

# Book Reviews

## Understanding Company Law (9th Edition)

By Phillip Lipton and Abe Herzberg.  
LBC Information Services, Sydney NSW 2000

*Understanding Company Law* is a practical and clearly expressed exposition of company law in Australia. As the jacket copy indicates, it is not an attempt to comprehensively review and critique the *Corporations Law*. Rather, it focuses on the life cycle of the typical company, beginning with registration, moving through matters such as the constitution, structure and control, and finishing with receivership, voluntary administration and liquidation. By adopting that structure, the authors have provided an easy to follow means of understanding the regulation of companies in Australia.

Students studying Company Law as part of an Economics, Commerce or Business degree will find *Understanding Company Law* particularly useful. The authors have clearly attempted to avoid unnecessary jargon and provide basic definitions wherever possible. In most instances they have succeeded in that regard, so that, for instance, a reader with little knowledge of the share market and its workings will be able to make sense of the treatment of share capital in Chapter 8. The case extracts in *Understanding Company Law* have been kept to a minimum and only short, easy to follow extracts have been used.

*Understanding Company Law* will also make a useful text for law students, though it will clearly have to be supplemented with other more comprehensive texts and by reading relevant decisions of the State and Federal Courts. Practitioners will also benefit from *Understanding Company Law*, though its limited case law references dictate that it should not be relied upon without wider reading, particularly given the easy availability of unreported judgments through electronic databases.

Stylistically, *Understanding Company Law* uses a readily understandable system of headings and sub-headings, as well as shading for any cases, legislation or Law Reform Commission reports extracted. One significant deficiency is that the extracted judgments do not include page references, so that it is quite difficult to use them as the starting point for further reading. Of less importance, but still a matter of some irritation, is the scattering of more than a few typographical errors through *Understanding Company Law*.

The significant changes made to the Corporations Law by the *Corporate Law Economic Reform Program Act 1999* (Cth) (CLERP) are dealt with in some detail in *Understanding Company Law*, particularly in relation to directors' duties (see Chapter 13), statutory derivative

actions (see Chapter 17) and takeovers (see Chapter 18). However, in some instances, the authors seem to have preferred brevity to thorough explanation. For example, while mention is made of the fact that the 'business judgment rule' now contained in section 180(2) has been imported from American company law, scant detail of how the concept is applied in American case law is provided. The lack of such detail is not so much a ground for criticism as another indication that *Understanding Company Law* needs to be viewed as a primary source of information about the relevant law, rather than a complete statement of it.

In summary, *Understanding Company Law* is an easy to use and up to date guide to company law in Australia. Its clarity of expression and logical layout ensure that it will prove valuable to the student and practitioner alike as a primary reference point.

Reviewed by Jason Downing

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## Butterworths Australian Competition Law

Sydney, Butterworths, 2000

Competition law is suddenly sexy. At least publishers seem to think so, if the plethora of competition law titles now on offer is any indication. *Butterworths Australian Competition Law* is a collective work, bringing together a range of trade practices practitioners and academics, all well known in trade practices circles. The book is an examination of those parts of the *Trade Practices Act 1974* ('the TPA') which deal with competition principles – that is primarily Part IV of the TPA.

An introductory chapter, 'The Legislative Basis of the Act,' introduces the reader to the legislative history of competition regulation in Australia, from the *Australian Industries Preservation Act 1906* (Cth) through to the report of the Hilmer Committee and the Competition Policy reforms which followed that report.

The second chapter contains an extremely useful overview of the economic principles that underpin any analysis of competition law. The economic novice and the seasoned practitioner alike can benefit from the clear review of the various concepts, such as 'competition' and 'market', which operate within the context of the Australian legislation. There is an excellent analysis of market definition and delineation as well as detailed discussion of the various concepts of competition. The footnotes suggest further reading of both economic texts and articles as well as relevant case law.

A detailed look at the various sections of Part IV