

POSTCARD FROM VANUATU

In October I moved from the State Law Office to the Office of the Public Prosecutor. The work of a prosecutor in a Republic is different in a number of respects from that I observed whilst working as a judge's associate and solicitor in the Northern Territory.

The major bonuses of my change in direction have been a fantastic view from my office of the Court House in Port Vila. The two storey pre-independence Queenslander style dwelling is a hive of activity and being in such close proximity ensures that you are almost never late for court. The Office of the Public Prosecutor works with State Prosecutions Office, a similar office to that of Summary Prosecutions where summary matters are dealt with by police officers in the Magistrates Court. Other highlights have included a journey around Vila for half a day with the State prosecutors serving summonses. This involved driving around villages which surround the town of Port Vila, often on roads that are barely accessible. Normally, two or three stops are necessary before finding the subject of the summons because they are down at the river, or working in the garden or visiting family nearby.

Finally, I made my first journey out of Efate. With fellow Territory Lawyer, Domenic Conidi ("the spousal equivalent") in tow, we ventured to the island of Ambrym which is to the north

of Efate. We travelled by Twin Otter aircraft (a 22 seater) to Ambrym via the islands of Epi and Paama Island. Unfortunately our journey was almost aborted by a torrential downpour which made the landing at Laman Bay Airport on Epi rather difficult. It was like a scene from a Flying High movie. The hardest part was actually identifying what and where the airstrip was. It turned out to be a narrow strip of mowed grass directly parallel to the ocean. The spousal equivalent being optically challenged took a while to actually realise that "Yes, the very narrow strip which looks like a cricket pitch is actually the airstrip".

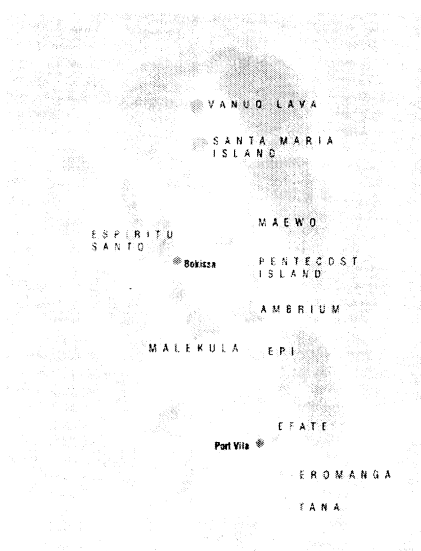
Thankfully, the rain passed and our journey continued. Upon arrival at Craig Cove "airport" on south west Ambrym we were met by our hosts, the Freman family. Bong and Gladen Freman are the managers of the Milee Bungalows, our accommodation for our stay on Ambrym. We journeyed with the Freman family, including four of Bong and Gladen's six children and extended family in the back of a long suffering 2WD Hilux Ute. The journey itself took about 45 minutes and we drove along a track of dark volcanic soil, passing through custom villages along the way. We had left the white sandy beaches and resorts of Port Vila a long way behind.

Finally we arrived at the Milee Bungalows and spent the afternoon settling into our new surroundings and enjoyed the view of the islands of Epi and Malekula from the porch of our bungalow made of wood and palm fronds. The spousal equivalent was beaten in the "who can climb the furthest up the coconut tree" by our host's eight year old. That night we ate island food including freshly caught fish, tarot, rice and island cabbage (similar to spinach). We enjoyed the substantial meal which prepared us for the day ahead. We were not aware of what on earth we were getting ourselves into.

The second day of our Ambrym experience started at 5am. The resident roosters and the ocean pounding against volcanic rock 50metres from our bungalow ensured that we would not miss the driver who sort of arrived at 6am but didn't really. He was running a little late so we set off into the rainforest to meet him. Not far from the bungalow we came across the driver and one our guides, Joseph. At the village at Vatu Bay, approximately 20 minutes away we picked up our two other guides, Maewo and Ivan. After another 20

minutes of driving we reached the edge of dry creek bed and it was time to start our journey to Central Ambrym and look at our first volcano, the mighty Mt Murum. For some strange reason we actually thought that our journey would be relatively straightforward. OK, so the Lonely Planet guide stated that the trip was not for the faint hearted. We walked for three hours through rainforest and dry creek beds laden with volcanic soil and hard lava rock. Little did we realise that we had to venture 1270 metres above sea level through terrain that was more suited to billy goats. After walking for three hours, our efforts were rewarded. After climbing up a gully of volcanic rock we hit the blackness of the moonscape which is Central Ambrym. The environment was devoid of trees although some vegetation managed to grow out of the volcanic ash which stretched as far as the eye could see. Large cavities in the rock had formed from the constant rain which falls on the slopes of the three volcanoes which we could see as we entered a huge volcanic plateau of rock and ash.

