



MARKET OVERVIEW

Employment Conditions

Businesses are gaining the confidence to invest in recruitment again following the difficult economic conditions of 2009. As the effects of the downturn have receded, we are also seeing an increasing number of procurement professionals returning to active job seeking and having the confidence to change roles. Whilst hiring activity is increasing, caution remains as employers and employees closely monitor the global economic environment. This is reflected in the results of our employment survey, in which half of the companies surveyed reported that employee numbers had remained stable over the last six months.

The requirement for operational level professionals continues to rise, with companies now gaining approval to increase headcount in this area to support business growth. There has been a strong upturn in demand for professionals in the financial services, business consulting, pharmaceuticals and food and beverage sectors.

At the senior level, the volume of job seekers in the job market currently exceeds the amount of available leadership roles. This situation is creating intense competition and forcing many executives to consider positions in other capital cities or the broader Asia Pacific region.

Whilst domestic companies are demonstrating strong jobs growth, some multinational operators with offices in Australia are still constrained by headcount approvals required from their US or European headquarters.

Skills In Demand

As business revenue grows and employer confidence improves, the practice of leasing IT equipment, authorising business travel and hiring staff is increasing. This activity drives demand for Category Managers (Indirect) in IT, travel and labour hire.

Similarly, the requirement for Category Managers (Direct) has also grown as recovering consumer confidence and increased spending in the economy results in more goods being sold.

As economic conditions improve, companies are increasingly able to review their business structures and operating processes to improve company performance and achieve operational efficiencies. This has driven the growth requirement for e-procurement, procure-to-pay (P2P) specialists and procurement analysts. The increased confidence across broader business is also driving strong demand for management and business consultants at all levels.

Salary Expectations

Although the likelihood of salary reviews and increases has risen since the downturn, employees do not appear to be gaining significant salary rises or sign-on bonuses. Throughout 2010, pay rises have been awarded in line with responsibility, allowing for CPI. Some 40% of companies surveyed for this employment forecast do not intend to increase employee salaries in the next six months, with 33% of companies still unsure.

Employment Outlook

An absence of hiring in the early stages of the downturn slowly moved towards the recruitment of temporary staff, which has since progressed to the requirement for permanent roles in early 2010. For the remainder of 2010, this measured improvement in hiring activity is expected to continue.

Whilst much of the hiring volume has been centred on operational roles, it is likely that more executive and leadership procurement roles will come back onto the market in late 2010.

If the demand from China for Australian commodities continues to strengthen, confidence will also grow within Australian corporations to increase hiring volume in this area of procurement.

Despite over half of the companies surveyed expecting a professional skills shortage to become an issue for them in the next 12 months, our employment survey revealed that 71% of employers intend for their employee numbers to remain stable over the next six months, with 21% planning to increase staff.

ADVICE FOR EMPLOYERS

To attract and retain top performers, employers should:

- Move quickly to interview shortlisted job seekers and secure the right person
- Maintain competitive salaries and consider non-pay benefits such as flexibility, training, academic support or association membership
- Offer continued development, responsibility and interesting projects
- Demonstrate that top performers are valued and foster a positive team environment

ADVICE FOR JOB SEEKERS

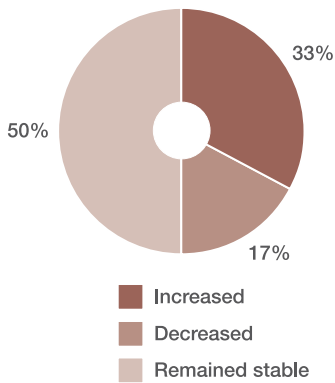
Job seekers planning to change roles in the next six months should:

- Investigate if prospective companies offer any non-financial benefits that suit your needs
- Recognise that competition for roles is strong as more people actively seek new opportunities
- Understand the ways in which they can add value to a new employer
- Ensure a prospective role offers long-term career development opportunities

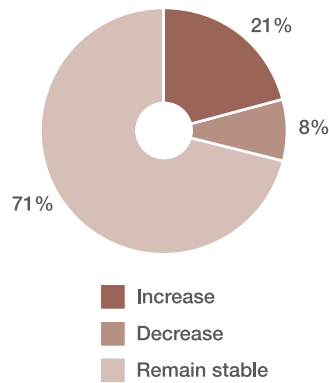


MARKET RESEARCH RESULTS

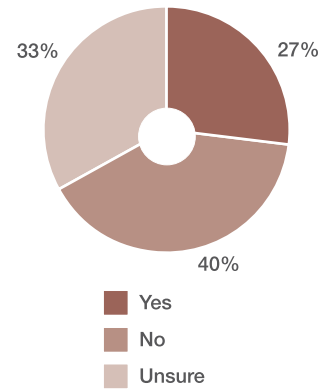
How have your employee numbers changed over the last six months?



