

FOREWORD

This special issue of the Review is the second to be devoted to a series of articles on Company Law, the first issue being Volume 5 No. 4 of the Review in August 1970. As in the earlier case, the articles in this issue were first presented in 1971 and 1972 as research papers by members of the LL.M. class in the Law of Bodies Corporate and Unincorporate conducted by Mr. P. D. McKenzie LL.M., Senior Lecturer in Law, and Mr. B. K. Knowles M.Comm., LL.B. Deputy General Manager of the New Zealand Dairy Board.

The first article examines a neglected provision (section 67) of the Companies Act 1955 dealing with labour shares. After considering the reasons for the infrequent use of this provision in New Zealand, the author examines legislation overseas, in particular the French Law of 17 August 1967. Although that Law is certainly the most advanced legislation to appear on this subject in any state with a capitalist base, it has attracted surprisingly little academic attention in the publications of the English-speaking countries. The author concludes by suggesting certain directions in which the New Zealand legislation could be shaped. After reading this article the reader may be forgiven for questioning the basis on which the Macarthur Committee in paragraph 151 of its recent report on the Companies Act advocated the total repeal of section 67.

Two articles deal with topics which have attracted virtually no previous legal writing in New Zealand — the Mutual Fund and the Government Director. The LL.M. class are to be commended for leaving the safe sanctuary of the *ultra vires* doctrine and the *Rule in Turquand's Case* for these uncharted areas of corporate law and practice. In contrast with these, the remaining article deals with an area in which there is a wealth of authority. The author discusses in a comprehensive and systematic way the rules governing remuneration of directors.

The four papers have been edited for publication in the Review by the respective authors in association with Mr. McKenzie and the Editorial Committee.

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Dean of the Faculty of Law.

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