

Diversity Initiatives and Profile

Work-life Balance

Initiatives

The Bank recognises that having policies and practices that allow employees to manage their career and other life commitments is important in attracting and retaining high-performing employees. During 2016/17, the Flexibility ERG pursued a number of initiatives relating to workplace flexibility, with the primary focus on raising awareness of the Flexible Work Policy and Guidelines and making the information easier to find and use. Videos featuring staff members, including the Governor and Deputy Governor expressing their support for flexible work arrangements, have been placed on the intranet. The ERG has promoted forms of flexibility beyond part-time hours such as working from home or from a different location, working non-standard hours and entering into job-share arrangements. The group has sought to challenge the perception that flexible work arrangements are only for parents of young children by sharing diverse examples.

To assist employees with managing work-life balance, the Bank also has an active health and wellbeing program. This includes:

- the provision of an Employee Assistance Program, which provides confidential professional counselling and support to staff via phone and face-to-face meetings
- sponsoring a 30-day 'Health Challenge' program, to promote healthy behaviours. It was taken up by 10 per cent of employees, with health checks offered to those participating in the program
- the provision of fitness facilities and classes at Head Office, as well as fitness arrangements for employees in interstate and overseas offices
- the provision of executive health assessments on a voluntary basis to senior staff
- influenza vaccinations that are optional for all employees
- a number of activities, including internal seminars and communications, designed to raise awareness of mental health and related issues.

The Bank pursued a number of initiatives to promote family-friendly workplace practices, including:

- the option to access a second year of parental leave absence as an employment entitlement
- providing a dedicated Parent Room facility for staff. This facility was re-accredited by the Australian Breastfeeding Association during the reporting period
- providing a 'parental leave toolkit', which informs employees of their entitlements and the resources available to support them before, during and after parental leave
- holding a series of information sessions for staff on recent improvements to the Bank's remote access technology, which supports flexible working arrangements.

The Bank encourages employees to participate in the broader community by supporting participation in philanthropic pursuits in a number of ways. In particular, it matches all donations made by employees through the

Bank's Benevolent Fund on a dollar-for-dollar basis. The Bank also has a Volunteer Day Program, where employees spend a day of leave helping at an eligible charity and the Bank donates to that charity the equivalent of one day's pay.

Profile

To help monitor the work-life balance of its employees, the Bank looks at a number of different indicators, including:

- the take-up of part-time work and other flexible work arrangements
- parental leave usage
- the use of carer's leave
- the take-up of the Bank's purchased leave scheme.

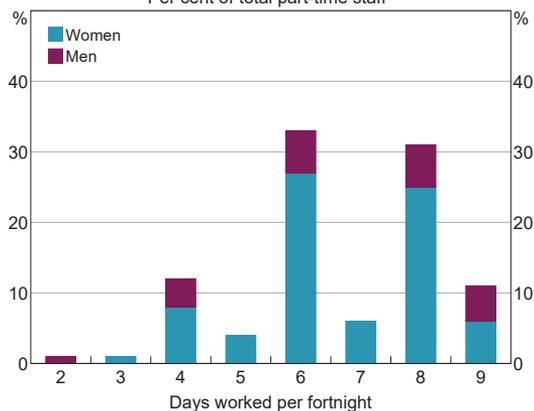
Historically, the Bank has focused on measuring part-time work to monitor work-life balance. The 2015 Employee Engagement Survey provided a broader picture of flexible working arrangements, as it showed that 55 per cent of those responding to the survey were engaged in some form of flexible working arrangement, with the majority working from home or working non-standard hours on an ad hoc basis. The launch of the Bank's Flexible Work Policy in August 2015 has also allowed the Bank to more effectively track the take-up of formal flexible work arrangements.

In 2016/17, 8.7 per cent of staff worked part time. There was an increase in the number of male and female employees who elected this flexible option. Some points to note about part-time employees include that:

- 81 per cent of employees working part time do so for at least six days a fortnight (Graph 2).
- While most part-time working arrangements involve women, the share of men working part time has increased over the past 10 years (Graph 3).

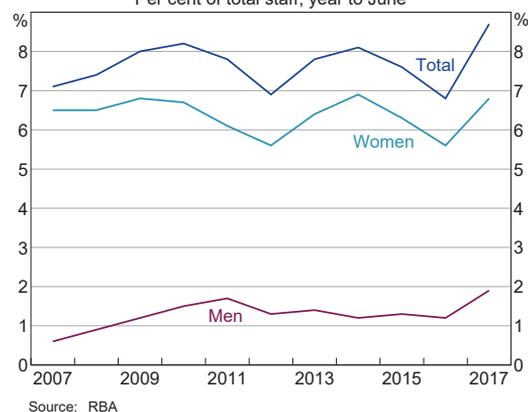
- Professional and managerial employees accounted for 35 per cent of employees working part time, while clerical and administrative employees accounted for 65 per cent.

