

FINAL REPORT

AFAANZ 2018-2019 Research Grant

(1) Name, Position, Contact Details for each applicant

- Chief Investigator: Dr Kelvin Tan
- Institution: UQ Business School, the University of Queensland
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(2) Project Title:

Are large shareholders effective monitors or free riders in corporate debt policy? Evidence from two natural experiments

(3) Updated Project Summary

This paper examines the impact of blockholders on the corporate debt maturity structure within the framework of agency theory. Using a novel and hand-collected dataset in Australia, we find support for our hypothesis that debt maturity is a concave function of block equity ownership. Our findings contribute to empirical evidence on the monitoring effects of blockholders and the use of debt maturity to control for debt-equity and manager-equity conflicts.

(4) Funds Granted: AU\$ \$8,727

(5) Detailed Report on Expenditure of Funds against Budget Items, with variations explained

I have been granted the amount of \$ 8,727 for Research Assistance (RA) work including professional editing and formatting services. I have spent the total granted amount on hiring RA for data collection, professional editing and formatting services.

6) Outcomes, for example, working papers, presentations and publications

This grant has produced one published paper at the *Economics Letters* (ABDC Ranked “A” Journal). <https://www.sciencedirect.com/journal/economics-letters/vol/185/suppl/C>

7) Future Intentions for this Project

I plan to extend the impact of blockholders to other investment policies such as innovation, M&As in the future.