

Corporations Law win

The Institute was successful in lobbying for a national Corporations Law. But it is still concerned about some of the proposals in the Financial Services Reform Bill.

It took more than a year but the new national Corporations Law commenced operation on 15 July 2001. This will provide the much needed certainty through a single national regulatory regime for corporations.

The issue arose following test cases (Wakim/Hughes) that cast doubt on the ability of a national Corporations Law to apply to the States. The Institute in co-operation with other associations and institutes formed a coalition to urge the States and the Federal government to resolve the issue.

The successful conclusion to this difficult and complex issue was a major achievement and thanks should go to the hard work of the Institute's Policy team.

RESEARCH REPORTS

Following allegations in the US that analysts' independence is being compromised by the fees received through other corporate activities, the Institute, in consultation with other key industry bodies, is developing guidelines to address similar concerns about the independence of research reports (see policy page). We are working closely with regulators and other key stakeholders to ensure the guidelines are adopted as a benchmark for best practice.

EAVESDROPPING

We received a sympathetic hearing from the Parliamentary Joint Committee on



Penny Le Couteur

Corporations and Securities over our concerns about a proposal in the Financial Services Reform Bill to monitor telephone conversations during takeovers.

We advised the Committee that monitoring telephone conversations was impractical from a compliance and enforcement perspective and would materially inhibit the free flow of corporate advice to takeover participants, without providing any greater protection to small shareholders. We also expressed great concern at the lack of consultation on this issue.

PROFESSIONAL DEVELOPMENT

The ASIC Speaks seminars on the Financial Services Reform Bill ran in the five major capital cities as well as in Canberra and were very successful, with more than 2300 people attending the ten seminars.

More than 400 people attended the first one, held in Sydney, which is a record for a seminar for the Institute. Audiotapes of the Sydney sessions are available by contacting the Institute.

ASAF CONFERENCE FOR SYDNEY

On 23 and 24 September 2002, the Institute will host the annual Asian Securities Analysts Federation Conference in Sydney. A steering committee of leading industry practitioners, chaired by Mr Mike Shepherd, Deputy Chairman, Australian Stock Exchange and Private Client Adviser, Dicksons Ltd, are currently working on developing a strong program with distinguished international and domestic speakers.

The Asian Securities Analysts Federation (ASAF) Executive Committee met in Penang in June. I attended with Mike Willis, our President, and Leigh Hall, our Honorary Treasurer, who is also the Treasurer of ASAF.

The June ASAF newsletter was mailed to members during August. Visit the ASAF website at <http://www.asaf.org.au> for details of the 2001 conference in Hong Kong.

MASTERS PROGRAM

Three more students have now successfully completed their Masters degree, making a total of nine in the first two years of operation. The first two research projects to be under-taken by Masters students have been approved with the first one due in January 2002.

The new 2 unit Masters subject, Corporate Financial Management M42, has attracted 15 students, including new students from Queensland and New York. It has also brought a number of new people into contact with the Institute's education programs.

Trevor O'Hoy, Chief Financial Officer of Foster's Group Ltd, was the first of a number of distinguished guest presenters, such as Robert Maple-Brown FSIA, Graham Monk, Alec Brennan and Sandy Easterbrook (on corporate governance).

Flexible timetabling of subjects and extending our usual semester end will enable students to complete extra units right up until December.

ONLINE EDUCATION INITIATIVES

Since 1999, the Securities Institute has launched four online subjects, two stand-alone online training modules and one subject support website.

Currently we are evaluating these projects, analysing what features have worked and what have not, and developing an online education strategy for the future.

An important step in this process has been surveying students of online courses and meeting with clients to discuss their online training strategies and what they expect from online education.

At the end of July, the education development team held an in-house conference to discuss issues around moving education online. Great progress was made towards developing models for online delivery and work on developing templates is continuing.

We expect to be able to launch a formal online education strategy within the next couple of months.

One-Day Symposium

On 19 November the Institute will present a one-day symposium jointly with the Sydney Society of Financial Analysts (Affiliated member of AIMR).

The event, "Analyst: Mathematician or Magician? One-Day Symposium on Analysts' Independence" will discuss the role of analysts, their perceived conflicts of interest and the pressures that may potentially affect their research.

We are pleased to present at this event, international guest speaker, Mr Thomas A Bowman, President and CEO of the Association for Investment Management and Research. Please note this event in your diaries.

STRATEGIC OPTIONS FOR 2002 AND BEYOND

Many Institute staff have been focussing on developing strategic options for consideration by the National Council. Options for 2002 and beyond have been thoroughly discussed and priorities have been set for the way forward. Particular attention has been paid to the Institute's CPD and membership, as well as its intellectual property.

ASSOCIATION FOR INVESTMENT MANAGEMENT AND RESEARCH (AIMR)

I visited the AIMR, our equivalent body in the USA, and the owner of the CFA designation, during June. I was very impressed with their professionalism and noted the similarities of the issues both organisations have to deal with. Several of their senior staff will visit later this year and I look forward to building closer relationships.

ICAA ALLIANCE

The Securities Institute, through its strategic alliance with the ICAA, is supporting the ICAA's reciprocal recognition agreement with the USA.

An Australian three-year undergraduate degree plus the PY Program, plus a year of further study, such as a postgraduate diploma with the SIA, enables Australian CAs to sit for the compressed US CPA exam called the International Qualifications Exam (IQEX).

This agreement provides ICAA members with the opportunity for accelerated career development, giving them the chance to participate in a global marketplace.

JASSA

It is with regret that I announce the retirement of our Editor of fourteen years, John Hoffmann. He has served admirably in this position through many changes in the Institute, the Editorial Board and the publication itself, and has dealt patiently with a passing parade of successful and unsuccessful authors, Editorial Board reviewers and production houses.

His contribution has been the guiding hand that has led to JASSA being acknowledged as one of Australia's leading finance industry journals.

In consequence, I am pleased to announce the appointment of a new editor, John Arbouw. He comes to the Institute with a distinguished career in financial journalism and corporate communications. The publications for which he has worked include the London Financial Times, Asian Wall St Journal, Institutional Investor, Business Newspapers Australia (Business Queensland and Business Sydney), The Bulletin and Australian Business.

He has also worked with the Asher Joel Media Group, QAF Group and Asia Pacific Trade Publications, Public Private Partnerships and Focus Publishing, and has been the Editor of the Australian Institute of Company Directors' journal, Company Director, for the past three years.

We welcome John to JASSA and the Securities Institute team, and look forward to a long and productive relationship with him.