

FORD'S PRINCIPLES OF CORPORATIONS LAW

Professor Ford & Austin
6th Edition, Butterworths 1992
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Professor Ford's seminal work on companies has become a standard university text. It was first published as 'Principles of Company Law' in 1974, a title it retained through four subsequent editions. In its sixth edition there has been a change of title, to accord with the title of the co-operative scheme legislation, and a co-author, Professor R.P. Austin, has undertaken revision of eight of the 24 chapters.

The current edition extends to over 1000 pages and is a work of profound and careful scholarship. Its table of cases and table of legislation extend to over 80 pages, with seven more of valuable references and abbreviations. In part, this is a reflection of the extensive legislative changes in recent years that have made the lives of students, academics and practitioners of corporate law so hectic and so interesting. 'May you never live in interesting times' !

This edition of 1992 is already out of date. It incorporates the extensive changes to the substance and administration of the company, securities, takeovers and futures law introduced on 1 January 1991 by the proclamation of the *Corporations Act*, and amendments introduced in 1991. Since then, the *Corporate Law Reform Act 1992* (Cwlth) has introduced major changes: directors' duty of disclosure of interests, duty of care, duties in relation to insolvent trading, a system of voluntary administration of insolvent companies and a system of civil penalties.

The book is superb foundation for reference, as a starting point for research and for discussion of the philosophy underlying the legislation and the anomalies which it discusses. Much of it is very difficult reading. The style is dense. It relies heavily on a reader's understanding of the principles of contract, agency, equity and trusts, and one needs to have read most of it with the massive volume of legislation at one's elbow. The writer three years ago ceased to use the work as a text for commerce students. Law students would be well advised to use it as a reference, or for reading up selected topics. A broad understanding should be sought elsewhere especially when the subject is to be covered over what is to be almost derisory period of thirteen weeks.

Professor Ford sensibly referred to Lord Lindley's warning in the preface of the first edition to beware of text books, 'not to rely on these abridgments but to consult the statutes themselves in every case which

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he may have to investigate'. An aim of the first edition was to provide students of law and commerce with a basic textbook on company law. Both the statute and the text are now far from basic. The text never had the simple clarity of Professor Gower's classic English text, 'Modern Company Law' and was never as readable, of, the analysis of prescribed and participation interests in chapter 13 of the Ford/Austin work. Regrettably, it is now impossible to provide a clear, readable exposition of something so complex as the Corporations Law without either oversimplifying complex provisions or avoiding any precision and dealing only with principles, fundamental provisions and underlying purposes.

The book is nevertheless invaluable. No detailed analysis of an area of the legislation, no assignment involving analysis or argument and no answer to a complex problem should be answered without reference to the work. Its thoroughness, accuracy, indexing and analysis places the work head and shoulders above its Australasian competitors.