



EMPLOYMENT MARKET OVERVIEW

The white-collar employment market is beginning to stabilise but this is not translating into new job creation. Our annual employment survey, which this year includes responses from over 400 senior managers from Australia's corporate sector, reveals 51% of respondents believe their headcount will not be reduced further over the next 12 months. This suggests employment levels are stabilising after the sharp cuts that occurred in sectors such as financial services during the second half of 2008.

While this is an encouraging sign it points to employment market stabilisation rather than recovery. For a recovery to occur new jobs must be created and only 16% of respondents believe this will happen over the year ahead. Business confidence levels are still too low for employers to invest in new job creation. Only 49% of respondents predict improved conditions by the end of 2009, with 27% forecasting no improvement and 24% still unsure.

The permanent recruitment market has been most heavily impacted by the fall in business confidence. Contracting has proved

more resilient, particularly in the professions where permanent employment has been hardest hit by the economic downturn. We are starting to see an increase in contract roles within financial services in Australia and more broadly across the UK and US markets. These are encouraging signs because in previous downturns the sectors that led into the downturn were the ones to lead us out.

Events over the last 12 months have temporarily obscured the skills shortage but employers still recognise the importance of staff retention. To avoid staff cuts many companies have pursued alternative strategies of payroll cost reduction. Our employment survey reveals 35% of companies have frozen salaries, 18% have implemented forced paid leave and 9% have reduced working hours.

The focus of staff retention strategies must change to reflect the economic downturn. In contrast to previous years in which financial incentives rated highly, employees are now looking for leadership and direction during uncertain times. Of our survey respondents, 51% rated leadership as the

most effective staff engagement strategy in the current environment, followed by transparent communication at 31%.

Our advice to employers is that staff retention is even more important during a downturn. Companies should not operate on the assumption that the skills lost will be readily available when they are required again. Commercial and business development capabilities, as well as sales and marketing functions, need to be established ahead of the next market upturn. Our experience of previous downturns shows the companies that continue to invest in these business critical functions gain market share in the first stage of the upturn.

Hiring activity will remain cautionary for the second half of 2009 and this will be reflected in reduced salary pressure. Permanent salaries are remaining constant but we anticipate any increases to be 1% - 3% with bonus components typically being reduced. Contracting rates are proving to be more resilient and will increase before permanent salaries when market conditions improve.

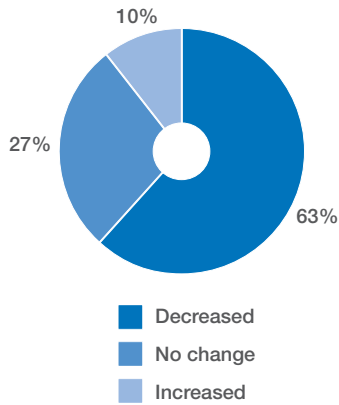
SECTOR TRENDS – FINANCIAL SERVICES

- Hiring activity remains subdued, with the impact of the global financial crisis still being felt in the financial services sector.
- The areas of resilience are in key back office functions such as product control, risk and compliance.
- Opportunistic hiring is occurring sporadically, with some employers capitalising on employment market volatility to secure business critical skills.
- Most banking and financial services firms made their permanent headcount cuts in the second half of 2008 and hiring activity for full-time staff has remained flat through the first half of 2009.
- On a positive note, we are beginning to see an increase in contract roles which may indicate the market has hit bottom. When business conditions first improve, employers will meet increasing workloads with a contingent workforce, only hiring on a permanent basis when there is clearer evidence of a sustained upturn.
- Salary packages in banking and financial services have been negatively impacted over the last 12 months. Base salary components are either flat or slightly down and bonuses have shrunk significantly or are not being paid.

