

Introduction

This is the 29th *Equity & Diversity Annual Report* of the Reserve Bank of Australia, as required under section 9 of the *Equal Employment Opportunity (Commonwealth Authorities) Act 1987*. The reporting period covers 1 July 2015 to 30 June 2016.

Approach to Diversity

Valuing diversity and inclusion has provided the Bank with a strong foundation that has helped shape our culture and the way we work. The Bank aims to embed equity, diversity and inclusion principles in its work practices and organisational environment. It also pursues a range of initiatives to continually strengthen and reinforce diversity and inclusion in the workplace; these initiatives are outlined in the Bank's *Diversity Plan 2016–2019*.

To ensure that its diversity and inclusion practices remain appropriate, the Bank annually reviews its workforce diversity profile, the take-up of its existing policies and programs, the implementation of the initiatives outlined in the *Diversity Plan*, as well as any relevant external developments. This annual report provides a summary of that review. The layout of the report reflects the diversity-related priorities that the Bank has identified, as well as the need to focus on the designated groups defined in the Act – women, people with a disability, people of a non-English-speaking background and Indigenous Australians.

Roles & Responsibilities

The Bank aims to ensure that all employees proactively undertake their diversity and

inclusion responsibilities within their sphere of influence. The Bank's Executive Committee is the key governing body responsible for the strategic direction of the Bank's practices. There are, however, a number of key bodies that contribute to equity, diversity and inclusion governance at the Bank, including:

- The Bank's *Executive Committee*, who is the key governing body responsible for the strategic direction of the Bank's equity, diversity and inclusion practices
- *Executive management*, who are responsible for the implementation of equity, diversity and inclusion activities and performance within their areas
- *All employees*, who are required to ensure that their actions in the workplace are consistent with the Bank's equity, diversity and inclusion principles
- *The Diversity & Inclusion Policy Committee*, which is a consultative body that includes representatives from management, employees, Human Resources and the Finance Sector Union. The committee makes recommendations on equity, diversity and inclusion matters to the Executive Committee and the Governor, and is responsible for monitoring and reporting on the development and implementation of

equity, diversity and inclusion initiatives. The Terms of Reference for the committee and its membership are set out in the Appendices.

- *Diversity Contact Managers*, who are responsible for monitoring the implementation of diversity initiatives in their respective departments (which is reported on to the Diversity and Inclusion Policy Committee) and for acting as intermediaries between the committee and employees.
- The *Accessibility Consultative Group*, which makes practical suggestions for improvements to the accessibility of computing systems, information and building facilities. Representatives of this body are drawn from relevant departments (namely Information Technology, Secretary's Department, Facilities Management Department and Human Resources) and other interested employees
- *Human Resources*, which provides specialist advice as well as support to assist in the development and implementation of the Bank's Diversity & Inclusion Program.

Promoting Diversity and Inclusion

For equity, diversity and inclusion principles to be integrated into all work practices, employees must be well informed about the Bank's diversity-related policies and relevant legislation. The Bank strives to achieve this through its policy framework, training and awareness-raising initiatives.

Strategy and policy initiatives

An important component of the Bank's approach to diversity is its People and Culture Strategy, which was launched in 2013. The strategy recognises executive management's commitment to ensuring that the Bank provides a productive, inclusive and rewarding workplace.

The importance of fostering an inclusive and flexible work environment is one of the four focus points of the strategy, along with employee engagement, talent management and leadership development.

Steady progress in implementing the diversity and inclusion-related elements of the People and Culture Strategy continued to be made over the past year. In particular, the Bank implemented a new framework for flexible work, which provides clear guidelines, processes and resources to support the submission and appropriate consideration of requests for such arrangements. The Bank also conducted its second employee engagement survey, which allowed for analysis of employee engagement by key demographics including gender, age and tenure, as well as the collection of detailed information relating to the take-up of different forms of flexible work. The survey identified that employees continue to perceive diversity to be a key strength of the Bank.

Also during the financial year, the Bank implemented a more formalised framework for talent management. A key objective of the framework is to provide a Bank-wide view of the capabilities and aspirations of staff, and to assist with the identification of potential leaders. A key indicator of the framework's success will be ensuring that there is adequate representation of women and other diversity groups within the Bank's talent pipeline.

The Diversity and Inclusion Policy, introduced in 2015, continues to be a focus in the Bank's approach to diversity and inclusion. It outlines the Bank's commitment to:

- provide equal opportunities for all employees based on their ability and performance
- foster the inclusion of women, various age groups, people with a disability, people of a non-English-speaking background, Indigenous Australians and lesbian, gay,

bisexual, trans and/or intersex (LGBTI) employees within the workplace

- promote an inclusive and collaborative culture
- develop a deep and diverse pool of well-trained leaders
- increase the representation of women across management positions.

The policy also introduced a target of having 35 per cent of managerial positions filled by women within five years, with a longer-term goal of 40 per cent. At the time the policy was announced, women accounted for 30 per cent of managerial positions, and currently occupy 31 per cent. As discussed in this report, a range of gender-related initiatives are in place to support women within the Bank as well as initiatives to promote economics, finance, mathematics and IT as career options for women in the community more broadly.

