

FINANCIAL SERVICES 08/09

Salary

SALARY & EMPLOYMENT FORECAST

Michael Page
INTERNATIONAL

WELCOME

Welcome to the 08/09 Michael Page International Financial Services Salary & Employment Forecast.

Michael Page International is a world-leading specialist recruitment consultancy. Growing entirely organically, rather than by mergers or acquisitions, we now have over 5,000 people in 149 offices in 25 countries worldwide. Coming from all industry sectors, our clients range from market-leading multi-nationals to small and medium sized enterprises.

Our consistent organic growth strategy of investment through cycles is driving our growth in the specialist recruitment market in Australia. In just 23 years, we have grown to become one of the best-known and most respected recruitment consultancies and are proud to set the standard within our profession for specialist service, with a personal touch.

This year, the format of our Salary Survey has changed to reflect our growing business in Australia and make it easier for employers and candidates to stay abreast of current employment market and salary trends.

While a number of current industry surveys provide qualitative insight on hiring intentions and salary levels, the Michael Page International Salary & Employment Forecast combines both quantitative and qualitative research derived from our national survey of employers and job seekers and our extensive involvement in the professional labour market.

The national survey, completed by approximately 1,500 employers and 5,500 employees, covers a range of issues and trends relevant to today's corporate sector and establishes the Salary & Employment Forecast as a highly reputable report, based on in-depth national research.

The Financial Services Salary & Employment Forecast provides employers and candidates with useful insights into the hiring expectations, recruitment challenges and wage forecasts of key hiring managers in the financial services profession over the coming year. You can also view the Salary & Employment Forecasts for the following key professions on our website:

- Finance
- Legal
- Marketing
- Sales
- Technology
- Human Resources
- Engineering & Manufacturing
- Procurement & Supply Chain
- Property & Construction
- Mining & Resources

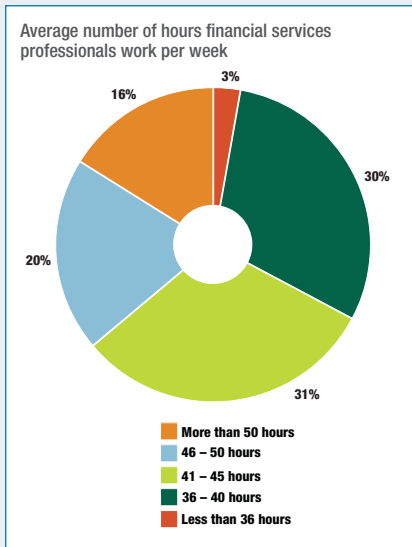
I wish to thank everyone who contributed to this year's Salary & Employment Forecast and trust you find the new report helpful and informative. We welcome your feedback and encourage you to contact us for further information or market specific advice at www.michaelpage.com.au/contact-us.



Phillip Guest
Managing Director, Australia

MARKET OVERVIEW

Employers in the Australian banking and financial services industry are experiencing a degree of uncertainty due to the well publicised ‘credit crunch’ and resulting volatility in global financial markets. While recruitment activity has been stable in the first half of 2008, we may see a slight slowdown as the year progresses due to the uncertain global climate. The Australian operations of global banks with exposure to the US and the UK appear to be feeling it the most, while the impact on our local banks has been less dramatic.