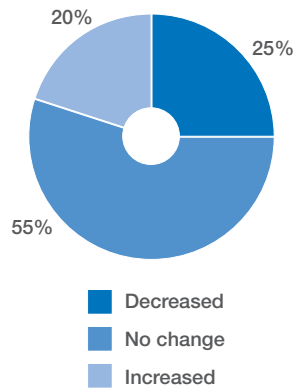


MARKET RESEARCH RESULTS

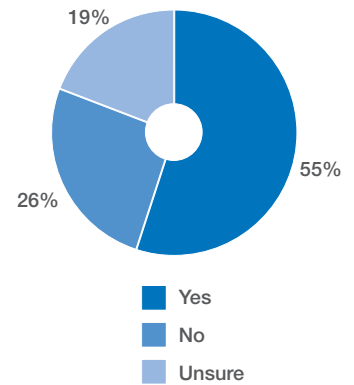
Over the last six months, how has your headcount been impacted by the global economic downturn?



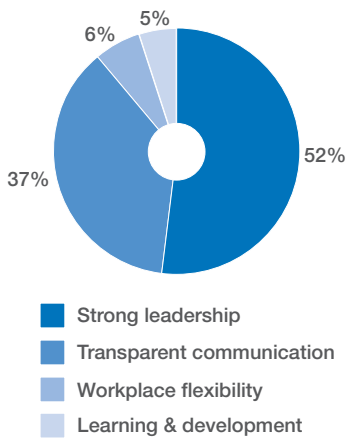
In the next 12 months, how do you see your headcount being impacted?



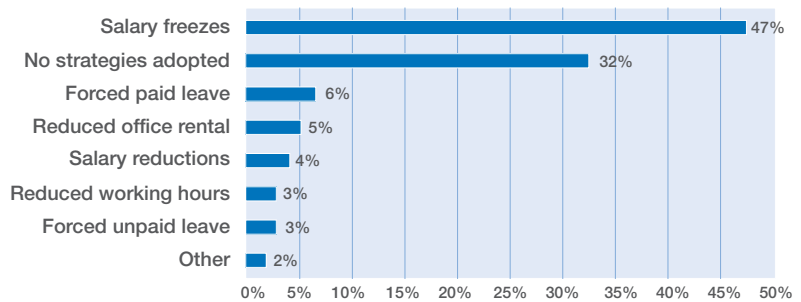
Do you anticipate business conditions will start to improve by the end of 2009?



What employee engagement strategies are proving most effective in the current environment?



What strategies has your organisation implemented to avoid job cuts?





SALARY TABLES

BANKING & FINANCIAL SERVICES

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

Please note:

1. These figures represent the total remuneration package (ie. cash, statutory superannuation component and benefits), excluding bonuses which usually forms a significant part of remuneration packages, particularly in the corporate advisory/structured finance/treasury areas.
2. 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).
3. Small to medium companies are defined as having a turnover of less than \$250 million. Large companies are defined as having a turnover of more than \$250 million.
4. CA qualified and Big 4 candidates (especially with financial services experience) are commanding a premium.
5. The number of years experience are interpreted as those had within that particular field.

† 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.



FRONT OFFICE – CREDIT RISK

State	All
Salary	\$'000
CORPORATE/INSTITUTIONAL BANKING	
Credit Analyst (1–3 years)	70–105
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**

State	All
Salary	\$'000
CORPORATE/INSTITUTIONAL BANKING	
Manager/Associate Director	125–180
Director†	200+
BUSINESS BANKING	
Relationship Manager (1–5 years)	85–135
Senior Relationship Manager (5+ years)	135+

**FRONT OFFICE –
CORPORATE FINANCE/ADVISORY**

State	All
Salary	\$'000
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**

State	All
Salary	\$'000
EQUITIES RESEARCH	
Assistant Analyst	85–145
Analyst	145–200
Senior Analyst/Lead Analyst	200+
EQUITY CAPITAL MARKETS	
Analyst	80–110
Manager	110–140
Associate Director	140–170
Director†	200+

Please note:

1. These figures represent the total remuneration package (ie. cash, statutory superannuation component and benefits), excluding bonus/incentive schemes.
2. Small to medium companies are defined as having a turnover of less than \$250 million. Large companies are defined as having a turnover of more than \$250 million.
3. Bonus/incentive schemes/stock options are becoming more common through the different levels of management and are not included in these figures.

† 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.



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