

2020

# Association of Consulting and Engineering (ACE New Zealand)

MEMBERS REMUNERATION REPORT

## How Strategic Pay can help

Whether your focus is on internal equity, market relativity or performance improvement, we have a range of solutions to meet your needs.

### WE CAN HELP YOU TO:

- Improve organisation performance
- Design effective organisational structures
- Develop and map accountabilities for your leadership team
- Define your reward strategy in line with your business philosophy
- Assess executive performance and reward
- Choose and implement the right remuneration system
- Design and market value your jobs
- Ensure your performance management system supports your strategy
- Review and design tailored incentives to align rewards with strategy
- Train your managers and staff in the systems you choose

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# Table of Contents

<b>Executive Summary</b>	<b>1</b>
<b>Commentary</b>	<b>2</b>
<b>Introduction</b>	<b>3</b>
Introduction	5
Survey Report Formats	5
Survey Parameters	6
Survey Database	8
Index of Positions	9
<b>Market Movements and Salary Increases</b>	<b>13</b>
<b>Special Topics</b>	<b>25</b>
CPENG	27
Regional Premium	27
Premium for Discipline	28
Charge Out Rate	31
Workforce Planning	32
Workforce Age Group	33
Workforce Ethnicity	34
Vacancies	34
Skill Shortage	35
Graduate Leave	36
Regional Analysis	37
Gender Policies	39
Pandemic Business Response	41
<b>Employment Policies and Practices</b>	<b>45</b>
Financial Year and Salary Review Period	47
Benefits Offered	49
Company Cars and Vehicle Allowance	50
Superannuation and KiwiSaver	52
Leave Entitlements	53
Shift Work	56
Redundancy	56
Work / Life Balance	57
<b>Summary of Results</b>	<b>59</b>
<b>Detailed Analysis by Job Size</b>	<b>75</b>
<b>Detailed Analysis by Job Code</b>	<b>91</b>
General Information	93
Chief Executives and Management	95
Engineering	101
Corporate Services	141
<b>Appendices</b>	<b>177</b>
Appendix A: Participating Organisations	179
Appendix B: Explanation of Terms and Statistics	180
Appendix C: Strategic Pay Vehicle Use Methodology	182
Appendix D: Rem On-Demand	184
Appendix E: About Strategic Pay Limited	185



## Executive Summary



78

ACE New Zealand  
Member Organisations



10,634

Employees

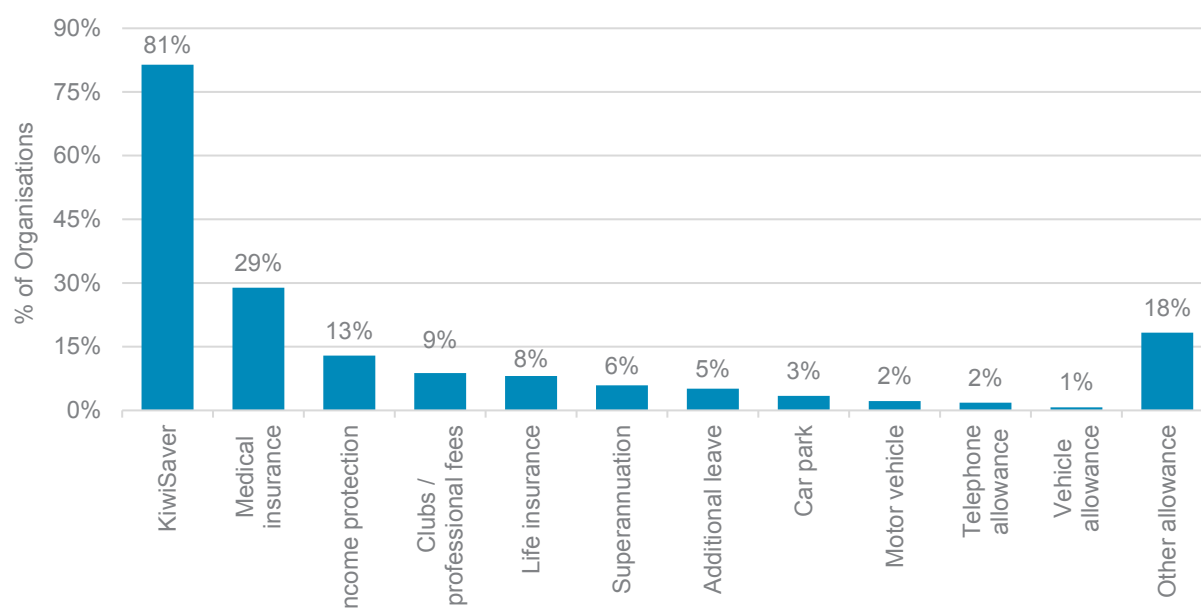


73

Benchmark jobs

- Seventy-four percent of organisations are from the main centres (Auckland, Wellington and Christchurch) with the remaining 26% are from other locations across New Zealand.
- Forty of the reported benchmark jobs are specific to the engineering function, and the analysis is split into a potential further 17 discipline categories, providing for base salary, fixed remuneration and total remuneration breakdowns by location and organisation size (turnover and employee numbers).
- Analysis of the remuneration information shows that 91% of positions surveyed receive one or more benefits in addition to salary. The percentages of benefits offered are as follows:

### BENEFITS OFFERED



- Eighteen percent of participants currently have a recruitment freeze, 35% had a recruitment freeze that has now been removed, 47% never implemented a recruitment freeze.
- Most participants (64%) have a policy of increasing base salary on the achievement of CPEng, with only 4 organisations that increase base salary also paying a bonus.
- Ninety percent of roles work a 40 hour week compared with 10% working a 37.5 hour week. The average number of hours worked in ACE New Zealand member organisations is 39.6 hours.
- The weighted average in movements sat the base salaries across all engineering job categories in the past 12 months was 0.9%, 1.1% at fixed remuneration and 0.5% at total remuneration.
- The median whole sample movement is 1.1% for base salary, 0.4% for fixed remuneration and - 0.1% at total remuneration.
- The median forecast remuneration increase for 2020 is 2.9% and the average is 2.4%.

The data in this report is current as at **1 September 2020**.

## Commentary

### 2020: ACE NEW ZEALAND COMMENTARY

A review of overall market movements and matched movements brings into stark relief the impact of the global pandemic on ACE New Zealand member organisations. Overall market movement for the last 12 months was a marginal 0.4% (2.0% in 2019) and matched movements are 1.7% (4% in 2019). When we consider market movement at the grade level we even see some negative movement, this doesn't indicate that pay has actually gone backwards over the last 12 months, but rather that there has been minimal to no pay increases over the 12 month period and the slight changes in samples have resulted in negative movement at the median or average.

This muted market movement reflects what we have seen in the wider market with regards to salary increases. What is interesting is the projections for the next 12 months have improved slightly from when we first started measuring projections mid-lockdown. In the wider General Market, we are seeing salary projections for the next 12 months at around 2-2.5%. These numbers are close to what ACE New Zealand members have indicated for the next 12 months; however these numbers are down on what have been projected in previous years suggesting a cautious approach.

There is no doubt that we are in a period of economic slowdown however predicting what impact that will have on various sectors and the impact on salary movement is not an easy question to answer. The NZIER report on construction as one of their economic indicators. They are suggesting a mixed outlook, specifically a reduction in commercial construction as a result of reduced business confidence and borrowing. Residential construction however is tipped to increase due to people opting to spend money on renovations or house improvements that would have previously been spent on overseas travel. The continuing housing shortage and no doubt continued spending by government on infrastructure projects is also likely to increase the construction outlook. This should hopefully have an impact on the need for Engineering Consulting and drive up demand for these services.

What will be interesting to see is what effect the border closures are likely to have on talent shortages. While we have heard news reports of highly qualified returning Kiwis it is unlikely the skill set will be a direct match to the skills needed. They are also unlikely to be in the volumes that would be needed to fix our long-term skill shortages. If the talent pool remains restricted through these border closures, we would expect this to result on upwards pressure again in wage rates as organisations compete for this talent.

All we can really say for certain is that Covid-19 is likely to be here for the medium to long term and organisations will need to continue to adapt to how they operate to keep employees safe with the expectation of more lockdowns. There is likely to still be upward pressure in wages but at a lower level to what we have been experiencing and if there is money available for increases, they are likely to be directed below the CEO and Senior Executive level.

Cathy Hendry  
Senior Consultant

Strategic Pay Limited

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# Introduction

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# Introduction

## INTRODUCTION

Strategic Pay is pleased to present the 2020 ACE New Zealand Members Remuneration Report. The objective of this report is to provide comprehensive information on remuneration and benefits across the ACE New Zealand Member organisations.

This comprehensive 'one-stop-shop' remuneration survey covers specific engineering roles and corporate services roles. For the engineering specific roles, it is split into a potential further 17 discipline categories as follow:

- Architects
- Civil
- Construction
- Electrical / Electronic
- Environmental / Water
- Fire
- Geotechnical
- Land Surveyors
- Landscape Architects
- Mechanical
- Planners
- Power
- Process (includes Chemical)
- Project Management (Professional)
- Scientists
- Structural
- Transport / Traffic / Rail

## SURVEY REPORT FORMATS

The survey report is set out in two modes:

### Comparisons by Job Size

The Detailed Analysis by Job Size summarise for each Strategic Pay grade the quartile and average data for:

- Base salary
- Fixed remuneration
- Fixed remuneration (excluding KiwiSaver)
- Total remuneration
- Total remuneration (excluding KiwiSaver)

This is presented for ACE New Zealand Members (the organisations surveyed for this report) and the general market (the 544 organisations across the public and private sectors that were surveyed for the March 2020 Strategic Pay New Zealand Remuneration Survey).

These charts draw on all roles in the survey with Strategic Pay job evaluation points or grades.