Graph 2
Number of Days Worked by Part-time Staff
Per cent of total part-time staff*



* Includes all staff who worked part-time during the year to June 2017
Source: RBA

Graph 3
Staff Working Part-time
Per cent of total staff, year to June



Source: RBA

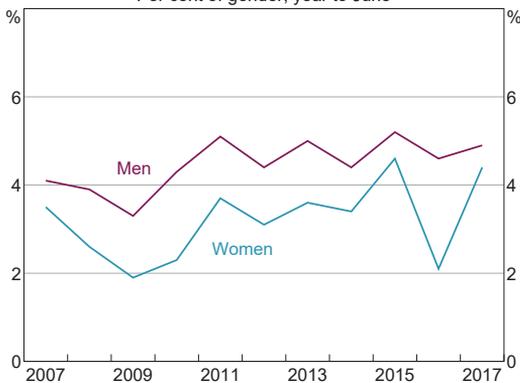
During the reporting period, a total of 64 employees commenced parental leave. Key observations about the use of parental leave provisions over recent years are that:

- Men have been the predominant users of parental leave (Graph 4).

- Women typically take a longer parental leave break than men, with the majority returning within 18 months (Graph 5); of this, 14 weeks is fully paid leave for primary carers and two weeks for secondary carers. Six weeks of paid adoption leave is available to either parent.
- Birth mothers returning from parental leave typically do so on a part-time basis (Graph 6). In the year to June 2017, the majority of women returned to work at the conclusion of parental leave.

Graph 4
Staff Commencing Parental Leave

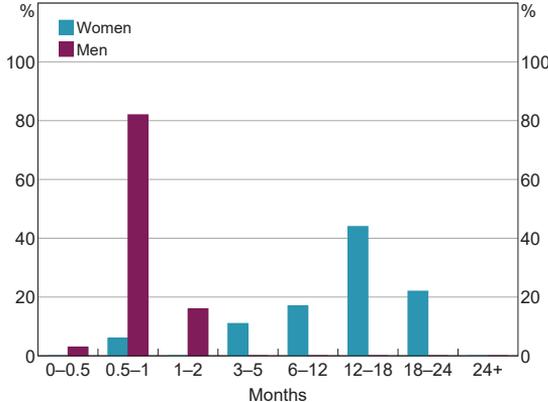
Per cent of gender, year to June



Source: RBA

Graph 5
Duration of Parental Leave

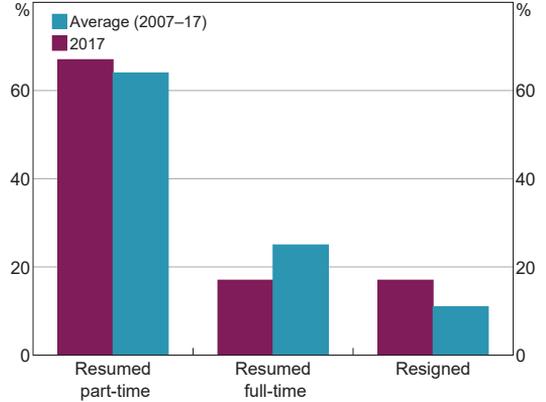
Per cent of staff returning from parental leave, year to June 2017



Source: RBA

Graph 6
Women Completing Parental Leave

Per cent of women completing parental leave, year to June



Source: RBA

Leave for caring purposes was used by over 40 per cent of employees in the year to June 2017, higher than the 10-year average of 36 per cent. This was, in part, due to changes in the Bank's personal leave arrangements from 2010 (Graph 7). More men used carer's leave than women, accounting for 61 per cent of employees using such provisions (Graph 8).

