PRINCIPLES OF COMPANY LAW. By H.A.J. FORD. SECOND EDITION. [Sydney: Butterworths. 1978. lxii+541 pp.]

Let me begin by stating what is obvious to any person who has had occasion to read or use this book. It is an excellent piece of work by Professor Ford. Designed as a companion to Afterman and Baxt's *Cases and Materials on Corporations and Associations* (2nd ed. 1975, Butterworths), this textbook succinctly states the law of companies in both Australia under the Uniform Companies Act and the United Kingdom under its various Companies Acts. For the practitioner it is extremely useful for its discussion of the relevant cases on every topic that could possibly confront him except for tax matters. However, it is not a competitor to Gower's *Company Law,* but rather a complement to it. While Gower often discusses the policy and rationale of a particular rule and suggests possible solutions to controversies, Ford rarely enters into the fray. He prefers to note merely the disagreement among authors or the conflict in the jurisprudence. Exceptionally, he does offer an opinion as in the dispute concerning the extent of a member's right to enforce a right accorded him by the Memorandum or Articles of Association. After mentioning the views of Gower, Wedderburn and Goldberg, he states his preference for the view of Goldberg which holds the middle ground by arguing that every member has a statutory right to enforce judicially those provisions of the Memorandum or Articles which confer on a specific organ the right to conduct certain company affairs.

With regard to the usefulness of this text to a Singaporean or Malaysian lawyer or student, two things should be mentioned. First, given the similarity of legislation, Ford has attempted to make this work useful in Hong Kong, Malaysia and Singapore. He has done so by mentioning situations where the legislative provisions differ as in the case of oppression for Singapore (section 181 of the (Singapore) Companies Act). However, his discussion of differences should not be taken as exhaustive. Although the Australian or English provisions may be similar to the corresponding Singapore statute, care must be taken to be sure that it is identical to the one discussed by Ford. The comparative table of companies legislation covering English, Australian, Hong Kong, Singapore and Malaysian Companies Acts is very helpful in this regard. Unfortunately, there is no indication as to which sections are identical as opposed to being merely similar or only on the same topic. The lawyer or student in these countries without access to the English or Australian statute is thus constantly unsure of the actual relevance of Ford's discussion. Secondly, when

explaining the difference between English and Australian law on a particular issue, Ford may fail to state which of the two contending positions is followed by Hong Kong, Singapore or Malaysia. For example, he mentions that in Australia, unlike the United Kingdom, the liquidator may avoid any transaction by the debtor within six months of winding up if the effect is to give a creditor a preference over other creditors; no proof of intent on the part of the debtor is required. The corresponding English provision is limited to three months and requires proof of intent to prefer. Ford does not say what the rule is in Hong Kong, Singapore, or Malaysia although the comparative table lists them as all having comparable statutes. There continues to be a need for a detailed comparative study of the law in these countries.

In the context of determining its usefulness to lawyers in Singapore or Malaysia, this text book also raises a fundamental issue concerning the future development of company law. This text is part of a developing body of legal materials in English which do not use the law of the United Kingdom as their sole basis for discussion. While English cases and statutes remain useful for study, they are not essential for the continued development of the law. The existence of such a body of legal literature will become more important as the company law in the United Kingdom begins to be "harmonised" with the other members of the European Community. This harmonisation, mandated by the Treaty of Rome *(viz.* Art. 54(3)(g)), will cause English law to depart from many of its previous principles founded on the common law. Singapore, Malaysia, Australia, New Zealand and other countries which generally follow the English pattern of regulation will be faced with the choice of continuing to follow the English position or retaining their present legal structure regarding companies. Already there have been eight numbered directives proposed by the European Commission dealing with such matters as accounts, internal mergers, maintenance and alteration of capital, and employee participation ("co-determination"). English company law will change; only the pace is in question. The existence of legal materials concentrating on the company law of Australia with references to its similarities with Singapore makes the option of not following the English changes a more viable one. In an area of law as detailed and complex as company law, uniqueness can be a detriment, and Ford's text outlines a body of law sufficiently common to Australia, New Zealand, Singapore, Malaysia, and Hong Kong so that it can exist and prosper independent of its original source.

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