

ABSOLUTE IT IT SALARY REPORT

November 2010 – August 2011

absoluteIT
RECRUITMENT SPECIALISTS

The AbsoluteIT Salary Report provides comprehensive insight into real-time salary and contract rates paid in New Zealand's ICT industry. It draws on data from the more than 20,500 anonymous entries into the IT Salaries website www.itsalaries.co.nz.

SUMMARY OF KEY FINDINGS

- Software Development, Testing, Web Developers, Managers have all experienced increases in remuneration
- Salary decreases are evident in for Sales Execs/Account Managers, all levels of Software Architects, IT Security and Network Administration
- The base median salary has decreased marginally by -2% in the past 9 months down from \$76,500 to \$75,000
- The total value of overall employment packages has decreased by 3.1% down from \$80,000 to \$77,500
- There has been no change in the average contract median hourly rate \$80 or upper quartile rate \$100, however the lower quartile has increased by \$5 to \$55
- 17,182 roles are permanent salaries, up by 2,643 salaries in the past 9 months
- 3,348 roles are contract/part-time/casual/Interim rates up by 340 in the past 9 months

MARKET SYNOPSIS

A slight fall in median base salary rates over the past 9 months reflects a current hiatus in IT spending as new initiatives are slowly rolled out in the face of reduced funding, pressure on retaining head-count and election-year uncertainty.

Some organisations are focusing on maintenance, improvement and fine-tuning rather than investing in new projects which is reflected as increases in remuneration rates for these type of skill sets sought. There are pockets of increased recruitment activity especially as some Government agencies need extra staff to support the roll out of new systems and services.

However, we expect to see a gradual rise in recruitment activity following the election and into the next three years alongside continued industry growth and a new round of public sector investment in infrastructure and platforms. The demand for skilled IT talent will continue to outstrip supply over this period.

Auckland leads New Zealand with high recruitment activity in most IT sectors, especially in permanent employment which perhaps reflects a more confident view of the economy and, in turn, we expect this will add pressure to remuneration rates in the coming 6 months.

Wellington has a preference for contract employment as uncertainty continues with Government realignment.

And, when it comes to pay parity in New Zealand's ICT sector there is still a significant gap. Salaried men earn an average of 7.8% more than women while the average contract hourly rate for men is 12.5% higher than women.

However, more women enjoy flexible working hours perhaps indicating employer willingness to cater for needs around working mothers.

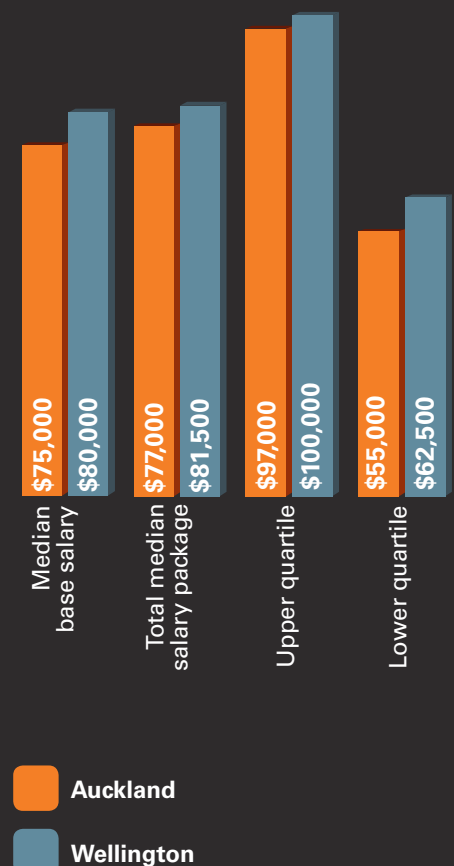
Auckland vs Wellington

Auckland

- Median base salary \$75,000
- Total median salary package \$77,000
- Upper quartile:\$97,000,
- Lower quartile:\$55,000
- 33% receive bonuses/commissions

Wellington

- Median base salary \$80,000
- Total median salary package \$81,500
- Upper quartile:\$100,000
- Lower quartile:\$62,500
- 32% receive bonuses/commissions