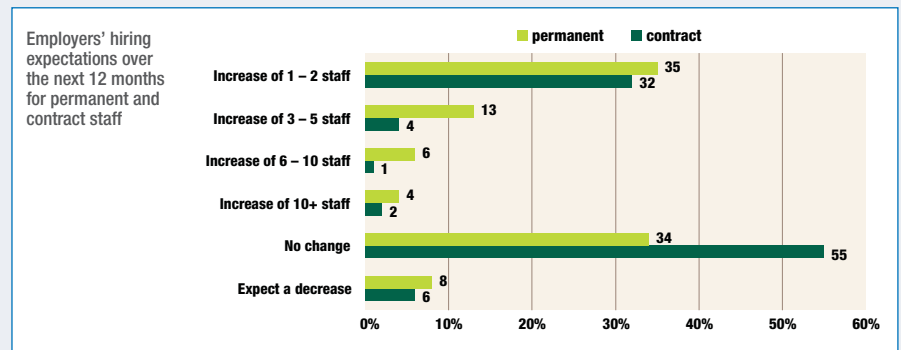


The domestic banking sector continues to face the challenge of attraction and retention as demand for talent outweighs supply. The steady expansion of the wealth management sector is driving employment growth across areas such as funds management, taxation and operations, with quality candidates in short supply.

On the other hand, we are seeing a sense of caution and a scaling back in recruitment activity in the short-term by global banks. Employers are cautious about increasing permanent headcount and some are restricted in appointing new staff due to headcount freezes imposed by their overseas headquarters. We are not seeing large-scale

job cuts at this point but there is an increasing focus on rationalisation and off-shoring of transactional roles, such as mortgage operations and back-office processing.

The market for contract employment is steady as employers look for ways in which to balance workload with permanent headcount restrictions. It is often seen as more viable for companies to employ staff on a contract basis as an interim solution during periods of economic uncertainty.



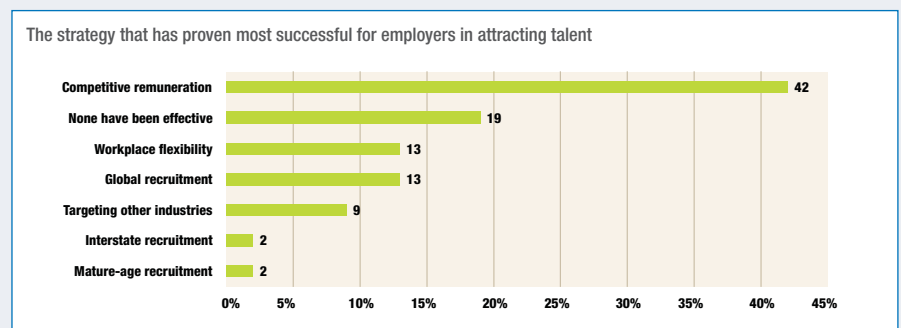
SKILLS IN DEMAND

Employment growth is expected to ease in some areas of the banking and financial services sector. However, even with the market slowing down, many companies are still facing a limited supply of quality talent and this is being intensified on a global level as financial institutions overseas continue to target Australian professionals.

The slowdown in equity capital markets is having an impact on recruitment activity in some of the major global investment banks, which are taking a more cautious approach to hiring in certain areas. Although the front office functions of investment banks are taking a more pragmatic approach to hiring, there is still a consistent requirement for candidates with investment banking and equities research experience, particularly those with exposure to the mining, agribusiness, infrastructure and property sectors. Experienced market risk candidates are also highly sought after.

The funds management sector continues to perform well due to the large and consistent flow of funds and the popularity of superannuation and retirement products, which is characteristic of an ageing population and a growing emphasis on private wealth management. Employers in the insurance and superannuation industries are recruiting across a range of roles, from fund administrators and accountants through to fund managers.

There is continued demand for qualified accountants across a range of functions including statutory accounting, taxation and corporate finance. The adoption of international accounting standards means skills are becoming more transferable and as such there is a constant flow of talent overseas, particularly at the junior and mid-level.



