

ACFS Commissioned  
Paper Series 2016

Call for Applications

May 2016

*Thought Leadership  
in the Financial Sector*

## ACFS COMMISSIONED PAPER SERIES 2016: CALL FOR APPLICATIONS

ACFS is seeking expressions of interest (EOIs) from academics at affiliated universities<sup>1</sup> for the preparation of three commissioned papers on the topic of data access and availability in the financial sector. ACFS will commission up to three papers exploring data access and availability separately in the fields of:

- banking;
- insurance; and
- funds management and superannuation.

We anticipate that the nature of these papers would lend themselves well to a team of researchers working collaboratively.

Commissioned papers should be written in a style suitable for a primarily practitioner audience, but should focus on the impediments to academic (and practitioner) research in the relevant area. (Authors are also encouraged to use materials gathered, and the paper produced, as the basis for a later academic journal publication.) Suggested areas for research are listed on the following pages. EOIs on other topics that concern data issues in banking, insurance, or funds management/superannuation are also welcome (you may wish to discuss these with [Martin Foo](#) prior to submitting your application).

An amount of **\$12,500 (including GST)** will be payable into a University research account of the author(s) – half in advance, and half on timely, satisfactory, completion of a final paper. ACFS will provide suggestions to successful applicants prior to commencement of work, and will provide feedback on the draft paper submitted before completion. There is no restriction on the use of funds by the author(s) other than those imposed by the employing University. While it is anticipated that some part of the funds may be used for research assistance, data collection etc., a budget is not required to be submitted.

EOIs should be no more than 1,000 words in length and should contain: an overview of how the paper is expected to be structured; key issues to be addressed (including any not listed in the topic overviews below); and a description of the capability of the researcher(s) to deliver a high quality, relevant, timely paper.

The author(s) will be expected to: (a) meet with the relevant ACFS Research Program Committee to discuss their approach to the research; (b) deliver a short presentation to the relevant ACFS Research Program Committee based on their findings; and (c) be willing to participate in an ACFS-organised event (symposium, workshop etc.) on the topic, should such an event be convened by ACFS.

The final commissioned papers will be expected to:

- Provide an overview of the primary data sources currently available for research in the selected area (although this should not be the main focus of the paper).

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<sup>1</sup> RMIT, Monash University, University of Melbourne.

- Identify obvious data availability deficiencies with reference to examples in comparable countries, possibly drawing on published research studies to illustrate the public benefits of increased data availability.
- Consider issues associated with enabling the provision of private, commercially valuable data for academic research.
- Identify situations where data sharing among private entities may facilitate both research and socially beneficial economic outcomes.
- Identify and suggest possible mechanisms for improving researcher access to privately (or government) held data.
- Contain an executive summary of 1-3 pages drawing out main issues, conclusions, policy options etc.
- Have a forward-looking focus, in the sense of drawing out evidence-based implications and conclusions to support policy options.
- Be of an appropriate length (7,000 to 15,000 words is suggested).

The final papers will be provided to ACFS for distribution with due attribution of authorship to the author(s). The author(s) will be free to draw on their papers for subsequent submission of articles to academic journals.

Applicants should be cognisant of the Productivity Commission's inquiry into data availability and use (<http://www.pc.gov.au/inquiries/current/data-access>). The final papers, or information available from work in progress, may be adapted by ACFS as a submission to the inquiry (with due attribution of authorship). Given the timeline for the inquiry, and the interest of the Research Program Committees, early provision of draft material will be encouraged.

The topics suggested on the following pages have been developed in collaboration with practitioners, policymakers and academics. Therefore, where possible, ACFS will assist in providing successful applicants with access to networks of contacts that may be able to provide advice or in-kind support. It is expected that as part of the preparation of these papers, the researcher(s) would hold meetings with industry and government stakeholders to gather information.

For enquiries or to submit an EOI, contact Martin Foo at:  
[martin.foo@australiancentre.com.au](mailto:martin.foo@australiancentre.com.au)

The closing date for EOIs is **5:00pm AEST, Friday 27 May**. Successful applicants will be notified within approximately two weeks after the closing date. A draft paper for review by ACFS will be required five (5) months later with a final paper due no more than one (1) month after feedback on the draft has been provided. Ideally a working paper suitable for dissemination would be completed by the end of 2016.

## RESEARCH TOPICS

It is suggested that the data classification approach in each paper draw from the Attachment, which classifies data into various possible macro/industry/firm/product/activity types.

The following example research questions were developed in collaboration with the ACFS Research Program Committees, but they should be viewed as ‘thought-starters’ rather than as comprehensive outlines of potential issues or topics. EOIs for research exploring other data issues related to the banking, insurance or funds management/superannuation sectors will also be considered.

### 1. Data issues in banking

Is there adequate firm-level data in Australia on lending by banks and other ADIs, default rates, credit losses, lending to owner-occupied vs. investment property etc. when compared to jurisdictions like the UK, US and Canada? If not, how could such data be compiled? What types of databases exist in other jurisdictions that are not available in Australia?

What are the legislative or practical barriers to the collection of such data? What is the appropriate balance between factors like compliance costs, privacy and protection of commercially-sensitive information, versus the need for adequate data for research and regulatory purposes?

