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## **PRIME MINISTER**

110/94

### **STATEMENT BY THE PRIME MINISTER, THE HON P J KEATING MP**

#### **MR MCLACHLAN AND ELDERS IXL**

The decision of the Victorian Supreme Court to grant the Bank of New Zealand leave to issue claims against former Elders IXL board members, including Liberal frontbencher Ian McLachlan, casts a cloud over Mr McLachlan's Shadow Ministry role as a former director of that company.

Mr McLachlan likes to portray himself - on television and in the print media - as someone who resigned from the board, after ten years, because the situation had become overheated. But as yesterday's decision confirms, he was a director years earlier when Elders bought 20 per cent of BHP as part of that company's attempt to block the late Robert Holmes a Court's takeover bid.

As the public now knows, the tactic apparently was that Elders would hold about 20 per cent of BHP, denying Mr Holmes a Court any chance of compulsory acquisition above ninety per cent of the stock, and in return BHP would protect the Elders Board by holding a large block of Elders stock - stock later sold by BHP to Harlin Pty Ltd.

Mr McLachlan might tell the public what contribution he made and how he voted on the board on these matters - whether he supported the move to buy stock in BHP, and if so, why?

Given his frontbench position in the Federal Opposition, he should tell the public if he had any role in the Hawkins transactions, or if he had any knowledge of those transactions.

The Leader of the Opposition should insist on knowing the full details of the McLachlan involvement on the board of Elders IXL as it relates to these transactions.

As a board member of a major public company, his contribution on the board of Elders affected many thousands of public shareholders.

If Mr McLachlan is not forthcoming about his role he should be stood down from the Opposition frontbench until these matters are heard and until evidence of the discharge of his fiduciary responsibilities confirms that he acted with propriety.

**CANBERRA**  
**13 DECEMBER, 1994**