

Securities Regulation in Australia and New Zealand

Gordon Walker, Brent Fisse and Ian Ramsay, eds

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This is an important book. It is a collection of 19 chapters written by 21 contributors. The subjects and backgrounds of the authors are varied, making for an interesting interdisciplinary excursion through the subject of securities regulation in Australia and New Zealand. This subject is an evolutionary one in this part of the world. Against this background, there ought not to be the expectation that there is a definitive work on the subject. *Securities Regulation in Australia and New Zealand* is not a definitive work. But nor does it set out to be.

The aim of the book is "to bring together a set of useful materials on context, theory and practice in Australia and New Zealand and thereby provide a topical guide to students, practitioners and market participants." In so doing the editors note the necessity to bring these Australasian materials together in the one work, because of the regrettable reluctance of publishers these days to support stand-alone texts on specialist New Zealand commercial law subjects. Nonetheless, as the Australian and New Zealand marketplaces grow closer together, there is a certain logic and attractiveness in the trend towards comparative Australasian works.

This book clearly achieves its stated aims. A brief overview of the subjects covered demonstrates this. Part I of the book sets the scene. It traces certain historical perspectives. But more significantly it outlines the contemporary trends and consequences of globalisation. Securities markets are complex and, it seems, in a constant state of flux. The public is faced with increasing investment options, in many cases crossing national borders, and in many cases involving new methods of initial offering and subsequent trading of securities. These background trends are well captured in Part I. This part also explores the theories of voluntary and mandatory disclosure of information. There is some coverage of the efficient markets debate. This coverage is brief, but there is nonetheless enough to tempt the reader to follow up this topic elsewhere.

Part II of the book continues, in one sense, to provide further background information. It describes in some detail the history, roles and functions of the Australian and New Zealand Stock Exchanges and there are useful overviews of the structures of the capital markets in both countries.

Parts III and IV are largely doctrinal and relate to various practices in both the primary and secondary markets. The discussion is not exhaustive of all potential subjects. But the selection of topics has been well made. From a New Zealand perspective there is excellent coverage of the following topics: (1) the public offering of securities; (2) insider trading; and (3) the regulation of derivatives. There are some significant topics which are not covered including, for example, the disclosure of interests of substantial security holders under Part II of the Securities Amendment Act 1988. Overall, the Australian content fares much better in these sections, but the New Zealand coverage nonetheless discusses the central subjects and complements the topics addressed in the first edition of this work.

Brief mention should be made of the New Zealand contributors to this work, because these authors speak with considerable authority on the subject. The general editor is Gordon Walker of the University of Canterbury. Walker is a pioneer in the teaching and scholarship of securities regulation in New Zealand and he has contributed five chapters to this book, some jointly with finance and management specialists Mark Fox and Simon Swallow. The remaining New Zealand contributors are Peter Fitzsimons of Bell Gully Buddle Weir and Craig Mulholland and Alan Lester of Chapman Tripp Sheffield Young.

The second edition of *Securities Regulation in Australia and New Zealand* is highly recommended. Together with the first edition, and hopefully further editions to come, it will hold an important place in the scholarship on securities regulation in Australasia. The selective nature of the topics means that there will be fluctuating trends in the subject matter and case studies. This may result in dated material and gaps in coverage. But this is not so much a criticism of this work, as a pointer to the emerging need for a basic text in the field.

There is something for everyone in this useful collection of materials. Students and teachers of law and commerce will find the insights into theory and practice invaluable. An additional feature in this context is the inclusion of a case study by Gordon Walker of an initial public offering in New Zealand. Such teaching materials are a rare feature of commercial works. And for legal practitioners there is comprehensive, albeit selective coverage, of Securities Act developments.

In overall share market terms, this book is a "strong buy".

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