

STOCK MARKETS AND THE SECURITIES INDUSTRY — LAW AND PRACTICE.
By ROBERT BAXT, CHRISTOPHER MAXWELL AND SELWYN BAJADA.
[Australia: Butterworths. 1988. xxxix + 304pp. Softcover]

THIS is, in a sense, a difficult book to review. It was not written for the Singapore market. Yet, any review of the book in Singapore has to be from the point of view of its usefulness here. The Securities Industry Act¹ of Singapore is to a large extent based upon that of Australia, so it might be thought that an Australian text on Securities Regulation would automatically be of great use. Unfortunately, this is not the case.

The first seven chapters (98 pages) deal with matters that are completely alien to Singapore. These chapters cover the constitutional background, the co-operative companies scheme in Australia, the establishment and powers of the National Companies and Securities Commission and the internal and external regulation of Australian stock exchanges. While this is interesting reading for the general reader, it is of little relevance to the Singapore position. Thus, one third of the book is completely useless to the local reader right from the start. The nine appendices (pp. 249 to 296) similarly reproduce material of extremely little relevance to Singapore.

For the Singapore reader, the core of the book will be Chapters 8 to 14. These cover the broker-client relationship, conduct of securities business, licensing, accounts, prospectus liabilities and securities offences. Like any other foreign textbook, one may rely upon the text for a broad general picture, but the details may or may not be applicable locally. In fact, the reader may have to do much for himself in the way of relating local and Australian provisions. None of the above is of course a criticism of the book itself, which is generally well written. Like many other law textbooks, the writing tends to be 'dense' in the sense of trying to convey as much information as possible in as small a space. This does not lend itself to elegance of language, but is a necessity given the economics of book publishing. However, it does sometimes create linguistic monstrosities. For example, on page 225 the following appears.

Section 124(2) prohibits any person by means of purchase or sales of any securities that do not involve a change in the beneficial ownership of those securities, or by any fictitious transactions or devices, from maintaining, inflating, depressing or causing fluctuations in the market price of any securities, whether they be of the class in which the alleged change of ownership is occurring or otherwise.

The reader's reaction to something like this is "what...??" To be fair, it is difficult to write accurately about a statute with economy, given the way that statutes are drafted. Nevertheless, some attempt should I think be made to sort out the ideas that draftsmen stuff into each section. The reader deserves to be pampered a little.

Not all the book is like this. There are lucid passages. However, my subjective impression is that this is not an easy book to read. It is infor-

¹ Cap 289, 1985 (Rev. Ed.)

mative. It is useful. But it is not the sort of book that gives readers an easy time. One might compare it unfavourably in this respect to Gower's classic text or to Lord Denning's succinct prose.

All in all, this book is very much like the curate's egg. Some parts are quite good. It may not be the definitive text on securities regulation, but it certainly can hold the fort until that text is written. I would not place it in the 'must get' category, but any student or practitioner with an interest in securities regulation will find it an asset.

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