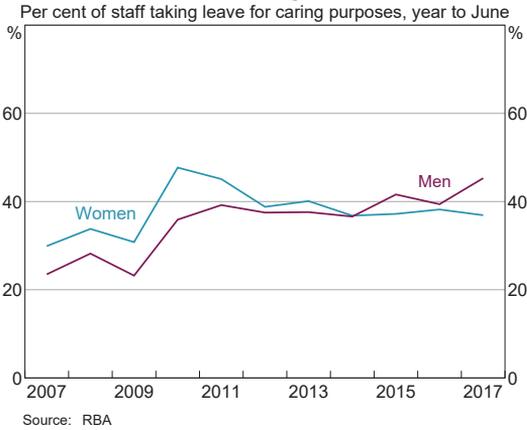
Graph 7
Leave for Caring Purposes

Per cent of employees, year to June

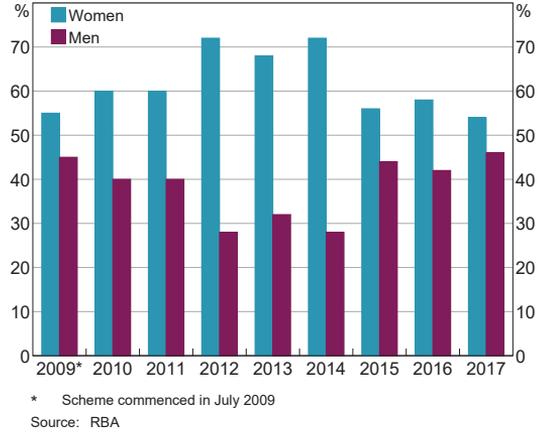


Source: RBA

Graph 8
Leave for Caring Purposes



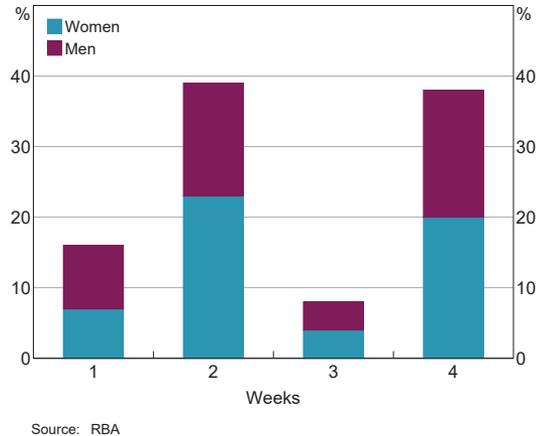
Graph 9
Purchased Leave Scheme



The Bank's purchased leave scheme assists employees with balancing work-life responsibilities. Some points to note about the scheme include:

- During the reporting period, 4 per cent of employees participated in the scheme, with women accounting for 54 per cent of users, above their employment share (Graph 9).
- The majority of employees participating in the purchased leave scheme requested two or four weeks of additional leave (Graph 10), and are professional and managerial employees.
- Around two-thirds of users of the scheme were in their forties and fifties.
- Of those who accessed the scheme, 40 per cent used it in both 2016 and 2017.
- Usage of the purchased leave scheme has increased in recent years, in part reflecting the Bank's increased hiring activity, with one-third of users having less than 2 years' service.

Graph 10
Duration of Purchased Leave



Gender

Initiatives

The Bank has a gender target of 35 per cent of management positions to be filled by women by 2020, with a longer-term aim of 50 per cent. In support of the gender target, there is a strong focus on talent management at the Bank, including succession and development planning for both women and men, and an emphasis on ensuring diversity of candidates in all selection processes.

Moving towards gender parity in managerial roles will also be assisted by having a relatively large and high-quality applicant pool from which to choose. In the 2016 and 2017 economics and finance graduate and internship recruitment rounds, the Bank trialled a number of new approaches to assist this, including: starting the process earlier and condensing the recruitment timeframes; more active engagement of academics at universities; broadening the use of pre-interview testing; using a different group of assessors for the shortlisting and interview process, with only limited information provided to those interviewing; and ensuring all participants had completed unconscious bias training and had been briefed on diversity and inclusion. In addition, the Bank's Information Technology (IT) Department continues to actively promote women in IT by taking part in events like the BiG Day In (sponsored by the Australian Computer Society).

The Bank has been actively involved in the launch of the Women in Economics Network (WEN), which is linked to the Economic Society of Australia. WEN has been formed to promote and support the careers of female economists in Australia. At the official launch at Parliament House in Canberra, Assistant Governor (Economic) Dr Luci Ellis gave a speech on 'Women in the Economy and in Economics'. The Bank provided the venue for the NSW WEN launch at Martin Place head office. Head of Economic Analysis Alex Heath was one of six senior mentors at the Women in Economics Retreat, which was also attended by four young female members of staff. Alex Heath is the Chair of the Gender Equity ERG and also gave the biannual Louisa Macdonald Oration at the Women's College at Sydney University in May 2017.

In recent years the Bank also reviewed its Recruitment and Selection Policy, which governs its recruiting practices. The review included

the addition of a new section highlighting the Bank's support for diversity and emphasising that hiring decisions are not to be made on the basis of irrelevant and unfair attributes, such as a person's age, sex, disability, race, religion, sexual orientation or ethnic background. To support gender diversity, the Bank requires female candidates to be included in interview shortlists for all recruitment and selection processes resulting from an advertised vacancy.

The Bank supports women by providing internal and external development and networking opportunities. During the reporting period, women in non-managerial positions participated in a variety of career and personal development programs, including the Springboard Development Program. Senior women also attended various external development programs such as CEDA luncheons, mentoring programs, executive education programs and conferences, as well as the Diversity Council debate.

The Gender Equity ERG hosted the Bank's second annual internal celebration of International Women's Day with a panel discussion moderated by Assistant Governor (Financial System) Michele Bullock and featuring managers from IT, Facilities Management and Financial Stability departments. The ERG also organised for Professor Betsey Stevenson to present to staff on gender matters. Students from Burwood Girls High School attended this event and had the opportunity to meet the Governor.

