

SIDELIGHTS ON MODERN COMMERCE.

LECTURE AT THE UNIVERSITY.

An instructive lecture on "Company Law—Some sidelights on modern commerce" was delivered in the Prince of Wales Theatre, at the Adelaide University on Thursday evening by Mr. H. Y. Braddon, a prominent Sydney commercial man. For the purpose of advancing the study of commerce, the late Mr. Joseph Fisher donated £1,000, and the Chamber of Commerce £25 per annum for three years, to the University, and lectures are given in alternate years on commercial subjects. Mr. J. R. Fowler (chairman of the board of commercial studies) presided, and the audience, composed mainly of students, commercial men, and lawyers, filled the theatre. Several ladies were present. The lecturer invested an essentially technical subject with a deal of interest, and illuminated his discourse with passages of wit and humor.

Mr. Braddon said he knew of no art by which the subject of company law could be made a bright one for a lecture, but it was a question of profound interest to any community. He referred to the disadvantages of partnership law, and the importance assumed by the limited liability form since the passage in England of the Limited Liability Act of 1862—the magna charta of modern co-operative enterprise. The English legislation had been adopted bit by bit in Australia, and the result was they had in the Commonwealth to-day a regular jumble of company conditions. If they were one nation they ought to have through the length and breadth of the land one company law and one bankruptcy law. The lecturer criticised the Commonwealth Bank Act as a popular political move, which superimposed on the existing law. There were three big classes into which they might divide limited liability. Firstly, there was the no-liability mining company. The second was the private company, as it was known in England, or the proprietary company as it was called in Victoria. The membership was limited to 50, and since it made no appeal to the public for money it was allowed certain privileges. The third and most popular form was the ordinary limited liability company. In New South Wales a number of small concerns had been floated into limited liability companies, whose debentures need not be registered, but he did not consider that a good thing. New South Wales, South Australia, and Queensland had no provision for private companies, on either the English or Victorian model. Victoria seemed to be the soundest State in the matter of company law, Queensland and South Australia might be bracketed second, and New South Wales came a glorious last. He felt that he was speaking as a business man, and that, to give an ideal lecture on company law, if that was possible—which he doubted—it would be necessary for a lawyer and a business man to collaborate. He offered a few suggestions for an ideal company law, and the details would have to be thrashed out by some expert body. The main things to be considered, he thought, were the prospectus, the responsibilities of directors, and the duties of auditors. The prospectus should be on the English lines, and nothing material should be allowed to pass if it contained anything in the nature of deception. There should be no suppression of any matter likely to turn the investor away. The directors' remuneration and qualifications should be stated in the prospectus. Some of the Acts in Australia, especially in New South Wales, never mentioned auditors. The auditors were the protectors of the investors, and only certificated men should be employed. The lecturer traced the development from the primitive means of trade by barter to the use of metal currency, and gave the reasons why gold had become the universal metal for international exchange. In conclusion, he spoke of the wonders of the modern forms of commerce, instancing the c.i.f. transactions between commercial men unknown to one another and on opposite sides of the globe, in which the banks intervened with credit to eliminate the factor of risk.

Mr. W. Herbert Phillips, in thanking Mr. Braddon for his valuable lecture, said he believed he had inspired many young men that night with the thought that whatever monotony there might appear to be in business routine, commercial subjects would become intensely interesting to those who made a study of them. They should all realise, and particularly the young men, that if any country was to be successful, the measure of success would be decided according to the education and efficiency of its commercial men. It was a splendid thing to have a Faculty of Commerce in connection with the Adelaide University.

Mr. John Shiels, manager of the Bank of Adelaide, endorsed the remarks of Mr. Phillips. He said a fine opportunity was now presented to the Federal Government to make the banking and company laws throughout Australia uniform. If the Federal Government did not do this it

would be well for the individual States to do something in the matter.

Mr. Braddon, in responding, spoke of the success which had at last crowned the efforts of commercial men in New South Wales in the direction of having a commercial course provided at the Sydney University. After much pressure had been brought to bear, the authorities reluctantly admitted as part of the arts course a diploma course in economics and commerce, but the course was made so difficult that no undergraduate would tackle it. Now the appeal was almost solely to men in business and in the Government service, and the response had been remarkable. Finally, the Government had established a chair of economics and commerce, and granted another sum for a chair of applied chemistry.

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COMPANY LAW.

SIDELIGHTS ON COMMERCE.

LECTURE AT THE UNIVERSITY.

The Prince of Wales Theatre, Adelaide University, was packed last evening, when the annual Joseph Fisher lecture on commerce was delivered by Mr. H. Y. Braddon, the Sydney manager for Dalgety and Co. His subject was company law—some sidelights on modern commerce.