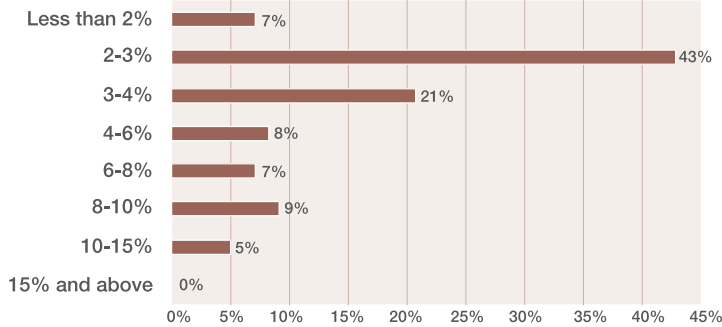
How will your employee numbers change over the next six months?



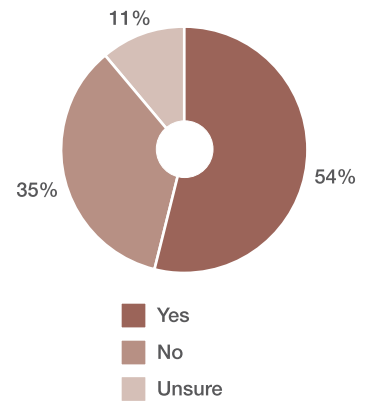
Are you intending to increase employee salaries in the next six months?



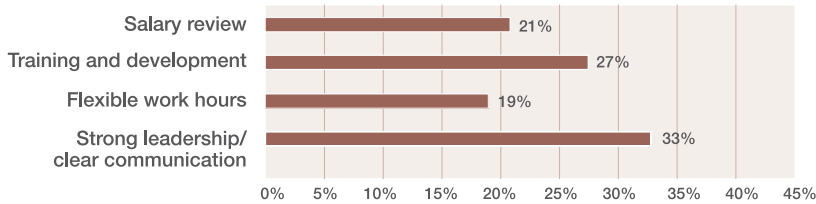
What will the average percentage salary increase be?



Do you think a professional skills shortage will become an issue for your company in the next 12 months?



Which retention strategies will your company be focusing on over the next six months?





SALARY TABLE

State	NSW	NSW	VIC	VIC	QLD	QLD	WA	WA
Size of Company	Sm/Med	Large	Sm/Med	Large	Sm/Med	Large	Sm/Med	Large
Salary	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ROLE								
Purchasing/Procurement Officer	50-70	55-75	50-60	60-70	50-60	55-70	50-65	55-95
Procurement Coordinator/Specialist	60-80	65-90	60-80	65-90	60-80	65-90	70-100	80-110
Buyer	60-80	65-95	55-70	65-80	50-70	60-70	50-65	55-95
Senior Buyer	80-90	90-110	70-100	90-120	70-90	90-100	65-70	70-100
Contracts Administrator	75-90	80-100	80-95	85-100	75-85	80-100	80-110	95-120
Senior Contracts Administrator	80-110	100-130	90-110	85-130	90-110	85-130	80-120	95-140
Strategic Sourcing/Procurement Analyst	70-90	75-100	65-90	75-100	55-70	70-100	70-90	75-100
Procure to Pay – P2P/eProcurement	†	†	†	†	†	†	†	†
Purchasing Manager	85-120	95-140	70-100	90-120	70-100	80-120	80-110	90-140
Category/Commodity Manager	90-120	100-150	80-120	110-160	90-110	100-145	90-120	100-160
Procurement Manager	95-120	110-160	110-140	140-180	90-110	105-150	110-140	140-200
Strategic Sourcing Leader/Manager	110-150	130-190	110-150	130-190	110-150	120-190	100-150	120-190
Commercial/Contracts Manager	100-110	130-180	90-110	110-150	90-110	120-180	110-140	150-200
Vendor Manager/Supplier Relationship Manager	100-110	130-180	100-110	130-150	100-110	120-180	100-110	130-180
General Manager Procurement	170- 200	200-400	150- 180	180-400	150- 180	150-300	150- 180	160-300+

Please note:

- Salaries indicated are inclusive of superannuation, but exclusive of bonus/incentive schemes.
 - 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.
- † Salaries for this role can vary widely depending on the individual's background and experience and the scope of the role. Please speak to a Michael Page consultant for specific information.



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