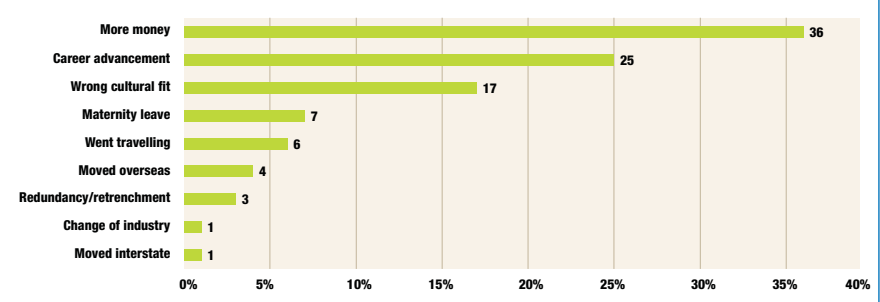
RECRUITMENT CHALLENGES

Although many employers are not increasing headcount, they continue to face the challenge of attracting and retaining quality talent. Australian professionals are still leaving to work for banking and financial services institutions overseas and this is placing additional pressure on the already tight domestic labour market.

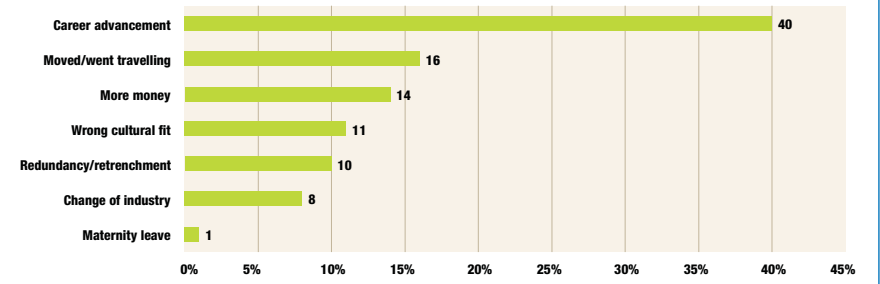
The relaxation of working visa requirements for Australians in countries like the UK and US, and the adoption of international financial reporting standards, make it easier for finance professionals to pursue career opportunities overseas. However, we expect the volatility in global financial markets to have a short-term impact on finance professionals considering a move overseas. Employers seeking to retain key people can leverage the current international employment conditions by promoting the benefits of a career in Australia and investing in long-term professional development and training initiatives.

Organisations must extend their attraction and retention strategies beyond financial incentives if they are to sustain business growth and retain talent in the long-term. Career advancement is a primary motivation for taking a new position and as such employers need to be in tune with the developmental needs and career goals of their staff. Our survey results reinforce this, with 40% of candidates citing career

Employers' perceptions of the major contributing factors in people leaving



Employees' main reason for changing jobs



development as the main reason for their last job change, with increase in remuneration ranked third at 14%.

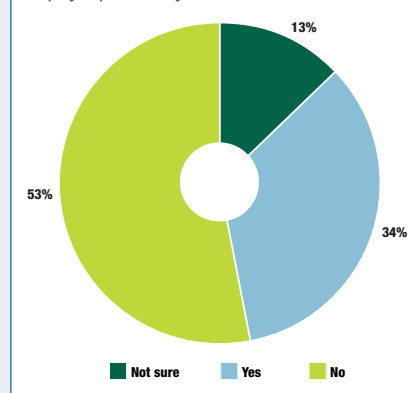
Employers are recognising the importance of cultural fit, as making the wrong hiring decision in the current business environment can be costly. While skills and experience continue to be important, companies

increasingly point to cultural fit as a key differentiator in the selection process. We certainly encourage this approach as employees selected on the basis of cultural fit are more likely to contribute faster, perform better and stay longer. Our survey results support this, with 23% of candidates citing cultural fit as the key factor they look for in an employer.

