I think this may well happen. But it does not mean there will be less for social and political reformers to do. It does not mean that there will be less for trade union members or officials to do. It will mean that there will be more for them all to do.

It does not mean that there will be less democratic participation. There could hardly be less. But, it may mean less soulless bureaucracy; less moral nihilism and corporate double talk.

But the road of reform can only be real if workers become significantly and powerfully involved. If it is no more than another case of slight of hand by corporate lawyers and public relations men, then it will receive the hard and cold rejection it would deserve. If it is no more than another preserve for elites and leaders, it will fail. The alternative to it will deal much more harshly with the corporations and their lawyers and public relations men, and with elites and leaders, and it may mean a harder and more barren road for the people.

“New Money Sources and Profit Motives for Democatising the Wealth of Nations” by Shann Turnbull. Published by the Company Directors Association of Australia Ltd. 106 pages. $5.95 P/B $9.50 H/C.

A REPORT ON
FIRST ASIAN SECURITIES INDUSTRY FORUM
MANILA (NOVEMBER 10 - 15, 1975)

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First Asian Securities Industry Forum was organized and sponsored by the Philippines Government through its Department of Trade and Securities and Exchange Commission. The long-term objective was to enable the securities industry to provide massive capital requirements for the developing economies of Asia. It was believed that the only adequate means of achieving this end was through greater cohesiveness, within a regional framework, of the securities industry. And to obtain that cohesiveness, certain preliminary steps were necessary, and these became in fact, the objectives of the Forum:–

- to exchange information and ideas on the money and capital markets in Asia;
- to assess the present state of the Asian securities industry in the light of its role in capital formation and national progress;
- to re-examine the industry’s problems and prospects, both from national and regional perspectives;
- to lay the groundwork for the formation of an Association of Asian Securities Administrators and a Federation or Association of Asian Stock Exchanges or Securities Association;
- To formulate the concepts and possibly the organizational blueprint for an interlocking of securities markets in Asia as well as for regional commodity exchanges.

The final lunchtime speaker, Mr. A.A. Sommer Jnr., Commissioner of the S.E.C. Washington, described the seminar as ‘an historic occasion’. It was an apt description. Not only was it the first such seminar held in Asia, but it was in fact the first International Securities conference held anywhere in the world. As such it drew some very distinguished speakers and some very distinguished delegates from a much wider spectrum both geographically and from the world of finance than had been expected.

Perhaps one of the more interesting aspects of the seminar was that the ‘Securities Industry’ was considered not as an industry in isolation, as it is often regarded in Australia, but as an integral part of a much wider financial scene ranging from commercial banks through investment banks to fund managers, at the same time necessarily including stock exchanges and their regulatory controllers.

Some evidence of the foregoing comment can be deduced from the attendance at the seminar of delegates representing Central Banks and/or Governments (other than S.E.C. or similar authorities) from Brazil, France, India, Indonesia, Japan, Luxembourg, Netherlands, Saudi Arabia and Thailand.

*Note: Mr. Morris attended the First Asian Securities Industry Forum on behalf of Bank of New South Wales to whom we are indebted for permission to publish this report.
Geographically, the seminar attracted considerable attention from outside the Asian region with contingents from Europe (Belgium, France, Holland, Germany, Luxembourg, and U.K.), Middle East (Iran, Lebanon, Kuwait, Saudi Arabia), North America (U.S.A.), and South America (Brazil, Venezuela). In addition, there was of course strong representation from countries in South-East Asia and from Japan, Korea and Australia.

Of specific interest were the strong delegations from developing countries anxious to establish or to strengthen securities markets (again taken in a wider sense to include money markets) in their respective countries. These delegations comprised Republic of India, Indonesia, Korea, Malaysia, Philippines and Thailand.

In regard to the Australian contingent, the regulatory aspect was covered by attendance of the Corporate Affairs Commissioner, Victoria, the Deputy Commissioner for Corporate Affairs, New South Wales, and the Chairman, Corporate Affairs Advisory Committee, Queensland; the stock exchanges by the Chairmen of Brisbane and Sydney Exchanges and by an executive of the Stock Exchange of Melbourne; brokers (other than the foregoing S/E Chairmen) by a partner of Constable and Bain, the life companies by four representatives of subsidiaries of U.K. life or accident companies (all from Melbourne), merchant banks and trading banks by Darling & Co. Ltd. (Chairman) and by Bank of New South Wales (also acting for Securities Institute of Australia). Notable omissions were representatives from the Australian Government, Reserve Bank of Australia, the major Australian Life companies and from other Australian institutions.

In addition to examining both macro and micro aspects of the securities industry, the seminar examined proposals to establish two associations (1) Association of Asian-Pacific Securities Administrators, and (2) Federation of Asian-Pacific Stock Exchanges. The Australian delegates were Mr. B.J. Waldron (Corporate Affairs Commissioner, Victoria) and Mr. J.H. Valder (Chairman, Sydney Stock Exchange, acting for the Associated Australian Stock Exchange) respectively.

The objectives of establishing both bodies were pursued vigorously by the Filipino contingent and by delegates from developing countries (some of whom had obtained prior authority from their Governments to participate) and with more restrained enthusiasm by the Australian, Hong Kong and Japanese delegates.

**Association of Asian-Pacific Securities Administrators.**

Mr. Waldron has advised that the original proposals were vague. They were clarified and to a degree modified by contributions from the Hong Kong, Indian, and Australian delegates, and by the Filipino delegates themselves.

It was subsequently agreed to form the Association. Co-Chairmen were elected from Iran and India, with the Philippines providing the President, Secretary-General and Secretariat. Delegates from the developing countries who formed the Committee were expected to arrange for their respective Governments to sign a formal agreement within three months. Australia, Hong Kong and Japan did not accept office on the Committee.

The Australian position was that as no national organisation existed for control of the securities industry there was no ability for it to become a member. Any participation by State Commissioners could only be as observers but past co-operation given by the Commissioners of the States would continue. The States Commissioners were prepared to expand assistance to others where sought or needed and would look for assistance from the new association.

The Hong Kong Commissioner sought guidance from his Government as to his position (it was understood that on principle Hong Kong was opposed to regulatory bodies). The Japanese preferred not to join a regional body but expressed support for bilateral agreements with research and other assistance provided by Tokyo Stock Exchange.

**Federation of Asian-Pacific Stock Exchanges**

Mr. Valder has advised that the proceedings of the early meetings of the ad-hoc committee indicated that delegates from the developing countries would go ahead and form the Federation. There was a belief that Japan would join later, and that possibly Hong Kong would also join at some stage. The Australian position was discussed by Mr. Valder with senior Australian delegates. It was mutually agreed that it was desirable for Australia to be seen to be willing to join a loosely-knit organization (the original proposals having been modified as a result of pressure by Messrs. Witts and Valder representing the Hong Kong and Australian stock exchanges).

Accordingly Mr. Valder signed a 'letter of intent' to participate on behalf of the Australian Associated Stock Exchanges, subject to confirmation by the Councils of the Exchanges concerned.

A steering committee was formed to study in greater depth the feasibility of the project. It will meet in Manila in January 1976 and comprises representatives from Indonesia, Malaysia, Thailand, Iran, Taiwan and the Philippines.

**Conference Subjects and Papers**

As already noted, subjects covered both macro and micro aspects. The macro coverage was good