The Bank implemented a number of external initiatives, with the aim of attracting female high school students to careers that require economics, finance and mathematics and increase the female pool of potential employees and leaders in the industry. These initiatives included expanding the Bank's work experience program and facilitating more school students at later stages of their studies (i.e. senior secondary students in the

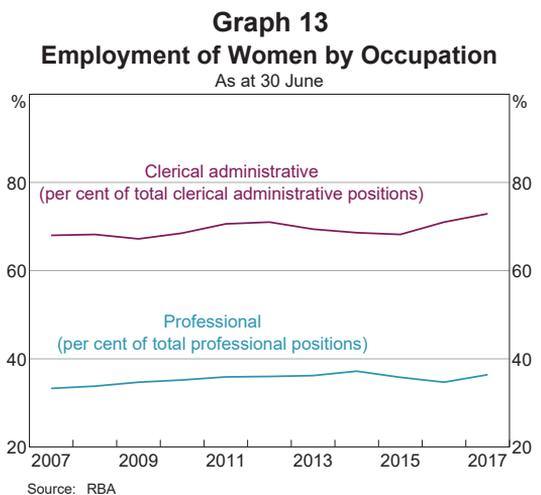
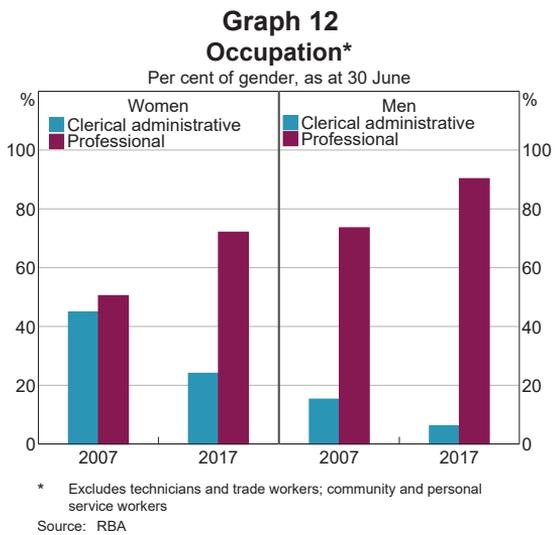
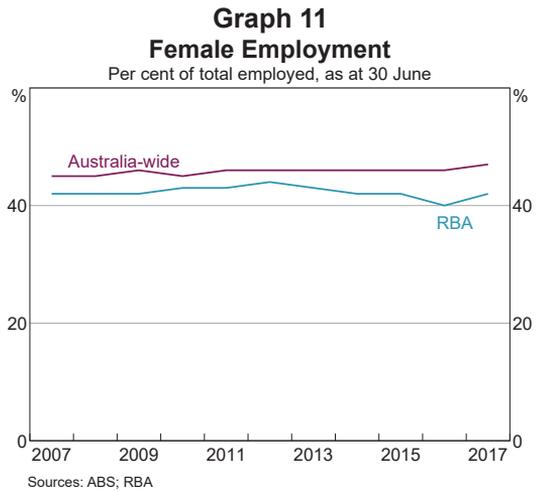
process of making choices for university studies). The Bank also funded a teaching scholarship for a secondary teacher to undertake a research study to investigate ways in which the engagement of female students in high school economics and maths could be improved. In addition, the Bank supports the Australian Maths and Science Institute (AMSI), which has a mandate to improve the effectiveness of maths and science teachers and to encourage more girls into STEM (Science, Technology, Engineering and Mathematics) disciplines. In addition to these specific initiatives, the Bank's new public education program researched the extent to which female students are under-represented in high school economics, and increased the range and number of talks to students so that the Bank was more accessible to female students.

Profile

Women accounted for 42 per cent of the Bank's employees at the end of June 2017, slightly below the national average (Graph 11). The share of women in the Bank's workforce increased last year, by two percentage points, in part reflecting the focus the Bank has placed on this in recent years. Targeted recruitment and investment in the pipeline of female talent are high priorities for the Bank.

The Bank has evolved from an organisation predominantly comprising clerical administrative positions, to one predominantly professional in nature – a trend apparent in the financial sector more broadly. As a result, an increasing number of women at the Bank are now employed in professional positions (Graph 12). Nevertheless, men continue to hold the majority of professional roles, while women hold proportionately more clerical administrative positions than men (Graph 13).

