

The Reserve Bank in the Community

Activities of the State Offices

In addition to its Head Office located in Sydney, the Reserve Bank has offices in Adelaide, Brisbane, Melbourne and Perth. These offices play an important role in the Bank's liaison program and form a key component of the Bank's communication with members of the public, business, government, community organisations and academia in their respective states.

The Reserve Bank devotes significant resources to building relationships across a broad cross-section of the community, with a view to gaining firsthand insights into conditions in different industries and regions within the national economy. Staff involved in the liaison program conducted about 1 000 interviews around the country over the past year, with information from these meetings reported to Head Office and incorporated in the material prepared for the monthly Reserve Bank Board meetings and in the quarterly *Statement on Monetary Policy*. In this way, information obtained from liaison is used to complement standard sources, such as data from the Australian Bureau of Statistics and business surveys, in forming the Bank's assessments of the economy.

Staff in the State Offices also play a role in the Reserve Bank's efforts to keep the public informed of its evolving views on the economy. They interact with a broad cross-section of the community, regularly giving presentations on economic developments to business groups, community organisations and educational institutions in state capitals and regional centres. They facilitate regular visits by senior staff from Head Office's Economic Group to meet with liaison contacts and provide briefings on the economy to various groups in the community. Staff from the State Offices also visit Tasmania and the Northern Territory to gather information on economic conditions in those regions.

Liaison with Small Businesses

The Reserve Bank continues to convene its Small Business Finance Advisory Panel. The Panel was established in 1993 and meets annually to discuss issues relating to the provision of finance and the broader economic environment for small businesses. Membership of the Panel is drawn from a range of industries across the country. The Panel provides a valuable source of information on the financial and economic conditions faced by small businesses. The Bank's liaison program also involves Bank staff meeting with a number of small businesses and small business groups.

Museum of Australian Currency Notes

The Reserve Bank's Museum houses a permanent collection of artefacts, hosts periodic exhibitions and offers regular talks and tours. The permanent collection portrays the story of Australia's banknotes against the backdrop of the nation's broader social and economic history. Following a timeline, it first displays the types of money used before Federation – from an early colonial rum bottle through to Australia's first gold coins. Visitors can then view various banknotes produced since the first Australian note series in 1913–1915. Finally, the Museum focuses on Australia's polymer banknotes, describing their design, security features and potential for recycling. When viewing

the collection, visitors can observe the evolution of the nation's identity as expressed through its currency, learn about the influential men and women depicted on the banknotes and the intricate artwork used in banknote design. During 2013 the Museum gave prominence to two significant anniversaries that relate to items in the permanent collection: the bicentenary of the manufacturing of the first distinctive coin of New South Wales, known as the 'holey dollar', and the centenary of the first banknote issued by the Australian nation. It also supported the centenary of the naming of Canberra as the nation's capital by lending significant items from its permanent collection relating to the event to the National Museum of Australia and Parliament House.

A temporary exhibition was introduced in 2012 entitled 'Pocket Money'. It captures the relationship between children, money and banking and depicts changing social attitudes to saving. Among the items on display are rare and unusual moneyboxes dating from the early 20th century, including the only known example of the first series of the Commonwealth Bank moneyboxes and illustrated literature from the 1950s and 1960s that encouraged children's interest in saving. This exhibition has continued to be a focus of tours in the Museum, particularly to school groups. During NAIDOC Week 2013, which marked the 50th anniversary of the Yirrkala Bark Petitions (the first traditional documents recognised by the Commonwealth Parliament), the Museum exhibited Aboriginal barks collected by the Reserve Bank's first Governor, Dr HC Coombs, and his successors.

Over 13 500 people visited the Museum over the year to the end of June 2013, higher than in the previous two years. There were around 1 500 visitors on Australia Day 2013, with overall attendance also boosted by the Reserve Bank's participation in the NSW Office of Communities' 'Go Play', NAIDOC Week and History Week as



1. Nina Jackman, Information Department, takes a group of children through the Museum, April 2013 **2.** Year five students from Balmain Public School on a visit to the Museum, June 2013 **3.** Amanda Martz, Note Issue Department, with some of the children from Willowra in the Northern Territory who visited the Museum in November 2012 **4.** Some of the children listen to Bank staff talk about banknote security features and the production process, November 2012

well as its collaboration with other museums in the precinct through 'The History Trail' program. A wide cross-section of the public visited the Museum, with educational groups increasing to account for around 30 per cent of total visitors. Presentations and tours have been prepared to cater for more stages of learning. As a result, in addition to talks to senior high school students on the economy and the role of the Bank, there has been a doubling of talks to students in primary and junior high school on the role of money and the features of Australian banknotes. A school holiday program has also been introduced. Furthermore, the Museum is increasingly receiving organised visits by groups of new migrants, those with English as a second language and those from remote communities, all of whom are learning about the nation's currency. Most of the information in the Museum is depicted on the Museum's website.

Assistance for Research and Education

The Reserve Bank sponsors Australian and international economic research in areas that are closely aligned with its primary responsibilities. This sponsorship includes financial support for conferences, workshops, data gathering, journals and special research projects, and encompasses areas of study such as macroeconomics, econometrics and finance. In addition, the Bank provides financial support for the activities of the Centre for Independent Studies and the Sydney Institute.

In 2012/13, the Reserve Bank continued its longstanding contribution towards the cost of a monthly survey of inflation expectations undertaken by the Melbourne Institute of Applied Economic and Social Research at the University of Melbourne, and a quarterly survey of union inflation and wage expectations undertaken by the Workplace Research Centre at the University of Sydney.