The company laws of the Australian States, said Mr. Braddon, had been copied from time to time from the English Acts, and throughout the Commonwealth there was a regular jumble of company conditions. They should have one company law, and one bankruptcy law in Australia. An attempt in this direction had been made some time ago, but Governments did not like to tackle the matter, because it entailed a great deal of work, and brought little thanks. He believed that there was some difficulty with regard to the power of the Federal Parliament to pass such an Act, but if a body of experts were to formulate a sound company law, he was sure that the States would assist in making it effective.

Different Forms of Companies.

There were three distinct kinds of companies. First, there was the no liability mining company, which was intended to encourage the flotation of mines. It allowed any shareholder to drop out at any time, when he was not satisfied with the prospects, whether his shares were paid up or not. Second, at any rate in Victoria, there was the proprietary company, which corresponded with the English private company. This was a purely private or family concern, an extension of partnership, and was not required to issue a statement, balance sheet, or report. Then there was the ordinary limited liability company. A vast number of such companies were largely subsidised by English capital, and they ought never to forget their indebtedness to the English capitalist for sending his money out here.

Some Suggestions.

For sound and up-to-date company laws Victoria was easily first, Queensland and South Australia second, and New South Wales last. He would, as a business man, make three suggestions for an ideal company law. The English form of prospectus, which required particulars to be fully stated, should be strictly adhered to. There might be a little exaggeration—that was nothing—(laughter)—but nothing material of a deceptive nature should be allowed to creep in. Everything important should be stated clearly. No facts should be suppressed. Further, the qualifications of the directors should be stated in the prospectus. And thirdly, there were several matters that came under the head of responsibility. Prominent business men should not accept a gift of shares from promoters so that their names might figure on the prospectus and thus lure others into the company. There should be some protection for auditors who stood against mismanagement. Auditors should be required to qualify and secure a certificate, and their fees should be larger, for their work was very important. Finally, auditors should give a certificate not only as to the correctness of the figures in the books, but as to whether the best methods had been employed by the company.

Mr. Alfred Bampton, who recently won the Elder Scholarship for organ-playing at the Conservatorium, was first discovered to be a promising musician by Mr. Horace Weber (late organist at St. Bede's Church), now organist at Napier Cathedral, New Zealand. Mr. Weber was Mr. Bampton's first organ master.

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EMPIRE UNIVERSITIES.

Early in July (writes our London correspondent) a congress will be held in London which should prove a landmark in the history of English education. Representatives of 52 universities of the Empire are to meet to discuss many problems of common interest, and for an interchange of views which may lead to their satisfactory solution. It is the first real attempt at federating all the great seats of learning throughout the Empire, and the first gathering of properly accredited representatives for whom a definite and comprehensive programme has been arranged. It is not, of course, the first time the idea has endeavored to find expression, for in 1903 Sir Gilbert Parker organised a conference of allied colonial universities, whilst in 1907, under the auspices of the League of the Empire, an Imperial Conference on Education took place at Caxton Hall. Those conferences were, owing to the short time devoted to them, unable to deal adequately with the numerous problems which they considered, but the coming congress

meeting, as it will, for four days, should have ample opportunity of advancing materially towards solution the many questions which are to engage its attention. Nor will the labors of the representatives be limited to the four days over which the conference proper will extend. The members are to travel in one another's company for the best part of a month, visiting the various universities of Great Britain and Ireland, and noting to what extent they differ from those of which they are the representatives. Their attention will be directed also to the cardinal points of difference between English and Continental seats of learning. The congress will be representative in the fullest sense of that word. The General London Committee consists of distinguished persons representing the universities, the Empire, and London. It includes the Chancellor of the Universities of the United Kingdom, the High Commissioners of the Dominions, the Prime Minister, the leader of the Opposition, and other members of the present and late Governments, the Lord Mayor, and the Chairman of the London County Council. Prince Arthur of Connaught has consented to be president of this committee. The agenda has been prepared by a home universities committee, composed of the Vice-Chancellors of all the home universities, with a few other persons possessing exceptional knowledge of university business and politics. In the choice of subjects commendable discrimination has been displayed. Topics of a nature purely local to particular universities have been rigidly excluded, as have been those which are not yet deemed ripe for discussion. Only problems which are common to the majority of the universities, or which lend themselves, if solved, to some practical issue, have been included. Thus the congress should have a general interest for all who are interested in the wide field of education. The main idea underlying the whole scheme is to try to discover how the various universities may be brought within the sphere of a co-operation from which each is to derive material benefit to the general advancement of all forms of learning.