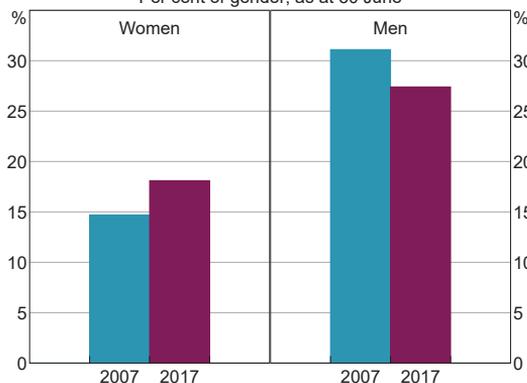
Reflecting the shift towards professional occupations, a higher proportion of women



are managers than was the case a decade ago (Graph 14). Women currently hold 32 per cent of management positions, up slightly from end June 2016 (Graph 15).

One-third of Reserve Bank Board and one-half of Payments System Board positions, respectively, are held by female members.

Graph 14
Managerial Positions by Gender
Per cent of gender, as at 30 June



Source: RBA

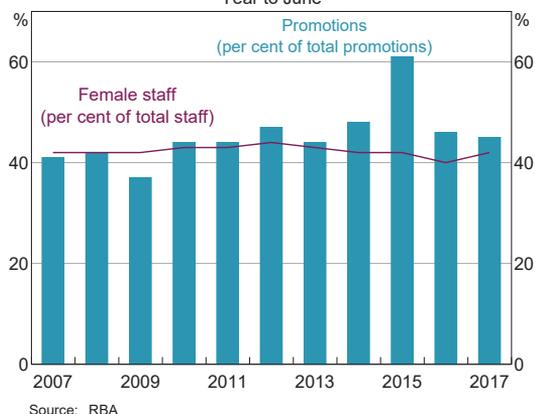
Graph 15
Women in Management Positions
Per cent of total management positions, as at 30 June*



Source: RBA

During the year to June 2017, 45 per cent of promotions were awarded to female employees, which are higher than their employment share of 42 per cent, and the same as the 10-year average of 45 per cent (Graph 16). Around 17 per cent of promotions awarded to female employees were

Graph 16
Female Promotions
Year to June

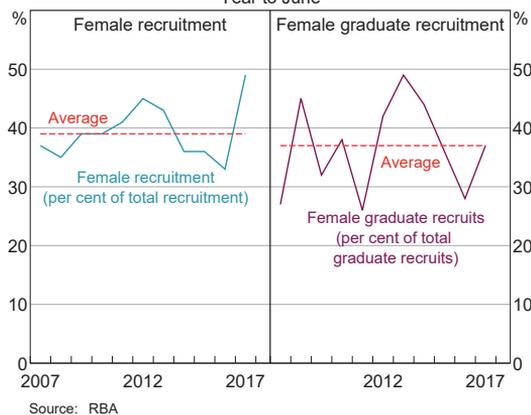


Source: RBA

to managerial positions, including executive management.

As at the end of June 2017, women accounted for 49 per cent of new recruits, which is higher than the 10-year average of 39 per cent (Graph 17). The Bank's single largest recruitment drive each year is the Graduate Development Program. University graduates account for about 23 per cent of new recruits to the Bank each year and are an important source of professional and managerial employees. Typically, female graduates comprise around one-third of the total intake, a proportion that has been relatively

Graph 17
Female Recruitment
Year to June

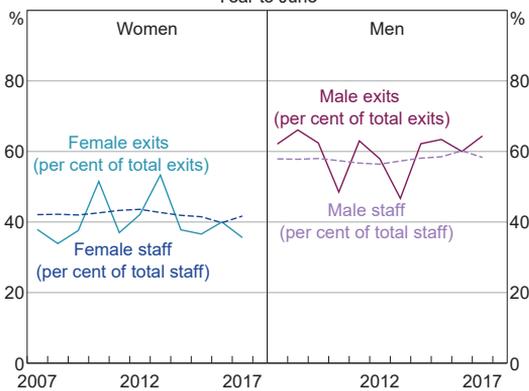


Source: RBA

constant over the past two decades (Graph 17). In the 2017 graduate intake year, 37 per cent of applications were from women (up 5 per cent from the previous year). At the conclusion of the selection process, 52 per cent of offers were accepted by female applicants.

Women accounted for 36 per cent of exits in the year to June 2016 (Graph 18), lower than their share of employment.

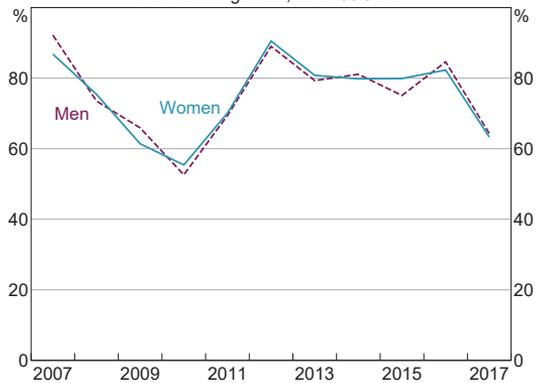
Graph 18
Exits*
Year to June



* Excludes retirements
Source: RBA

During the reporting period, the key leadership development focus was on executive leaders at Deputy Head and above. The Executive Leadership Development Program was designed and facilitated by Deloitte and covered elements of inclusive leadership, utilising the 'Leadership Shadow' model that was developed by the Male Champions of Change with Corporate Executive Women (Graph 19).

