

# ROGER AWARD 1998

## STATEMENT FROM THE JUDGES

All the finalists were worthy winners of the inaugural Roger Award. The finalists were Brierley Investments, Comalco, Coeur Gold, Independent Newspapers, Juken Nissho, Lion Nathan, Telecom, Tranz Rail and Westpac. The criteria against which the finalists were assessed were: unemployment, monopoly, profiteering, abuse of workers/conditions, attitudes to consumers, political interference, environmental damage, cultural imperialism, impact on tangata whenua, running an ideological crusade, impact on women.

The dubious honour of receiving the Roger Award for 1998 goes to TRANZ RAIL

The critical factor in choosing Tranz Rail was the calculated, callous attitude it has shown to the people it has injured and the families who have lost their loved ones through its negligence and workplace practices. Despite public outrage and sympathy for the plight of six year old Morgan Jones, and workers like 35 year old Jack Neha killed in Tranz Rail's shunting yards, the company continued to play hard-ball politics to avoid its legal liabilities. This attitude has permeated from the top - Chief of Wisconsin Central Transportation, the main shareholder of Tranz Rail confessed he was "a little bewildered by why so much has been made" of the Morgan Jones case.

The judges believe Tranz Rail has abdicated its moral responsibility by putting profits before people. This reflects the broader shift in values from nurturing and providing for all who coexist in Aotearoa New Zealand to pursuit of self-interest - a shift which has contributed to the breakdown of community wellbeing and the relationship on which the Treaty of Waitangi was built.

Tranz Rail met most of the stated criteria. Tangata whenua rights were ignored or deferred in the government's eagerness to secure a quick sale to Tranz Rail. Maori claims to land in Taneatua languished while Tranz Rail paid peppercorn rentals to the Crown. Workers have been laid off temporarily and permanently in rural and urban communities which depended on those jobs, while enormous profits have been reaped by the US owners and local corporate elite. Workers taking action with union support have been penalised. Tranz Rail has appealed against conditions imposed on its proposed ferry terminal at Clifford Bay. Tranz Rail remains active in lobbying government through the Business Roundtable and has secured exclusive negotiations over the light rail system with the Auckland Regional Council. Lack of investment in rolling stock and unwillingness to fund safety barriers at crossings indicates a lack of long-term commitment to New Zealand rail. Indeed, having made the quick profit, Wisconsin is now selling down its shares and seeking more lucrative pastures elsewhere. We trust that control of New Zealand's rail system will revert to responsible, accountable, local hands.

In equal second place were COEUR GOLD (NZ) LTD and INDEPENDENT NEWSPAPERS LTD (INL).

INL was nominated "Because of the immense power element they represent in an all-pervasive manner, in pursuit of the dominance and the imposition of neo-libertarian market-driven ideology." The news media exercises pervasive influence over information and ideas; it seeks to shape people's thoughts and ideas. In the words of one of our judges "The day in and day out publishing of INL's biased view of the world can be equated to a dangerous propaganda machine which deeply influences the hearts and minds of New Zealanders".

New Zealand is one of the few developed democracies where the print news media are controlled by a

transnational duopoly. INL is 76% overseas owned and publishes 70% of New Zealand's newspapers, magazines and sporting publications. It owns 40 suburban newspapers and its tentacles reach the rural and regional heartland of New Zealand.

The sheer power of the press should have ensured that ordinary New Zealanders had the information necessary to make educated choices and hold their political representatives and business community to account during the last decade's blitzkrieg. The media should also have led the way in informed, bicultural debate over the Treaty. Instead, alongside Wilson and Horton and the National Business Review, INL has acted as an uncritical cheer-leader for neo-liberalism and at times helped lead the charge. There has been no independent, responsible contest of ideas.

Given INL's pedigree, this should not surprise us. INL is controlled by Rupert Murdoch, often referred to as the most powerful private citizen in the world. He is seen to have influence on editorial policy; editors are chosen for their alignment with his view of the world. We do not need him here.

Coeur Gold has shown a calculated, profit-driven and detached attitude to the environment and community in which it operates. In the course of reopening the Golden Cross mine at Waitekauri Valley, Waihi, the US-owned gold mining company has created a tailings dam that contains 4 million tonnes of toxic cyanide-laced waste. This dam is now undermined by a 1.5 km long landslide. Some \$21 million has been spent to shore up the slide, but the problem remains. Knowledge of these risks appear to have been ignored. The company now faces legal challenge from US shareholders and an investigation by the Securities and Exchange Commission for failure to disclose the condition of the mine. Also ignored were demands from the Waikato Regional Council that the dam be shifted to a safer site. The company has attempted to gag critics by enforcing heavy costs award - a familiar ploy used by such companies internationally.

This experience demonstrates how self-regulation, transferable pollution rights and polluter-pays deposits works to maximise exploitation and minimise liability. The environmental bonds for \$12.1 million will never meet the costs of cleaning up seepage from the tailings dam, let alone rehabilitation for the damage if - when - the dam bursts. As a thinly capitalised company which seems likely to liquidate its New Zealand operation, there will be nothing left to sue. Potential liability and loss of profits have promoted the company to withdraw. For the people of Waihi, the threat from the dam remains.

Coeur Gold has failed to deliver on promises of jobs, environmental responsibility and long-term commitment made as part of their entry. People were made dependent on the mine when other local employers relocated to a less polluted environment. As a major employer in Waihi the closure will affect the livelihoods of everyone - small businesses, financial and professional services, parts suppliers, maintenance services, food and retail outlets, schools and community services.

The preferential terms on which prospecting/mining licences are granted, almost always to transnational firms, show the priority government gives to exploitation and big business ahead of tangata whenua, local communities, environment, conservation and health concerns. The visible scars this venture has left in Papatuanuku and the legacy of toxic wastes have been left for future generations to bear.

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