many other Rio Tinto mines with poor environmental and social impacts are not included here.

Bougainville

Panguna- "Mining at what was once one of the world's largest open pit copper gold mines led to civil war and human rights abuses. Before its forced closure Panguna is estimated to have dumped more than one billion tonnes of mine waste into the Pangana, Jaba and Kawerong Rivers, killing all aquatic life in the 480 km² river system." (Mining Monitor (MM) June, 1997). Tailings were dispersed over an area of 4000 hectares. Rio Tinto are now the target of a class action on behalf of Bougainvillean landowners who allege that "not only have Rio Tinto caused severe damages to their land, rivers and seas but that through their actions have coerced the PNG Government into engaging in armed conflict with opponents of the mine and instituting a military blockade of the Island between 1990 and 1998...The claimants maintain that Rio Tinto should be held directly accountable for the 15,000 civilians who lost their lives as a result of the blockade and military conflict." (www.mpi.org.au)

Papua New Guinea

Lihir- (Rio Tinto ownership- 16%) "Lihir is one of the world's richest gold mines, on Lihir Island north-east of mainland PNG. It will dump 89 million tonnes of cyanide contaminated tailings and 330 million tonnes of waste rock into the ocean in an area described by ecological studies as one of the richest areas of marine biodiversity on earth." (MM, June 1997)



Lihir mine, Papua New Guinea (www.riotinto.com)

Indonesia/West Papua

Grasberg/Freeport- (Rio Tinto ownership 14%, expansion- 40%) copper and gold. "it is estimated that 3 billion tonnes of highly acidic waste rock, laden with heavy metals will be dumped in the lake by the time the mine closes in 2041... The waste dump dam collapsed for the third time in May 2000 killing 4 workers and sending a wave of toxic waste through a nearby village destroying the village, livestock and gardens. The waste dump is not the only problem at Grasberg- the mine dumps 230,000 tonnes of tailings into the Ajkwa River daily with plans to increase to 300,000 tonnes daily." (MM, July 2000). In 1994 landowners were imprisoned by the Indonesian military in shipping containers provided by Rio Tinto. In 1998 Tom Beanal, the leader of the Amungme landowners said "We just didn't want this mine, we don't want mining" (Rio Tinto: Behind the Facade, 1998 Stakeholders Report, p.24). Of plans to expand Grasberg he stated "If we protest their decision, they will send troops to kill us" (ibid. p.12)

Indonesia

Kelian- (Rio ownership 90%) Since 1992, Rio Tinto's Kelian Gold Mine has produced 14 tonnes of gold per year, but has contaminated the water source of thousands of people with mine wastes. Locals can no longer eat the fish which they rely upon as a protein source, cannot drink the water, and suffer from skin rashes when they bathe in the river.



Namibia

Rossing Uranium Mine- (Rio ownership 69%)- The controversial Rossing mine has been operated by Rio Tinto since it commenced in 1976 in South African occupied South West Africa (Namibia). Both the United Nations and the International Court of Justice found Rio Tinto to be operating the Rossing Mine illegally employing “virtual slave labour under brutal and unsafe conditions” (United Nations, *Plunder of Namibian Uranium*, 1982) throughout the apartheid era. Since Namibian independence workers at Rossing have been battling Rio Tinto in attempts to achieve a living wage and satisfactory working conditions. Rio has been the target of a number of compensation claims lodged by workers who contracted cancer while working at Rossing. (Rio Tinto: Behind the Façade)



Rossing Uranium Mine, Namibia (www.riotinto.com)

United Kingdom

Copper Pass- “Copper Pass is a major tinne smelter in the United Kingdom that was closed down by Rio Tinto in 1991. After first denying any wrong doing, Rio Tinto finally admitted in the late 90’s that it persistently violated health and safety and environmental laws at the smelter. Rio Tinto is now facing major legal liability from ex-workers, their families and their communities for cancer risk exposure and other major health and environmental problems.” (www.cfmeu.asn.au)

Australia

Rio Tinto has long been a major player in the Australian minerals industry with CRA being one of the company’s most profitable arms until the merger in 1995. Rio Tinto has been involved in a number of notorious mining operations in Australia. Rio operated the **Mary Kathleen** and **Rum Jungle** uranium mines, both of which left a legacy of major environmental devastation and deteriorating worker’s health.