During the year, the Bank also reaffirmed its values through a revised Workplace Behaviour Policy and the Code of Conduct, which emphasise the principles of diversity and inclusion, including respect and the harnessing of individual differences and diversity of thought. The Workplace Behaviour Policy specifically recognises the Bank's commitment to providing a workplace where employees are free from all forms of unlawful discrimination, harassment and bullying, in order to ensure the Bank is more conducive to productive and harmonious working relationships. The policy also highlights the Bank's commitment to principles of equal employment opportunity.

Training and awareness

The Bank actively promotes diversity through its leadership development programs to managerial staff, including unconscious bias and inclusive leadership programs. These programs support

expected workplace behaviours and assist managers in embedding the Bank's values.

During the reporting period, the Bank provided training to staff on their workplace responsibilities related to equity, diversity and conduct. All employees completed training on the Code of Conduct and Workplace Behaviours, which review the Bank's values, expected workplace behaviours, roles and responsibilities, anti-discrimination legislation and the Bank's Diversity & Inclusion Program.

The Bank also raises awareness about equity, diversity and inclusion matters as part of the induction process for all new employees. This focuses on the Bank's Code of Conduct and workplace behaviour.

The Grievance Contact Officer network provides information and advice on a confidential basis to assist employees with work-related grievances, by considering issues, desired outcomes and available resolution options. The role of the Grievance Contact Officer network was promoted to all staff through the intranet and in training sessions. Grievance Contact Officers received training in handling grievances.

Information on diversity is made available within the Bank in a number of ways. These include face-to-face awareness sessions on diversity-related issues as well as topical articles and policy updates in periodic employee publications, all of which are available on the Bank's intranet. Diversity-related policies, programs and resources, such as the Bank's Diversity Plan, the *Equity & Diversity Annual Report*, and guides for employees on diversity matters such as accessibility are also available on the intranet.

External membership

The Bank keeps up to date on external equity, diversity and inclusion matters through its diversity memberships and accreditations to

ensure its Diversity & Inclusion Program remains current. During the reporting period, the Bank renewed its membership of the Diversity Council Australia, an independent, not-for-profit diversity adviser to businesses in Australia. The Bank also renewed its membership with the Australian Network on Disability (a not-for-profit organisation that aims to advance the inclusion of people with disability in all aspects of employment) and the NSW Equal Employment Opportunity Practitioners' Association. The Bank was also re-accredited as a Breastfeeding Friendly Workplace by the Australian Breastfeeding Association.

In 2015/16, the Bank established membership with the CareerTrackers Indigenous Internship Program, and joined the Australian Mathematical Sciences Institute to extend its focus on both Indigenous Australians and the representation of women in the workforce.

Data Collection

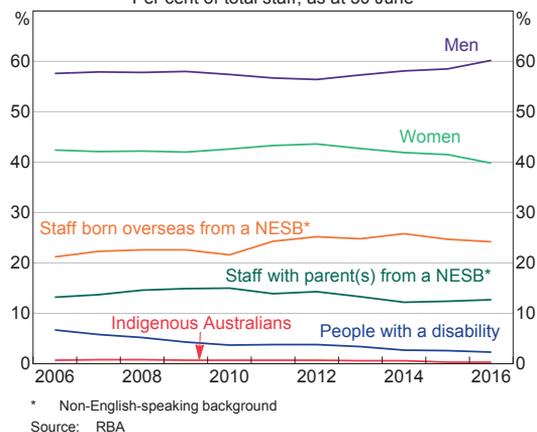
Equity and diversity information is sought from employees when they commence employment at the Bank and as part of a periodic profile update. It is provided on a voluntary basis, and includes information on disability, ethnic origin and proficiency in languages other than English. The Bank's equity and diversity statistics are based primarily on these data; around the 80 per cent of employees have elected to disclose their diversity details.

For potential employees of the Bank, the job application form contains an equity and diversity questionnaire, which provides the Bank with a better understanding of the applicants from a diversity perspective and facilitates any reasonable adjustments that might be required, both during the recruitment process and in subsequent employment.

The Reserve Bank's Diversity Profile

At the end of June 2016, the Reserve Bank employed 1 347 staff, an increase of 7 per cent from a year earlier.¹ This increase is attributed largely to the continuation of major, multi-year projects commenced over the past few years. Over the past decade, within a relatively stable diversity profile in the Bank overall, there has been an increase in the share of employees from non-English-speaking backgrounds and a decline in the share of employees who report they have a disability (Graph 1). The share of women in the Bank's workforce has also fallen slightly over this period, largely reflecting the relatively high proportion of employees recruited from male-dominated professions during this time. The redesign of administrative roles that were predominantly filled by females has also contributed to the decline in the share of female employees over the past few years.

Graph 1
Diversity Profile at the RBA
Per cent of total staff, as at 30 June



1 Includes locally employed staff in overseas offices.