After a further hour of walking we reached the highlight of our walk. A breathing, living crater of boiling water and fire. It was too dangerous to see



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inside the volcano but our guides demonstrated the depth of the crater by throwing large rocks into the cavity and counting the seconds for it to reach the bottom. We snacked very quickly on our picnic lunch of tinned corned beef and biscuits and started our journey back. After ten minutes of walking back through the volcanic plateau our journey was again interrupted as the clouds which had suddenly gather unleashed their contents on us. Walking in a torrential downpour at 1270 metres above sea level became suddenly quite frightening when the lightening and thunder started. Being so close to the clouds and the centre of the thunderstorm was frightening as we had no way of sheltering from the fury of the storm. Luckily the storm abated but not before we showered with rain filled with ash, an experience similar to having a giant ash his very large cigarette on you.

The homeward journey took five hours. The dry creek beds we enjoyed walking through on our way up to the volcanoes filled with water and we had to navigate our way down slippery volcanic rock with racing water. At the end of a total return journey of nine hours of constant walking we were looking forward to booking into the nearest hotel. Unfortunately, we couldn't. Thankfully, our host, Gladen offered us a bucket of hot water and a bowl to wash off the ash and dirt.

The following morning we caught the Twin Otter back to Port Vila. This time the weather was good. However, the spousal equivalent and I were very concerned at the gentleman on the plane with his very own lifejacket. He boarded and got off the plane wearing the life jacket. We hoped that those with a fear of flying mistook his lifejacket for sartorial elegance or new fashion.

At Lamien Bay airport on the return journey I was somewhat surprised to see two live roosters in a hessian bag with only their heads peering out for a view (of the cargo hold). We arrived in Port Vila safely but fire blong tufela emi ded tumas. We were both very tired. Lukim Yu

BOOK REVIEW: CLERP AND THE NEW CORPORATIONS LAW 2nd Ed Butterworths 2000

Reviewed by Philip van der Eyk

This is the second edition of a compact book of two hundred and twenty three pages by Sydney based commercial lawyers Ashley Black, Tom Bostock, Greg Golding and David Healey. The first edition was published in 1998 in anticipation of the reforms becoming law.

The "CLERP" amendments (Corporate Law Economic Reform Program Act 1999) commenced on 13 March, 2000 and are so wide ranging as to make any previous reference material, including most standard text books that have not been brought up to date, unreliable in several key areas. The book also includes a treatment of share capital reforms which became effective on 1 July, 1998 (Company Law Review Act, 1998).

CLERP and the New Corporations Law is practitioner oriented and presumes prior knowledge in a number of areas of the Corporations Law as it often discusses the "new" law in terms of the "old". For the general reader, a current textbook that describes the Corporations Law as contemporary law may be more appropriate.

The book deals with fundraising, takeovers, corporate governance, accounting standards and share capital.

The fundraising regime has been substantially reformed. In particular the Corporations Law now recognises the need for the streamlining of small capital raisings and to expand the categories of exemptions.

There is now an exemption from the obligation to lodge a prospectus where there are less than 20 acceptances of an issue of securities in any 12 month period up to a limit of \$2 million. In line with its narrower predecessor, these exempt offerings cannot be public offerings. Nevertheless in a highly networked environment (and the Northern Territory is arguably such an environment) where investors and offerors are "personally known" to one another, this has the potential to be a very handy facility for small to medium enterprises.

There are also two new exempt categories of investor, one being a "rich" investor who

meets a wealth test (to be so declared by the investor's accountant) and a sophisticated investor (to be so declared by the investor's licensed security dealer).

The small capital raising needs of small to medium enterprises is specifically recognised by they being able to make a once off fund raising of up to \$5 million using a simplified disclosure document called an offer information statement.

The amendments also streamline fundraising by providing for a "short form prospectus" as a disclosure document on the condition that "long form" be made available to a potential investor on demand.

Disclosure documents are no longer registered by ASIC. Instead they are lodged after which a 7 day exposure period follows in which no offers can be accepted. ASIC provides a facility it calls "offerlist" on its website (www.asic.gov.au) where any person can view what is on public offer and a signpost to its location.

The takeovers regime has also been substantially reformed. The language has also changed with terms like the old A,B,C and D statements now banished and replaced with less cryptic terms such as "bidder statement". The regime now extends to managed investment schemes and bids can be made for securities other than shares. A compulsory acquisition can now take place outside a takeover bid.

The reforms are also intended to reduce "greenmail" by target shareholders in the post bid mop up process. A bidder is now permitted to compulsorily acquire any securities in the bid class if the bidder has a relevant interest in at least 90% of the securities and the bidder has acquired at least 75% by number of the outstanding securities that the bidder offered to acquire under the bid. The law now also provides that a bidder who has acquired a 90% or better relevant interest in a class *must* offer to buy out the remaining holders of the bid class securities.

Administratively, the role of the Corporations and Securities Panel (which