

the balance

SALARY SNAPSHOT

JUNE 2011

BALANCE
RECRUITMENT
 SUCCESSFUL PEOPLE

After 18 months of strong growth in job numbers the market may have just paused for breath. Is this the start of a downturn? Has there been an effect on the candidate market? Has there been an easing of supply issues? Here's what the market and figures are telling us.

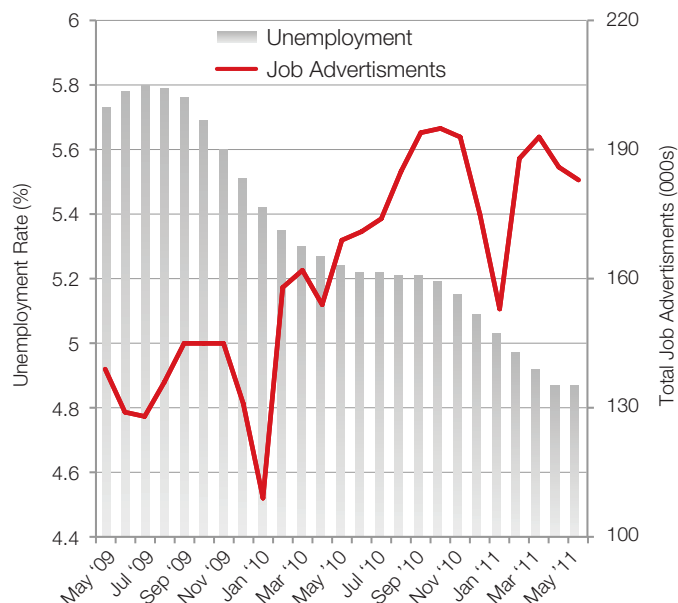
It certainly was a fast start to 2011. In fact, it was a fast start to 2010 that really never dropped off. The graph below shows both the unemployment rate (source: Australian Bureau of Statistics) and the job advertisement numbers (source: ANZ Job Advertisements Series) have been heading in opposite directions for the last 18 months. We have seen the first possible suggestion some of the heat might be coming out of the market, with the job advertisement numbers of May not making their traditional post-Easter bounce back, and unemployment levels remaining static for the last 2 months.

This has left us questioning why we are seeing some weakness in key economic indicators. With a predicted 25% increase in business investment over the next 2 years driven principally by the mining boom, it seems counter-intuitive that the jobs market would be anything less than bullish.

"Why are our growth forecasts not stronger, given the income boost from the higher terms of trade, rapid growth in the Asian region and activity generated by the mining investment boom? We stress that there are a number of headwinds: rising interest rates, the high Australian dollar, stretched housing affordability, household debt and fiscal consolidation. These factors suggest the consumer, housing construction and public investment will restrain growth."

- Andrew Hanlan, Senior Economist, Westpac

At this stage we feel it's too early to establish whether this will affect the IT job market. We're not sure there is enough evidence to ascertain if this is a one off blip or a trend. However candidates remain in the driver's seat for most negotiations.



Most of the demand over the past 18 months has come at IT's coal face - developers, business analysts, system engineers, helpdeskers, project managers, etc - and the increased demand and drop in candidate availability has in turn put significant upward pressure on salaries and contract rates.

Overleaf you'll find both the current salaries and contract rates for a variety of IT roles in the Sydney market. If you're recruiting interstate, we've also created a City Index that will give you an insight into what is being paid capital by capital. We have created an Industry Index providing an insight on the variation between industries.

CITY INDEX

The numbers list in the survey are for Sydney, but if you're looking to recruit interstate, here's how the salary and contract figures are likely to be affected by the location. It tends to be influenced by demand levels, cost of living and the depth of the market, so it will change as the market shifts.

Melbourne	-5%
Adelaide	-15%
Perth	0%
Canberra	+5%
Brisbane	-10%

INDUSTRY INDEX

Certain sectors of the market can command a premium as they require highly specialised IT skills or are pressured, intense environments. At the other end of the scale, certain industries are able to attract people with lower salaries, by providing strong training regimes or a more friendly, casual culture. Here's an indication of how the industry impacts salaries & rates.

Investment Banking	+20%
Retail Banking/Financial Services	+10%
FMCG/Pharmaceutical	0%
IT Services	-10%
Manufacturing and Distribution	-5%
Construction	-5%
Telecommunications	-5%
Not for Profit	-20%
Media	0%

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Job Titles	PERMANENT			CONTRACT	
	1-3 years	3-5 years	5+	From	To
Application Architect	\$115K	\$130K	\$150K	\$1050	\$1,300
Business Analyst	\$70K	\$100K	\$130K	\$750	\$1200
Software Developer (Java, .NET)	\$70K	\$90K	\$110K	\$700	\$1050
BI Analyst	\$85K	\$105K	\$120K	\$750	\$1050
Program Manager	\$120K	\$135K	\$170K	\$1,300	\$2000
Project Manager	\$90K	\$120K	\$140K	\$850	\$1400
Test Analyst	\$60K	\$80K	\$100K	\$600	\$850
Test Manager	\$90K	\$110K	\$120K	\$900	\$1200
Development Manager	\$110K	\$130K	\$160K	\$1050	\$1550
ERP Functional Consultant (Oracle, Peoplesoft, SAP)	\$85K	\$120K	\$140K	\$1050	\$1300
ERP Technical Consultant (Oracle, Peoplesoft, SAP)	\$80K	\$110K	\$135K	\$900	\$1100
IT Manager	\$110K	\$135K	\$160K	\$1050	\$1550
DBA	\$70K	\$100K	\$130K	\$780	\$1050
Service Delivery Manager	\$85K	\$105K	\$130K	\$700	\$1050
Incident/Problem Analyst	\$65K	\$75K	\$90K	\$575	\$800
Change Manager (ITIL)	\$85K	\$100K	\$120K	\$700	\$900
Help Desk Manager	\$75K	\$85K	\$100K	\$650	\$900
Desktop/PC Support	\$50K	\$65K	\$80K	\$380	\$500
Help Desk Support	\$45K	\$55K	\$65K	\$300	\$420
Infrastructure Architect	\$110K	\$125K	\$140K	\$975	\$1250
Network Engineer	\$80K	\$100K	\$120K	\$650	\$900
Security Engineer	\$85K	\$110K	\$130K	\$750	\$1100
Unix Systems Engineer	\$70K	\$90K	\$120K	\$700	\$925
Windows Systems Engineer	\$65K	\$85K	\$110K	\$700	\$925
Web Developer - Front End (HTML, CSS, JavaScript, Flash)	\$55K	\$70K	\$90K	\$550	\$800
Web Developer - Back End (PHP, RoR)	\$60K	\$75K	\$100K	\$600	\$850
Phone Developers (iPhone, Android)	\$65K	\$80K	n/a	\$600	\$850

* Years of experience refers to the number of years in that particular role

* Red indicates this is an area of particularly short supply

* The salaries quoted are base salaries (exclusive of super)

* All contractor rates are daily (exclusive of GST)

* Contractor rates are amount charged to client rather than the rate paid to the contractor