WAGES INFLATION

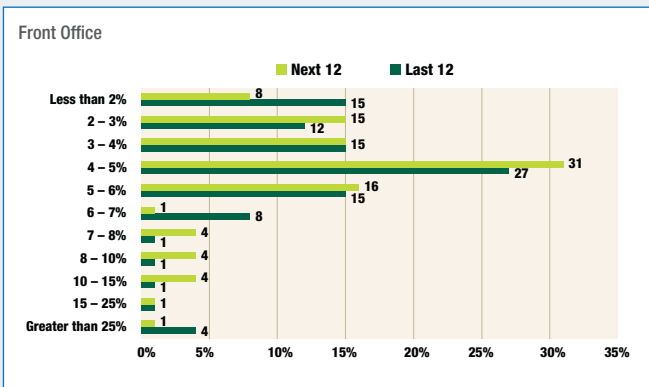
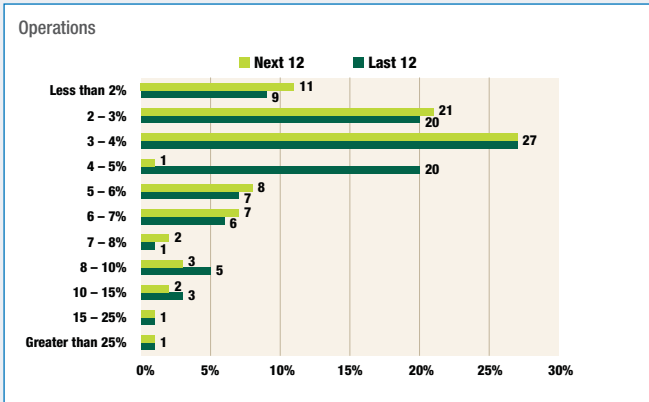
Our forecast for the year ahead is for flat to moderate wages growth and bonus payments. We anticipate average salary increases of 3–5% for professionals remaining in the same job, with increases of between 5–10% for those changing jobs within the industry.

Employers' perceptions on whether wages growth over the past 12 months is in line with increased employee productivity



EMPLOYER SALARY PREDICTIONS

Percentage increase next 12 months VS last 12 months



SALARY TABLES

BANKING & FINANCIAL SERVICES

State	NSW	VIC	QLD	WA
Salary	\$'000	\$'000	\$'000	\$'000
FINANCIAL/MANAGEMENT ACCOUNTING				
Graduate – Single Degree	35–45	40–45	35–45	40–45
Assistant Accountant (Graduate with 1–2 years)	45–55	45–50	45–55	45–52
Part Qualified CA/CPA	60–75	50–70	55–70	55–70
Newly Qualified CA/CPA	75–90	70–85	70–80	75–90
CA/CPA (3–5 years)	85–110	85–100	80–100	80–110
CA/CPA (5–9 years)	110–150	100–140	100–140	100–150
FINANCIAL CONTROLLER				
Small company/niche financial institution†	140–160	140–160	120–150	130–160
Large company/financial institution†	160–200+	140–200+	140–200	170–220
CFO/HEAD OF FINANCE/FINANCE DIRECTOR				
Small company/niche financial institution†	180–230	160–200+	150–200	160–210
Large company/financial institution†	220–300+	180–300+	200+	220+
FUND ACCOUNTING				
Graduate Fund Accountant	35–45	40–45	35–45	40–45
Fund Accountant (1–2 years)	50–65	55–65	45–55	45–52
Fund Accountant (2–4 years)	65–85	65–90	55–80	60–80
Manager (4–8 years)	90–130	90–120	80–120	85–120
Senior Manager	120–160	110–160	120–150	120–155
PRODUCT ACCOUNTING/PRODUCT CONTROLLER				
Product Accountant (1–3 years)	60–85	60–85	45–70	50–80
Product Accountant (4–6 years)	85–100	70–100	70–100	80–100
Senior Product Accountant	95–130	90–100+	100–130	100–130
Product Controller (Small team)	120–170	120–170	120–150	110–150
Product Controller (Large team)	160+	160+	150+	160+
INTERNAL AUDIT				
Auditor (1–3 years)	65–85	50–85	45–70	50–75
Senior Auditor (4–5 years)	85–110	90–110	70–100	80–110
Manager	110–140	120–130	100–120	110–130
Senior Manager	140–180	130–170	130–150	135–160
Head of Audit†	200+	170+	150+	160+
TAX				
Tax Accountant (1–3 years)	60–85	50–85	45–75	50–75
Senior Tax Accountant (4–5 years)	85–120	85–110	75–110	80–120
Tax Manager (5 years+)	120–160	110–145	110–140	120–150
Head of Tax†	200+	200+	180+	200+
FUNDS ADMINISTRATION				
Fund Administrator (0–2 years)	45–55	40–50	40–55	40–50
Unit Pricing/Analyst	55–75	55–65	55–65	55–70
Account Manager/Team Leader	60–70	65–75	60–75	65–75
Senior Account Manager/Manager	70–95	75–95	75–95	75–100
Client Service Manager	70–130	80–140	85–130	85–140
CORPORATE ACTIONS				
Junior (1–2 years)	50–60	35–45	45–55	45–55
Senior	60–70	45–60	55–70	60–75
Supervisor	75–85	50–70	70–85	70–85
Manager	80–120	70–110	85–110	85–120
OPERATIONS				
Entry Level (0–1 year)	35–45	N/A	N/A	N/A
Junior (0–2 years)	45–55	35–45	40–50	40–55
Senior (2–3 years)	55–65	45–55	50–60	55–65
Supervisor	65–80	55–70	60–70	60–75
Manager	80–120	70–100	70–100	75–110
Senior Manager/Head of Operations	120–180+	110–180	100–150+	110–160
ISDA Confirmations	50–70	50–65	50–65	55–70
Trade Support	55–75	55–70	55–70	55–75
Operational Risk	80–140	85–150	90–140	95–150