Graph 19
Training Participation*
Per cent of gender, as at 30 June



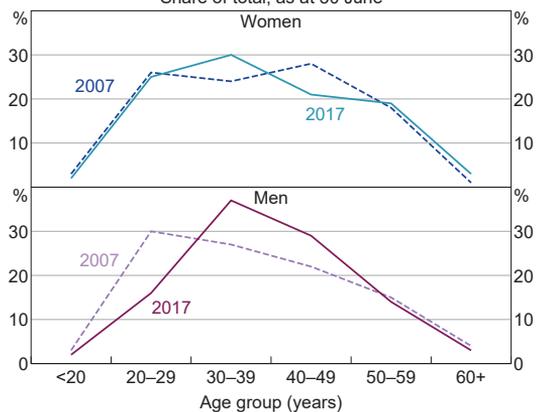
* Excludes Bank-sponsored study assistance, conferences, online learning modules and information sessions
Source: RBA

Age Profile

Since 2007, the average age of Bank employees has remained steady at 39, although an increase in the proportion of workers 50 and over has been seen (Graph 20).

Compared with the overall labour force, the Bank has a relatively young workforce; 40 per cent of all employees are under the age of 35 (Graph 21). This is largely a result of the Bank's

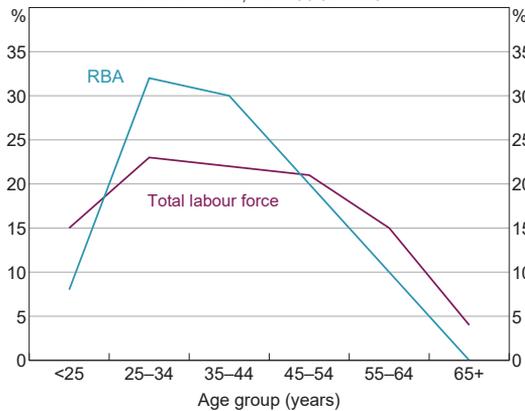
Graph 20
Age Distribution of RBA Staff
Share of total, as at 30 June



Source: RBA

Graph 21
Age Distribution

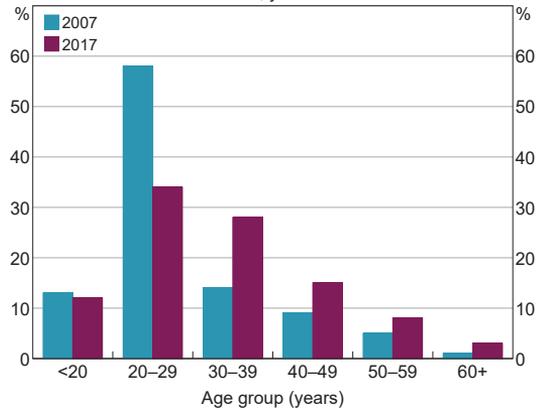
Share of total, as at 30 June 2017



Sources: ABS; RBA

Graph 22
Recruitment by Age Group

Share of total, year to 30 June



Source: RBA

hiring practices; around one-third of hiring each year is of younger workers, in part reflecting the role of the graduate, internship and traineeship programs. To the extent that these programs remain important, and that these positions continue to be filled by younger people completing their university studies, the Bank's workforce is likely to remain relatively young for the foreseeable future.

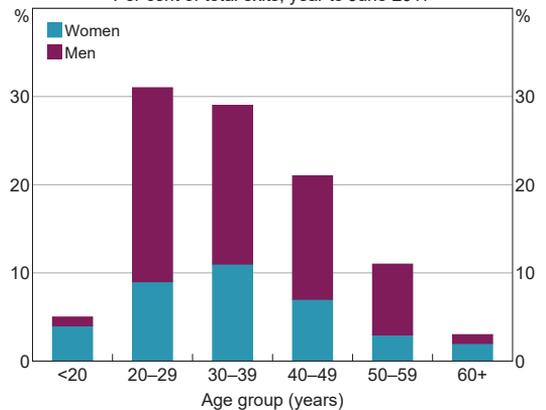
More broadly, as the general population and therefore the Bank's hiring pool ages, it is likely that this will eventually be reflected in the Bank's workforce. The average age of newly recruited employees has increased from 28 to 33 over the past decade (Graph 22), due to an increase in mid-career employees joining the Bank to support strategic projects.

Over the past decade, the average tenure of employees at the Bank has shortened. The proportion of employees who have spent less than five years at the Bank is now 52 per cent, compared with 62 per cent a decade ago.

