

Bank and Financial Institution Management in Australia

(Available at www.kevindavis.com.au)

Preface

This e-book is intended as a freely available¹ reference/textbook for students of Australian banking and bank management (and hopefully of value to practitioners). It has been developed from various teaching and other notes – but is not aimed explicitly at any level of class or assumed knowledge, and the depth of analysis thus varies quite considerably. Regard the current version (February 2023 which is an update of the earlier July and December 2021 versions) as still being a “beta” version – whether it ever will get to “alpha” status is anyone’s guess.

The content covers areas which would be found in most banking texts, but is somewhat idiosyncratic, reflecting issues to which I think students of banking should be exposed (and which I, generally, find interesting). The objective is to provide exposure to financial institutions and their practices, regulatory arrangements, and relevant academic research literature. Regarding that latter topic, there will undoubtedly be many who feel that I have not given enough attention to their published research – I would welcome suggestions regarding such omissions (including a few words on how they might be incorporated). I would also welcome suggestions of errors of omission and commission. By making this available as an e-book, it is amenable to ongoing updating which I hope to do as appropriate (and the dates on each chapter indicate the last time any edits were made). The first draft went “live” on the web site in July 2021. Banking and its regulation is continually changing. I hope that I have incorporated recent developments but am aware that there may be some things I have missed. I have also retained some of the discussion of discarded regulations and arrangements to provide some historical perspective.

I have always struggled with maintaining consistent referencing, and so decided to largely abandon traditional practices and instead provide hyperlinks to references mentioned (albeit perhaps not always in a consistent fashion). The typical hyperlink will be of the form Jones (ER, 1952) where this

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gives some clues as to the author, journal (or other source), and year – details of which can be found via the hyperlink.²

In drawing upon various notes of mine, I hope that I have not “self-plagiarised” articles I have published in journals or books – I am sure I will be told if I have. I sincerely hope that I have given due acknowledgement to material from other sources, which is generally either in quotes or in tables or figures.

I would appreciate any emails giving suggestions to be sent to kevin.davis@unimelb.edu.au.

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Cover Page Illustrations

Banks were historically characterised by their offices being substantial even grandiose buildings, designed to give the impression of strength and stability. Even in small country towns, the bank premises were often the most substantial buildings to be found. While banks have largely deserted country towns, many of the buildings remain, converted into use for other activities. The cover page contains pictures of some bank buildings from Australian country towns. Probably the grandest one shown is that of the Australian Bank of Commerce Limited in Charters Towers (Queensland), a town which also boasted the second stock exchange in Australia. Even a small financial institution such as the Warrnambool Building Society had an impressive building. Nowadays, the growth of electronic commerce has made physical bank premises largely redundant.

² I plan to include a list of journal abbreviations as a section of the glossary. In some cases I have provided links to pre-publication versions of a journal article available on an author or organisation’s website – which enables free access for those without a University (or other) subscription to the journal involved.

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