FRONT OFFICE – CREDIT RISK

State	ALL
Salary	\$'000
CORPORATE/INSTITUTIONAL BANKING	
Credit Analyst (1–3 years)	75–105
Senior Credit Analyst (3–7 years)	105–145
Associate Director Credit (8 years +)	145+
Director†	220+
BUSINESS BANKING	
Credit Analyst	60–85
Credit Manager	85+

FRONT OFFICE – RELATIONSHIP MANAGEMENT/BUSINESS DEVELOPMENT

CORPORATE/INSTITUTIONAL BANKING	
Manager/Associate Director	90–180
Director†	200+
BUSINESS BANKING	
Relationship Manager (1–5 years)	80–120
Senior Relationship Manager (5 years +)	120+

FRONT OFFICE – CORPORATE FINANCE/ADVISORY

PROJECT FINANCE/ADVISORY	
Analyst/Executive (1–3 years)	85–115
Manager (3–6 years)	115–170
Associate Director (6 years +)	170–220
Director†	230+
INVESTMENT BANKING	
Analyst/Executive (1–3 years)	80–125
Associate/Manager (3–8 years)	125–155
Associate Director (8 years +)	155–220
Director†	250+

FRONT OFFICE – EQUITY RESEARCH/CAPITAL MARKETS

EQUITIES RESEARCH	
Assistant Analyst	85–145
Analyst	145–200
Senior Analyst/Lead Analyst†	200+
EQUITY CAPITAL MARKETS	
Analyst	80–120
Manager	120–150
Associate Director	150–180
Director†	200+

Please note:

- Market rates are becoming much less homogeneous; while we have taken great care, these salary ranges can only be approximate guides. Since there are often specific circumstances relating to individual companies, please call us for additional information.
- These figures are generally the total remuneration (ie. cash, statutory superannuation component and benefits), excluding bonuses/incentive schemes/stock options which often form a significant part of remuneration packages, particularly in the corporate advisory/structured finance/treasury areas.
- In all categories the CA/CPA qualifications will lead to a premium in salaries earned (for example the salaries at the higher level in each band are likely to be earned).
- Small to medium companies are defined as having a turnover of less than \$100 million. Large companies are defined as having a turnover of more than \$100 million.
- CA qualified and Big 4 candidates (especially with FS experience) are commanding a premium.
- The numbers of years experience are interpreted as those had within that particular field.
- Roles marked N/A are not commonly found in these regions.

† Salaries at this level can vary widely depending on the individual's background and experience and the scope of the role. Please contact our Executive Search team for specific advice regarding salaries at the executive level.

Salary

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