Could comprehensive data on bank balance sheets and income accounts, such as that available in the US through the public availability of ‘call reports’, be collected by APRA? Would the public release of such data be precluded by legislation?

### 2. Data issues in funds management / superannuation

What data are collected on funds management and superannuation in Australia? Are there gaps compared to data collection in other countries, and how do these gaps hinder research?

How would access to better data improve our understanding of the financial system and our understanding of risk? This may include data on superannuation and funds management as well as data on members or investors. For example, what data may be required to support the stated public policy goal of superannuation supplementing or replacing the Aged Pension? Would improved data disclosure help funds to construct suitable standardised comprehensive retirement income products?

Which is the right agency to collect these data? Are there instances where datasets should be unified, where government data should be made public, or private organisations should be subject to compulsory reporting?

### 3. Data issues in insurance

Due to the scarcity of publicly available data in the insurance sector, what inquiries could be made about funding being received to develop data? To what extent would having more of

this data publicly available assist individual customers of insurance companies in making better informed decisions about their risk?

To what extent would insurance companies also benefit from access to more data, with regard to being better able to price premiums? What are the legislative barriers to the collection and public availability of such data? How does Australia compare to other nations on availability and access to insurance data?

The questions on data in insurance may be applied to general insurance, life insurance, health insurance, and/or other forms of specialised insurance.

## THE AUSTRALIAN CENTRE FOR FINANCIAL STUDIES

The Australian Centre for Financial Studies (ACFS) is an independent, not-for-profit research centre at Monash University. It was established in 2005 with seed funding from the Victorian Government.

ACFS specialises in leading-edge finance and investment research, aiming to boost the global credentials of Australia's finance industry, bridge the gap between research and industry, and support Australia as an international centre for finance practice, research and education.

ACFS provides access to and links between academics, finance practitioners and government, and draws on expertise and experience from across these groups to facilitate knowledge creation and transfer throughout the greater finance community. ACFS has developed a strong reputation as an independent voice on finance industry-relevant matters.



# AUSTRALIAN CENTRE FOR FINANCIAL STUDIES

## OUR PARTNERS



## ATTACHMENT: POSSIBLE CLASSIFICATIONS OF DATA

### Banking

Major Category	Sub-Category
<b>Banking and the Economy</b>	Evolution and Structure of the Banking System
	Finance and Economic Growth
	Financial Crisis
	Monetary Policy and Liquidity Management
	Operations of Financial Markets
<b>Regulation</b>	Accounting and Disclosure
	Basel III/IV
	Capital Requirements
	Deposit Insurance
	Licensing
	Macro-prudential Regulation
	Prudential Regulation and Supervision
<b>Banking Institutions</b>	International Banks in Australia
	Islamic Banking
	Mutuals
	Shadow Banking
	Universal/Commercial Banking
<b>Banking Markets and Products</b>	Country Studies
	Securitisation
<b>Banking Practice</b>	Bank Management
	Governance and Remuneration
	Lending and Credit (inc. Investment vs. Owner-occupied Property, Small Business Loans, Large Business Loans, Syndication)
	Product Pricing
	Risk Management
<b>Bank Performance</b>	Cost of Bank Capital, Risk, Returns
	Innovation
	Reputation
	Securities Markets, Consumer Payment Networks, Mortgage Originators
	Stock Performance

<b>Bank Customers</b>	Retail Customer Decision Making
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## Insurance

<b>Major Category</b>	<b>Sub-Category</b>
<b>Insurance and the Economy</b>	Demographics
	Evolution and Structure of the Insurance System
	Risk Transfer Role
	Role of Insurance in Financial Crises
	Taxation
<b>Regulation</b>	Accounting and Disclosure
	Consumer Protection and Regulation
	Prudential Regulation and Supervision
<b>Insurance Sector Practice</b>	Claims Management and Payout Practice (inc. Internal and External Dispute Resolution)
	Governance and Remuneration
	Portfolio Management
	Product Pricing (inc. Risk-based vs. Community Rating)
	Risk Management
	Staff Training
<b>Consumer Retail Issues</b>	Financial Literacy
	Product Choice Switching Behaviour
	Retail Customer Decision Making
	Societal Issues – Culture, Language, Disability
<b>Business Customer Issues</b>	Business Customer Decision Making
	Capital Structure
<b>Insurance Company Performance</b>	Innovation
	New Products
	Technology and Platforms
<b>Insurance Companies</b>	Company Ownership Structures



## Funds Management/Superannuation

Major Category	Sub-Category
<b>Funds Management and the Economy</b>	Flow of Funds
	Foundations and Endowments
	Retirement Incomes Systems Internationally
	Superannuation
	The Future Fund
<b>Regulation</b>	Capital Markets Regulation
	Consumer Protection and Regulation
<b>Markets and Products</b>	Export Markets for Australian Fund Managers
	Mergers and Competition
<b>Practice of Funds Management</b>	Asset Allocation
	Risk Management
<b>Performance</b>	Efficiency
	Indexation
	Innovation
	New Financial Products
	Performance Measurement
<b>Consumer Issues</b>	Customer Decision Making
	Demographic Change and Superannuation
	Product Choice, Switching Behaviour