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PERMANENT SALARY DATA

Title	Date Range	Lower Quartile \$	% Change	Medium Quartile \$	% Change	Upper Quartile \$	% Change
Architect	Oct-10	98,500		111,500		130,000	
	Jun-11	100,000	1.5%	115,000	3.1%	131,250	1.0%
Business Analyst	Oct-10	62,000		80,000		90,000	
	Jun-11	65,250	5.2%	80,000	0.0%	90,000	0.0%
Consultant BI/CRM	Oct-10	70,500		85,500		109,500	
	Jun-11	80,875	14.7%	100,500	17.5%	120,000	9.6%
Consultant ERP/Supply	Oct-10	80,000		95,000		115,000	
	Jun-11	89,250	11.6%	97,500	2.6%	116,625	1.4%
Consultant	Oct-10	73,000		83,500		115,000	
	Jun-11	66,000	-9.6%	85,000	1.8%	103,000	-10.4%
Data Record Management	Oct-10	50,000		51,500		60,000	
	Jun-11	58,750	17.5%	62,000	20.4%	66,250	10.4%
DBA Database Developer	Oct-10	62,000		75,500		90,000	
	Jun-11	65,000	4.8%	80,000	6.0%	96,250	6.9%
Hardware Engineer	Oct-10	32,000		42,000		60,500	
	Jun-11	36,375	13.7%	48,750	16.1%	63,750	5.4%
Help Desk/Support	Oct-10	41,000		47,500		54,000	
	Jun-11	41,000	0.0%	48,250	1.6%	56,500	4.6%
IT Security	Oct-10	75,000		93,000		115,000	
	Jun-11	65,500	-12.7%	79,000	-15.1%	115,875	0.8%
Management	Oct-10	88,000		105,000		125,000	
	Jun-11	90,000	2.3%	110,000	4.8%	133,000	6.4%
Network Administration	Oct-10	42,500		55,000		75,000	
	Jun-11	40,500	-4.7%	53,000	-3.6%	66,000	-12.0%
Network Engineer	Oct-10	56,500		68,750		80,000	
	Jun-11	55,250	-2.2%	70,500	2.5%	82,000	2.5%
Project Manager/Team Lead	Oct-10	80,000		97,750		118,000	
	Jun-11	80,000	0.0%	95,000	-2.8%	115,500	-2.1%
Sales Exec/Account Manager	Oct-10	68,000		90,000		115,000	
	Jun-11	55,000	-19.1%	80,000	-11.1%	105,000	-8.7%
Software - Analyst Programmer	Oct-10	57,500		70,000		82,000	
	Jun-11	59,375	3.3%	75,000	7.1%	86,125	5.0%
Software Architect	Oct-10	98,000		102,000		120,000	
	Jun-11	87,500	-10.7%	95,000	-6.9%	108,250	-9.8%
Software Developer	Oct-10	60,000		65,000		80,000	
	Jun-11	55,000	-8.3%	68,000	4.6%	85,500	6.9%
Systems Administrator	Oct-10	53,000		64,500		73,500	
	Jun-11	56,750	7.1%	68,750	6.6%	80,000	8.8%
Systems Analyst	Oct-10	58,000		70,500		83,000	
	Jun-11	58,000	0.0%	70,000	-0.7%	76,125	-8.3%
Systems Integration	Oct-10	65,000		75,000		95,500	
	Jun-11	65,000	0.0%	73,500	-2.0%	102,000	6.8%
Technical Writer/Documenter	Oct-10	56,000		70,000		80,000	
	Jun-11	50,000	-10.7%	80,000	14.3%	84,000	5.0%
Testing and Q.A	Oct-10	50,000		68,500		80,000	
	Jun-11	58,250	16.5%	70,000	2.2%	83,250	4.1%
Trainer	Oct-10	50,000		57,500		70,500	
	Jun-11	52,375	4.8%	60,250	4.8%	67,625	-4.1%
WAN/Telecommunications	Oct-10	50,000		79,500		98,000	
	Jun-11	51,500	3.0%	79,500	0.0%	96,000	-2.0%
Web/Multimedia Designer	Oct-10	40,000		51,500		65,000	
	Jun-11	44,250	10.6%	58,500	13.6%	67,125	3.3%
Web/Multimedia Developer	Oct-10	42,000		54,500		68,000	
	Jun-11	50,000	19.0%	59,500	9.2%	70,000	2.9%

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BENEFITS – PERMANENT

The number of employees receiving benefits has dropped slightly during the past 9 months and in general not improved since November 2010.

