Educating an Industry

Institute Courses: A Job for Experts

Thousands of people, many of them already working in the securities industry, enrol each year in the Certificate and Diploma courses run by The Securities Institute of Australia.

by BILL WARNER

The Institute’s education program has blossomed in recent years, with outstanding contributions being made by many members. At any time we have hundreds of securities industry practitioners preparing subjects, writing notes, formulating or marking assignments and examinations or presenting lectures.

The key person in each of the 26 subjects offered in the Diploma and Certificate courses is the principal lecturer, who works with a small “task-force” of practitioners. The principal lecturer sets both the overall direction and the focus of the subject.

A few examples of the backgrounds and efforts of principal lecturers will illustrate how the Institute’s education program draws on many parts of the securities industry and is kept up-to-date and relevant to our students.

Bob Biven, FSIA, of the State Bank of Victoria, Sydney, has guided the Money Market and Fixed Interest subject in the Diploma course since the early 1970s. Asked by the late Gordon Morris – at very short notice – to present the subject, he faced his first class of several hundred students on the floor of the old Stock Exchange in O’Connell Street, Sydney. Many a teacher might have been daunted to find that among the students was one of his then company’s directors – but Biven, who became a star in the company, obviously passed that test. The subject now attracts 1,000 students a year. Biven hands over in 1989 to a new principal lecturer.

Selwyn Bajada, FSIA, came – with his many academic degrees – from Perth to join the Sydney office of Bankers Trust Australia Limited. Four years ago he took charge of the Securities Industry Law subject in the Diploma course. He completely reorganised the subject into a thorough examination of major aspects of the law that have a significant impact on the securities industry. As a result of this work, he recently co-authored with Bob Baxt and Christopher Marshall an update of the standard 1982 text, now published by Butterworths as Stockmarkets and the Securities Industry: Law and Practice.

Russ Barnes, of National Australia Bank, Melbourne, has been developing the Diploma course Securities Industry Economics since 1985. A former Federal Government Treasury economist, Barnes is now economist for his bank’s treasury operations. He will leave the subject in the hands of Saul Eslake, of McIntosh Hamson Hoare Govett Limited, who has been his “understudy” for the past year.

Tom Whipple, ASIA, of Sydney University’s Department of Town and Country Planning, is the only academic among the principal lecturers and one of the few involved in the SIA education program. A perennial student and prolific author, Whipple completed the Diploma course and then volunteered to help in presenting the program. He helped to restructure the Introductory Financial Bill Warner, ASIA, is Manager, Educational Courses, of The Securities Institute of Australia.
The Institute has launched a number of new subjects in response to the demands of students and employers.

HOW TO BECOME AN ASIA

The Securities Institute education program presents current practice in the Australian securities industry. Subjects are offered in a post-graduate Diploma course and an open-entry Certificate course.

University graduates who complete the Diploma course may apply for associate membership of The Securities Institute of Australia, entitling the member to use the letters ASIA.

The Institute's courses offer a broad, practical education to those wishing to develop a career in the securities industry. Most students undertaking a course are already working in some part of the industry; others use the courses as an aid to entering the industry.

Most students complete one of the two courses over two years of part-time study. The Diploma and Certificate courses are offered in Adelaide, Brisbane, Melbourne, Perth and Sydney. The Certificate course is available by distance education.

while setting up his own several-hundred-person financial planning business. Working with a team of specialists from a number of brokers and financial planning firms, he has ensured that we present the best course of its kind in Australia. More than 25,000 people in Australia now hold securities industry licences—an indication of why the subject is so popular. Many students take this subject by correspondence (see the September 1988 issue of JASSA for a report on the Institute's distance education program).

Keeping up to date with the many changes in the Australian listed equity markets has been a challenge for Ray South, of the ASX (Melbourne), who has guided the Certificate course in Stockbrokers' Administration Procedures for several years. The new SEATS trading system and the introduction of new settlement systems mean that the challenge will continue. South's thorough and persistent approach ensures that students will receive current information on this important administrative area of the market.

After completing the Diploma course, Catherine Hallinan, ASIA, of the Commonwealth Bank, Sydney, agreed to act as principal lecturer of the Certificate course subject The Australian Futures Market. She has directed the subject for several years and now hands it on to Bruce Veitch, of the Sydney Futures Exchange, and Tony Jordan, of Westpac Futures, Adelaide.

Mining Investment Analysis is a major specialist investment subject directed by Victor Rudenno, of Dominguez Barry Samuel Montagu, Sydney, and a team of prominent broking and institutional mining analysts. The subject serves two groups of students: those without a technical mining background receive a range of information on the exploration, mining and processing of Australia's resources; students without a financial analysis background learn the techniques commonly used by Australian institutions in assessing resources investments. The key to the subject is a detailed case study which Rudenno and lecturers in all States develop as the course progresses. A substantial restructuring of the subject in 1988 has built on the work of Peter Chapman over past years.