CRA walked away from the Rum Jungle mine leaving the Australian Government to foot the bill for over \$23 million. Elsewhere at **Weipa** in Northern Queensland, Lake Argyle and the Pilbara in WA CRA lobbied Governments to hand over large portions of Aboriginal land for mining and then paid among the lowest ever royalty rates for the extracted minerals.

More recently Rio Tinto has waged major anti-union campaigns in the Hunter Valley coal mines and the Pilbara iron ore mines.

In April 2001 the Australian Industrial Relations Commission found that Rio Tinto had discriminated against union members and ordered the company to reinstate sacked workers with full back-pay.



Jabiluka Mine site, March 2001. Photo by David Palmer

In August 2000 Rio Tinto acquired control of North Limited, thereby gaining control of the **Ranger** and **Jabiluka** uranium mines/proposals in Kakadu National Park.

To date Rio Tinto have failed to rule out the development or on-sale of Jabiluka, one of the most controversial mine proposals in Australia’s history.



Rio Tinto- the Lobbyist

While Rio Tinto's on-ground mining impacts have been enormous, they have perhaps been matched by the impacts resulting from Rio Tinto's lobbying efforts. As one of the most influential companies on the planet Rio Tinto has sought to oppose environmental regulations, weaken industrial standards and the role of unionised labour, and pay minimal mineral royalties and taxes wherever it operates.

Internationally Rio Tinto is a foundation member and active supporter of the Global Mining Initiative (GMI). This process is an attempt by the global mining industry to reclaim public support and acceptance and is a key part of the industry's public relations strategy. A major criticism levelled at the GMI has been that the industry is vesting more effort in a public relations exercise than it is in improving its environmental and social performance.

In Australia Rio Tinto is one of the key players in the Minerals Council of Australia, an organisation that has recently actively campaigned to

- weaken new environmental legislation and frustrate international efforts to reduce Greenhouse Gas emissions,
- oppose the introduction of the Corporate Code of Conduct Bill 2000 which would bind Australian companies operating overseas to abide by and publicly report on compliance with environmental and human rights standards,
- oppose Native Title legislation,
- replace existing environmental regulations with 'voluntary environment measures'.

In recent years Rio Tinto has invested much effort in attempting to overhaul the company's public image. Less effort however has been invested in improving environmental and social performance. Until Rio Tinto lifts its own performance, and lifts the performance of the industry bodies with which it associates, it will continue to be the target of campaigns by workers, indigenous people's, environmentalists and concerned citizens world-wide.

For more information on Rio Tinto and their operations:

- Past editions of Mining Monitor (the newsletter of the Minerals Policy Institute) are invaluable. See www.mpi.org.au
- ICEM (the International Federation of Chemical, Energy, Mines and General Workers' Unions) have produced two detailed stakeholder reports on Rio Tinto. See www.icem.org
- the CFMEU have been running a Rio Tinto campaign for some years. See www.cfmeu.asn.au
- The Gulliver File by Roger Moody (1992) is an amazing resource documenting the history of mines and mining companies internationally.

This briefing drew heavily on the above sources of information.

The Environment Centre NT, Australian Conservation Foundation and Friends of the Earth Australia are campaigning with traditional owners to stop the Jabiluka uranium mine in Kakadu National Park. Rio Tinto are the new majority owners of uranium miner Energy Resources of Australia (ERA) and the Jabiluka mineral lease following their take-over of North Ltd in August 2000. Environment groups are calling on Rio Tinto to publicly commit to neither selling nor developing Jabiluka or ERA and to instead end its uranium operations in Kakadu.

**For more information about the campaign to stop Jabiluka see:
Sustainable Energy and Anti-Uranium service- www.sea-us.org.au
The Environment Centre NT- www.ecnt.org
Australian Conservation Foundation- www.acfonline.org.au
Friends of the Earth Australia- www.foe.org.au
Gundjehmi Aboriginal Corporation- www.mirrar.net**