Benefits Received (permanent employees)	% of your peers who receive benefits	
	Nov 2010 – Aug 2011	March 2010 - Oct 2011
Mobile Phone/Mobile Allowance	33%	36%
Flexible Working Hours	26%	27%
Health Care Subsidies	26%	26%
Car Park	23%	23%
Company Paid Training	21%	23%
Overtime Payments	11%	11%
Car and/or Car Allowance	10%	9%
Additional Superannuation	9%	10%
Extra Annual Leave	9%	8%
Gym/Health Club Membership	5%	5%
Stock Options	5%	5%
Child Day Care	1%	1%

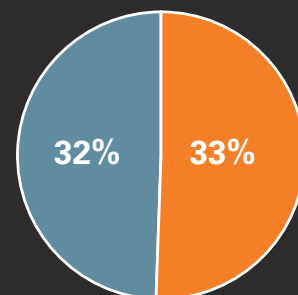
BENEFITS – CONTRACT

The overall trend in contractor benefits is positive, though increases are small with flexible working hours reaching its highest level since November 2010.

Benefits Received (contract employees)	% of your peers who receive benefits	
	Nov 2010 – Aug 2011	March 2010 - Oct 2011
Flexible Working Hours	15%	17%
Car Park	8%	7%
Mobile Phone/Mobile Allowance	7%	5%
Overtime Payments	5%	6%
Gym/Health Club Membership	3%	2%
Car and/or Car Allowance	2%	1%
Company Paid Training	2%	2%
Health Care Subsidies	2%	2%

Pay Parity

- Men earn more than women with median base salary rates for males at \$76,500 compared to \$70,500 for females; and median base hourly contract rates at \$80 for males compared to \$70 for females
- More women enjoy flexible hours with 32% of salaried females compared to 25% for males and 19% of contracting women compared to 17% of men
- Of the 20,500 salary entries, more than 16,300 were men and with around 4,200 women



Receive
bonuses/commissions

- Auckland
- Wellington

The base median salary has decreased marginally by -2% in the past 6 months down from \$76,500 to \$75,000

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CONTRACTOR HOURLY RATE DATA

Title	Lower Quartile \$ per hour	Medium Quartile \$ per hour	Upper Quartile \$ per hour
Architect	85	110	130
Business Analyst	70	90	95
Consultant BI/CRM	65	80	110
Consultant ERP/Supply	65	100	120
Consultant	75	85	110
Data Record Management	13	18	26
DBA Database Developer	50	77	110
Hardware Engineer	25	30	30
Help Desk/Support	19	25	35
IT Security	55	75	120
Management	70	90	110
Network Administration	20	27	80
Network Engineer	50	75	110
Project Manager/Team Lead	80	100	110
Software - Analyst Programmer	50	75	100
Software Architect	100	110	120
Software Developer	50	80	90
Systems Administrator	50	50	70
Systems Analyst	30	50	110
Systems Integration	65	75	110
Technical Writer/Documenter	45	48	60
Testing and Q.A	65	75	85
Trainer	25	38	65
WAN/Telecommunications	40	65	80
Web/Multimedia Designer	25	40	70
Web/Multimedia Developer	25	40	65

METHODOLOGY

The absoluteIT Salary Report captures real-time contract and permanent employees' remuneration details as entered into **www.itsalaries.co.nz**

Of the estimated 43,000 ICT workers in New Zealand, more than 20,500 have entered their remuneration details anonymously into IT Salaries since September 2008.

On average there are 100 new salary profiles posted by New Zealand IT professionals each week. The survey asks 15 anonymous questions. To ensure accuracy and a direct comparison against industry peers, there are no 'free text' variables other than when confirming one's exact job title. All other questions are answered by selecting from the multiple choice drop down menus.

Of the 20,500 plus participants of the survey, there were seven levels of education, 75 industry groups, and seven types and sizes of current employer. In addition, participants were also asked to confirm their gender, number of years experience and the number of people they managed or supervised.

About Absolute IT

Absolute IT is a specialist I.T recruitment solutions company, employing more than 35 staff with offices in Auckland, Wellington and London. Absolute IT was established in 2000 and over this time has established an excellent reputation in recruitment services in the New Zealand Government and Corporate sectors.

Using some of the latest international recruitment practices, together with smart ideas, has enabled absoluteIT to position itself as a leader in the delivery of ICT recruitment solutions.

For further comment please contact Grant Burley, Director on 04 499 7848 or email grant@absoluteit.co.nz

Visit:

www.absoluteit.co.nz

and

<http://www.itsalaries.co.nz>

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