A major interest in our education program is industrial equity analysis, a discipline which underpins the entire history of the Securities Institute. Over several years, Greg Johnson, of Capel Court Powell in Sydney, has developed a practical security analysis subject in the Diploma course. John Hobson, of Potter Partners, Sydney, succeeded Johnson in 1987 to continue a challenging subject.

The work of these members and other industry specialists makes the Institute's education program possible. People seeking to develop careers in
the securities industry come to the Institute because of the practical approach of our courses. Obviously, the skills of our lecturers are the basis of our education program. Those skills are also the essential ingredient that makes our courses attractive and beneficial to our students – and to their employers.

THE PRINCIPAL LECTURERS

The principal lecturers in the Securities Institute of Australia courses are:

Diploma course


Selwyn Bajada, FSIA, Bankers Trust Australia, Sydney, Securities Industry Law (52C).

Russell Barnes, National Australia Bank, Melbourne, Securities Industry Economics (53C).

Sue Crook, First National Limited, Melbourne, Financial Statement Analysis (54C).


Rowan Ross, FSIA, Bankers Trust Australia Limited, Sydney, Applied Corporate Finance (56).


Bob Biven, FSIA, State Bank of Victoria, Sydney, Money Market and Fixed Interest Investment (59).

Stephen Calder, The Sydney Futures Exchange, Sydney, Australian Futures Trading (60).

Anges Wong, PAW International Pty Ltd, Sydney, Foreign Exchange (61).

David Rutledge, ASIA, McLaughan Dyson Capel Cure Limited, Sydney, Options Markets and Trading (62).

Richard Lockwood, McIntosh Han son Hoare Govett Limited, Melbourne, Australian and International Stockmarket Investment (63).

Joe Walker, FSIA, Fricker Carrington Group, Adelaide, Property Investment and Analysis (64).

David Hey-Cunningham, Arthur Young, Sydney, Understanding Financial Statements (97).

Tom Whipple, ASIA, University of Sydney, Introductory Financial Mathematics and Statistics (98).

Certificate course


Derek Alderton, ASIA, Macquarie Bank Limited, Sydney, Securities Industry Law (22C).

Tony Farnham, ASIA, Commonwealth Bank of Australia, Sydney, Securities Industry Economics (23C).

David Hey-Cunningham, Arthur Young, Sydney, Understanding Company Reports (24C).


Catherine Hallinan, ASIA, Commonwealth Bank of Australia, Sydney, The Australian Futures Market (26).


Martin Ryan, McLaughan Dyson Capel Cure Limited, Melbourne, Australian Money Markets (28).

John Mennega, Eastcorp Financial Services Group, Sydney, Personal Investment: Planning and Management (31).


VIEWPOINT

CONFESS, BUT DON'T BLAME THE CHARTS

An open reply to an article in the September 1988 issue of JASSA by Russell Landez, headed “Confessions of a chartist – should we have seen the crash coming?”

Russell,

Your article on where technical analysis failed in forecasting the October Crash was very amusing and interesting but I can’t agree with your conclusions. Your difficulty in finding evidence of the forthcoming crash appears to be mainly that you narrowed your vision down to just looking at the Australian market. We are part of a larger overall scene and for this reason, I believe that it is necessary at all times to look at the world perspective rather than wearing blinkers that enable one to see only what is happening locally.

In retrospect, I have to say that I didn’t envisage the market almost halving in one day. I was looking for 1,750 by Christmas which, when the index was 2,300, was sounding fairly dramatic.

Probably the chart that caused me the most concern prior to the crash was Singapore. I wrote on August 24, 1987, that if one index was giving signs of topping out, then it was a strong indication that markets right around the world would follow. Admittedly, my call was a bit early for the Australian market as our industrial stocks had that last rush into the wide blue yonder before sanity returned with a vengeance that crashed October morning.

But unlike you, Russell, with the benefit of hindsight (which in our industry has always been of rather dubious value) I can see many signs that the end was nigh. Again, a number of these were in overseas markets. Germany had topped out a full year ahead of us and there was a very clear little top in the US which I actually drew attention to at the time. On the local scene, it was only Western Mining in the major miners that made any real headway in the last six weeks, with the running being taken up by the industrials. But as you so clearly pointed out, the entrepreneurs were making heavy weather of trading well in advance of the fall. And, of course, US T-bond futures had formed a very clear top pattern some weeks earlier.

In retrospect I wish I had been more bearish and I wish I hadn’t called an end so early (even though it did coincide beautifully with the top in the US) but it is my view that the signs were there. I always believe that it isn’t the charts that are at fault – it is always the chartist.

Florence Dawson

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JASSA welcomes letters on any matters of interest to the securities industry.