

CORPORATIONS LAW  
SIMPLIFICATION PROGRAM

DESIGNING THE LAW  
DRAFTING ISSUES

TASK FORCE

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## MAKING LEGISLATION MORE ACCESSIBLE THROUGH LAYOUT

There are occasions when we read an Act from beginning to end, but most times we consult only a particular section. This means that our use of Acts is more like our approach to reference works such as dictionaries and encyclopaedias, which we consult constantly in a piecemeal fashion.

In these circumstances, users need to be able to find sections without trouble. Having found the section, they also need some indication of the context in which the section operates. They can – as they have to do at present – skim back through the preceding pages to find the title of the Division or Part, or they can refer to the contents pages to find this contextual information. But all this activity distracts them from the task in hand.

Layout through the use of running headers and footers can give readers immediate relief and, if judiciously treated, without overshadowing the text. As a result the top of each page of the First Corporate Law Simplification Bill contains the number and title of the chapter, part and division to which a section belongs. In addition, the first and last section numbers appear in larger type on each 2 pages. The section title is not given. Readers will be more frequently looking for a section number so it is better if the top of the page is left uncluttered. As well, readers can quickly find the title simply by glancing down the page.

The name of the Bill and a page number appear at the bottom of each page.

Once readers have located the correct page, layout can give them further assistance in comprehending the material. Systematic indenting of subsections and paragraphs within sections enables readers to recognise at a glance the hierarchies in the structure of the information. Liberal and differential spacing between the various elements also contributes to this by highlighting the different layers of structure. At the same time, generous spacing gives an open uncluttered appearance to the page and the text becomes easier to read.

Section numbers have been moved up alongside the section headings. This has the effect of tying the heading more closely to the text and increasing the cohesion of the material. It also allows the section number to stand out more clearly. Section and subsection numbers are also printed in the same distinctive left hand column so that these numbers can be easily identified.

The design innovations in the First Corporate Law Simplification Bill are experimental. During our testing program, we showed different versions to readers and features adopted had wide acceptance. They contribute to a larger investigation on the layout of legislation now being undertaken in the Commonwealth and NSW Parliamentary Counsel Offices and the Taxation Law Improvement Project.

The objectives behind these developments is to increase the comprehensibility and readability of legislation. Design interplays with language and contributes to the message by highlighting the levels of structure in a text. This makes it easier for readers to find and to absorb the material.

# Design features of the First Corporate Law Simplification Bill

Informative running header, number and title of chapter, part, division in 10pt bold —section number in 12pt bold

Constitution of companies Chap: 2  
Company registers Part: 2.5

**section 216A**

Part number and title highlighted by lines and larger type

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## **Part 2.5—Company registers**

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Section number on same line, as heading

### **216A Registers to be maintained**

- (1) A company must set up and maintain:
  - (a) a register of members (see section 216B); and
  - (b) if the company grants options over unissued shares—a register of option holders and copies of options documents (see section 216C); and
  - (c) if the company issues debentures—a register of debenture holders (see section 216D).

Section and subsection numbers in left hand column for ease of finding - section number in bold

Note 1: See also section 271 (register of charges) and section 702 (register of unclaimed property of dissenting shareholders).

Note 2: The registers may be kept on computer (see section 1306).

Notes in 9pt type

- (2) *Extended reach of debenture concept*

For the purposes of this Part, documents that fall into one of the exceptions in paragraphs (a), (b), (c) and (f) of the definition of "debenture" in section 9 are treated as if they were debentures.

Text unjustified on right

Generous spacing between sections

### **216B Register of members**

- (1) *General requirements*

The register of members must contain the following information about each member:

- (a) the member's name and address
- (b) the date on which the entry of the member's name in the register is made.

Shorter line length for more efficient reading

Text indented to show structure

- (2) *Index to register*

If the company has more than 50 members, the company must include in the register an up-to-date index of members' names. The index must be convenient to use and allow a member's entry in the register to be readily found. A separate index need not be included if the register itself is kept in a form that operates effectively as an index.

Subsection headings in light italics to differentiate from main headings

Running footer, page number, details of Bill