Employees eligible for retirement accounted for 7 per cent of exits during 2016/17. More than half of employees leaving the Bank do so before the age of 35. (Graph 23).

Graph 23
Age at Exit

Per cent of total exits, year to June 2017



Source: RBA

Lesbian, Gay, Bisexual, Transgender and Intersex (LGBTI)

Significant efforts were made to promote LGBTI inclusion in 2016/17. The Bank renewed its membership of Pride in Diversity (PiD), a not-for-profit employer support program for LGBTI workplace inclusion, sent delegates to PiD's annual national conference and had staff participate in member workshops and roundtables. The LGBTI+ Allies ERG has developed a strategy and medium-term action

plan focused on raising awareness of LGBTI issues within the Bank, providing advice to the Bank on all aspects of LGBTI inclusion, and celebrating and supporting LGBTI staff and allies.

To help assess the current state of LGBTI inclusion at the Bank, the ERG undertook an informal review of the Bank's workplace policies and practices against PiD's Australian Workplace Equality Index, a national benchmark on LGBTI workplace inclusion. Improving the Bank's ability to deliver targeted LGBTI awareness training to staff was one priority that came from this; in response, an HR diversity specialist and member of the ERG undertook PiD's specialised LGBTI 'Train the Trainer' program in July 2017. The ERG has also raised the Bank's LGBTI awareness through Bank-wide initiatives tied to Wear It Purple Day and the International Day against Homophobia, Transphobia and Biphobia. Such initiatives have helped energise and engage a growing community of active and vocal allies within the Bank.

ERG members have engaged with LGBTI networks in a number of other organisations to share experiences and learn best practices regarding LGBTI workplace inclusion. For example, the ERG has attended the meetings of an interbank LGBTI networking group and Assistant Governor (Economic) Luci Ellis, the Executive Sponsor of the LGBTI+ Allies ERG, was a panellist at an event hosted by the Commonwealth Bank of Australia's Unity Employee Group. ERG and other Bank staff also joined with colleagues from the Australian Securities and Investments Commission and the Australian Prudential Regulation Authority to march as the 'Rainbow Regulators' in the 2017 Sydney Gay and Lesbian Mardi Gras parade.

Disability

Initiatives

The Accessibility ERG has commenced the creation of an Accessibility Action Plan, with guidance from the Australian Network on Disability (AND), which aims to improve access to information, facilities and opportunities to people with a disability. In order to ensure best practice the Bank upgraded its AND membership from Bronze to Silver to gain access to a dedicated specialist.

The Bank welcomed two students who identified themselves as having a disability through its 'Stepping into' internship program, and offered the students ongoing employment at the conclusion of their internship. The Bank also provides long-term employment for individuals with intellectual disabilities through the Job Support program.

During the reporting period, the Bank continued to offer training aimed at raising awareness on disability and mental health in the workplace. This included workshops on mental fitness for employees and managers, along with lunchtime information seminars on various health topics. Mental health awareness was raised through the promotion of R U OK? Day, which aims to encourage conversations about resilience and suicide prevention.

The Bank consults with and supports employees with disabilities by ensuring reasonable adjustments and accessibility options are available.

A number of accessibility-related initiatives were pursued during 2016/17. These included:

- updating online training modules to incorporate accessibility features more effectively
- conducting an audit of premise-related accessibility features, including hearing loops, and communicating their availability to staff

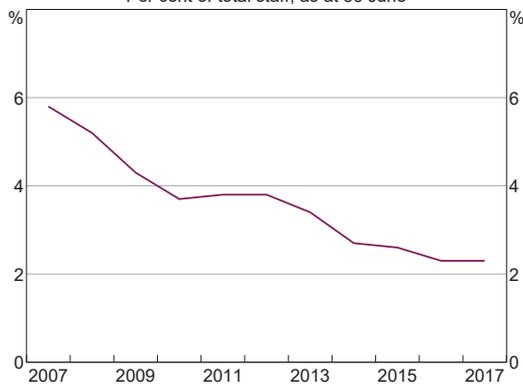
- marking International Day of Disabled Persons and Global Accessibility Awareness Week with educational communications to staff
- liaising with a number of representative groups from the vision impaired community about how to ensure that Australia's banknotes can be as accessible as possible. The first in the series of next generation of banknotes was released in late 2016 and includes a new embossed feature that was chosen to be incorporated into the design as the most effective method of achieving greater accessibility.

Profile

The proportion of employees who identified themselves as having a disability was 2 per cent as at June 2017 (Graph 24). However, there may be some under-reporting, to the extent that the data are provided on a voluntary basis and some employees may not wish to declare a disability.

Employees identifying with a known disability represented 1 per cent of all exits in the reporting period, slightly lower than their share of employment.