The Reserve Bank continued to provide financial support for the *International Journal of Central Banking*, the primary objectives of which are to disseminate first-class, policy-relevant and applied research on central banking and to promote communication among researchers both inside and outside central banks. The Bank continued its support of the International Accounting Standards Board and also its longstanding practice of contributing to the Group of Thirty's program of research and publications in the area of international finance.

Financial assistance to Australian universities each year includes contributions towards the costs of conferences on economics and closely related fields. In 2012/13 these conferences included: the 25th Conference for PhD Students in Economics and Business, held at the University of Western Australia; the Economic Society of Australia's 42nd Conference of Economists, held at Murdoch University; the 18th Melbourne Money and Finance Conference; the Australasian Meeting of the Econometric Society, held at the University of Sydney; the University of New South Wales 25th Australasian Finance and Banking Conference; the Paul Woolley Centre's Study of Capital Market Dysfunctionalities Conference 2012, held at the University of Technology, Sydney; the 8th Annual Workshop on Macroeconomic Dynamics, held at the University of Sydney; the Australian Economic Forum 2012, hosted by the Economic Society (NSW); the second Conference on Global Financial Stability and Prosperity, held in Sydney; and the 18th Australasian Macroeconomic Workshop, held at the Australian National University.

The total value of support for research and education in 2012/13 was \$262 000.

The Reserve Bank sponsors an annual essay competition designed to engage and support undergraduate students of economics across Australia. The competition is organised jointly with the University of New South Wales Economics Society and the Economic Society of Australia. In 2012 students were required to discuss the sources of growth in the Chinese economy and the implications for Australia. Sidney Powell (University of Adelaide) wrote the winning essay, the runner-up was Andrew O'Connor (University of New South Wales) and the best essay from a first-year student was by Minna Featherstone (Australian National University). These students

were presented with prizes by the Governor at a ceremony at the Bank in October 2012. For the 2013 competition, students have been invited to submit an essay on 'Australian Household Saving'.

The Reserve Bank also supports the discussion of economic issues in the community by providing a venue for the Economic Society of Australia's Lunch Time Seminar Series and the Emerging Economist Series. In 2012/13 the Emerging Economist Series featured interviews with prominent Australian policymakers, including former Prime Minister The Hon John Howard OM AC.

In conjunction with the Australian Prudential Regulation Authority (APRA), the Reserve Bank has continued to sponsor the Brian Gray Scholarship Program, initiated in 2002 in memory of a former senior officer of the Bank and APRA. Four scholarships were awarded under this program in 2013: one for a PhD in Finance at Monash University, two for honours studies in economics, at the University of New South Wales and the University of Wollongong, and the fourth was for honours studies in finance at Flinders University in South Australia. The cost to the Bank of these scholarships in 2013 was \$30 000.

Over the past year, the Reserve Bank hosted visits by numerous researchers (including academics, postgraduate students, authors, journalists, numismatists, heritage architects and designers) interested in accessing the Bank's archives. The archives contain a rich collection of records about the Bank's own activities as well as those of financial institutions in Australia that predate the creation of the central bank. Because the central bank was formerly the government printer for materials other than banknotes, the Bank's archives also include a historical collection of Australian stamps, posters and vouchers (including wartime ration tickets). The Bank responded to many requests from researchers that required staff to research and retrieve archival records, and it has provided access to the archives by allowing members of the public to make specific enquiries and view material in a dedicated research room. Following amendments to the *Archives Act 1983* in 2010, in which the open-access period was reduced from 30 years to 20 years, there has been a substantial increase in the number of requests to view records from the 1980s and early 1990s, along with an increased appetite for earlier records relating to episodes of financial crisis. A program to digitise the Bank's most significant historical records is underway, with thousands of records scanned and made available electronically to researchers over the past two years. The Bank's Historian, Professor Selwyn Cornish of the Australian National University, is at an advanced stage of his research for the next volume of the official history of the Reserve Bank, which covers the period 1975–2000.

Charitable Activities

During the year, the Reserve Bank made its 11th annual contribution of \$50 000 to the Financial Markets Foundation for Children, of which the Governor is Chairman. In July 2013, in its eighth public event to raise funds, the Governor addressed the Anika Foundation, which was established in 2005 to support research into adolescent depression and suicide.

The Reserve Bank's corporate philanthropy program involves several initiatives, with the primary one being dollar-matching staff payroll deductions to the Reserve Bank Benevolent Fund. In late 2012, the Bank also matched donations of \$2 341 to the MS Society, which were raised by Bank staff participating in the 'Sydney to the Gong' charity bike ride. Reserve Bank staff also participated in a number of volunteer activities in the past year, including the Cancer Council's Biggest Morning Tea fundraiser, Pink Ribbon and Daffodil Days, Oxfam Trailwalker and Foodbank.

The Reserve Bank's contributions under all these initiatives in 2012/13 totalled \$117 002. In addition, the Bank facilitates staff salary sacrificing under a Workplace Giving Program.



1. Information Department staff in the Reserve Bank's Museum of Australian Currency Notes (from left) Raigen Carleton, Nina Jackman, Jeff Connors, Bronwyn Nicholas and Christopher Collins 2, 3, 4. Over 1 500 people visited the Museum on Australia Day in 2013 5. The Bank's Foodbank team (from left) Christos Fragias, Cathy Russell, Laurel Mason, Natasha Spowart, Alona Dave, Jonathan Lees, Jenny Lee, Adam Morris, Ryan Legaspi and Maria Gonzales, December 2012 6. Former Prime Minister The Hon John Howard OM AC with Ellis Connolly, Economic Analysis Department, at the final talk in the 2012/13 Emerging Economist Series, February 2013