Graph 24
Staff with a Disability
Per cent of total staff, as at 30 June



Source: RBA

Indigenous Australians

Initiatives

The Bank's Diversity Plan highlighted Indigenous Australians as a key focus and introduced a target of increasing the proportion of Indigenous Australian employees to 3 per cent of the total workforce.

The Bank continued its focus on increasing the representation of employees from an Indigenous Australian background and promoting cultural awareness through a number of avenues, including:

- highlighting opportunities for Indigenous Australian applicants when advertising the internship program on graduate job boards
- job descriptions circulating through Yalari and the Australian Indigenous Education Foundation, in an effort to recruit Indigenous Australian school leavers to the Bank's business traineeship.

The Bank is looking to use group training organisations to improve its capacity to recruit Indigenous business trainees.

To promote the inclusion of Indigenous Australians in the workplace, the Bank's Indigenous ERG has established a Reconciliation Action Plan (RAP) Working Group, which is developing the Bank's first RAP.

The Bank's internship for Indigenous Australian university students was expanded from one to four recipients in 2016/17, and resulted in ongoing Bank employment for one of the interns. The internship is facilitated by CareerTrackers, a non-profit agency that works with organisations to provide work experience, networking and professional development opportunities for Indigenous Australian university students. The internship involved vacation work at the Bank and professional development training.

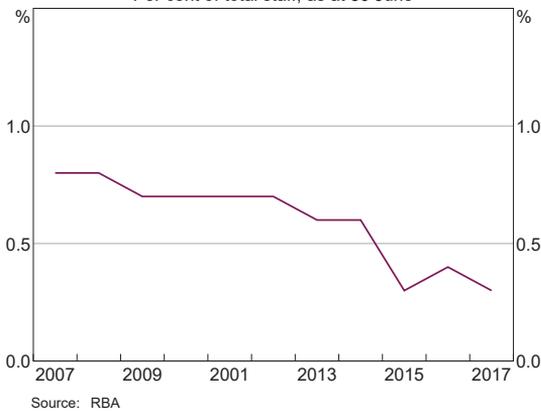
The Bank is exploring options for Indigenous Australian cultural competence training for staff and has started to introduce the practice of Acknowledgement of Country.

To raise employees' awareness on Indigenous Australian history and culture, the Bank circulated internal communications, and held a museum exhibition of Aboriginal artefacts from its archives during NAIDOC week. A Diversity and Inclusion keynote was delivered by Michael Comb, CEO of CareerTrackers during NAIDOC week 2016, and National Reconciliation Week was observed in 2017.

Profile

Indigenous Australians continue to account for a small proportion of employees, at 0.4 per cent (Graph 25). CareerTrackers interns are employed for fixed-term periods throughout the year and not all were employed as at 30 June. This is lower than the representation in the Australian community and the broader Australian workforce. It is, however, comparable to the proportion of Indigenous Australians working in occupational groups similar to those at the Bank.

Graph 25
Indigenous Australian Staff
Per cent of total staff, as at 30 June



Race and Culture

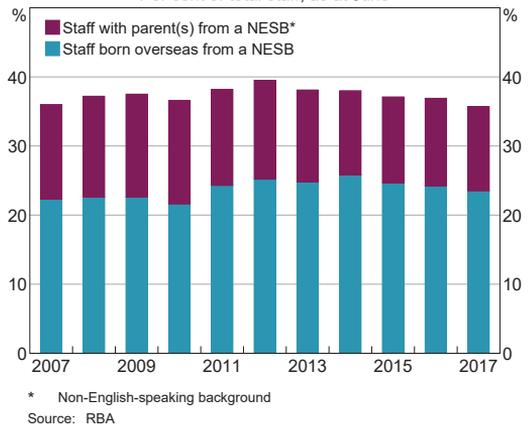
Initiatives

The Race and Culture ERG led the celebration of cultural diversity and inclusion on Harmony Day through the production of a video featuring culturally diverse staff and their languages. The Bank invited the Acting President of the NSW Anti-Discrimination Board to speak to staff about her career story as an Australian of Asian heritage, and the Race Discrimination Commissioner to speak about the under-representation of professionals with culturally diverse backgrounds in senior leadership roles. The Bank continued to provide Mandarin language and cultural training to staff working in relevant areas.

Profile

The proportion of Bank employees who identified themselves as having been born overseas or from a non-English-speaking background (NESB) has been relatively consistent at around one-third of staff (Graph 26).

Graph 26
Staff from a Non-English-speaking Background
Per cent of total staff, as at June



The representation of these employees at the Bank is significantly higher than their representation in the Australian community and is also higher than that of the Australian workforce. Most employees from a non-English-speaking background originate from India, China and the Philippines. Such employees born overseas from a non-English-speaking background represented 21 per cent of all employee exits in this reporting period, 5 per cent lower than the previous year.