### Comparisons by Job Code

The charts showing detailed analysis by job code provide detailed analysis for 73 roles across all engineering roles and corporate services roles. While fixed and total remuneration data is reported in this section, Strategic Pay also provide the figures excluding KiwiSaver for fixed and total remuneration.

Where possible we have tried to ensure that only jobs that fit within the indicated Strategic Pay grade range have been included in these samples. The Strategic Pay database applies statistical analysis techniques to avoid the skewing of the data by organisations providing a high proportion of the sampled data. We have helped some organisations code their roles for survey purposes and have made every attempt to ensure accuracy of matching in the coding process.

## SURVEY PARAMETERS

### Purpose

The purpose of the Strategic Pay ACE New Zealand Members Remuneration Report is to provide a credible, reliable and consistent methodology for analysing rates of employee remuneration within ACE New Zealand member organisations throughout New Zealand, based on both job size and job function comparisons.

### Timing

The data is reported as at 1 August annually. This is the eleventh Strategic Pay ACE New Zealand Remuneration survey and is published annually during September, however with the event of Covid-19 this year, the survey has been published in October.

### Method of Data Collection

Ease of data collection for survey participants remains a key objective for the Strategic Pay survey. To this end, many survey participants download payroll data for all staff. This enables us to draw on a large pool of data on employee remuneration in the New Zealand market. The data has then been selected and coded by Strategic Pay, then analysed using statistical sampling techniques to ensure representative samples and avoid data skewing.

### Job Sizing Methodology

This survey reflects a mix of job match and job evaluation data as submitted by participants. From a quality assurance perspective, we seek to work more closely with individual organisations to confirm the validity of their internal relativities and associated matching to the ACE New Zealand Remuneration Survey format.

### Benchmark Job Categories

The benchmark job categories have been developed by Strategic Pay, in consultation with clients. Seventy-three benchmark categories are reported in this survey; 40 of these are specific to the engineering function, and the analysis is split into a potential further 17 discipline categories. These positions were assigned based on job size, job title, and our knowledge of your organisation and the sector in general.

### Base Salary, Fixed Remuneration and Total Remuneration

The survey report provides detailed analyses for base salary, fixed remuneration (total remuneration less bonus), and total remuneration (all cash and non-cash benefits). The fixed remuneration and total remuneration lines calculate all remuneration items for which a benefit value (including Fringe Benefit Tax) has been assigned by participants. The vehicle calculations do include FBT, but rely on Strategic Pay's vehicle valuation methodology (see Appendices). The market data analysis also reports fixed and total remuneration excluding KiwiSaver.

### Sampling Methodology

This report uses Strategic Pay sampling methodology to prevent swamping by one organisation of the overall sample as well as at the regional level. Based on the sampling criteria, the methodology process may remove randomly a certain percentage of roles based on the overall number of organisations in that region as well as in the overall sample. To protect confidentiality, we require a minimum of 3 firms and 5 incumbents to publish any data. Where there are only five incumbents in the sample, only median and average information is provided.

### Confidentiality

Strategic Pay maintains stringent standards of data confidentiality and security. It is expected that this survey report will be used by participating organisations for **internal purposes only**.

## Disclaimer

This report is designed to provide a summary of current pay trends, and as such does not purport to be conclusive or to provide specific guidelines. No responsibility can be accepted for loss occasioned to any person, or organisation, acting, or refraining from acting, as a result of any statement in this publication.

## Feedback

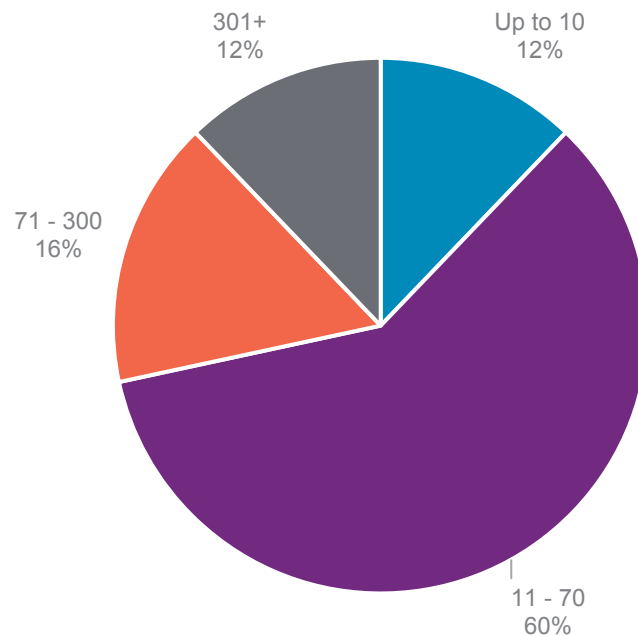
We welcome feedback from participating organisations on additions / deletions / enhancements to the Survey. Please send your feedback to Natasha Stone, Market Information Manager at [natasha.stone@strategicpay.co.nz](mailto:natasha.stone@strategicpay.co.nz).

## SURVEY DATABASE

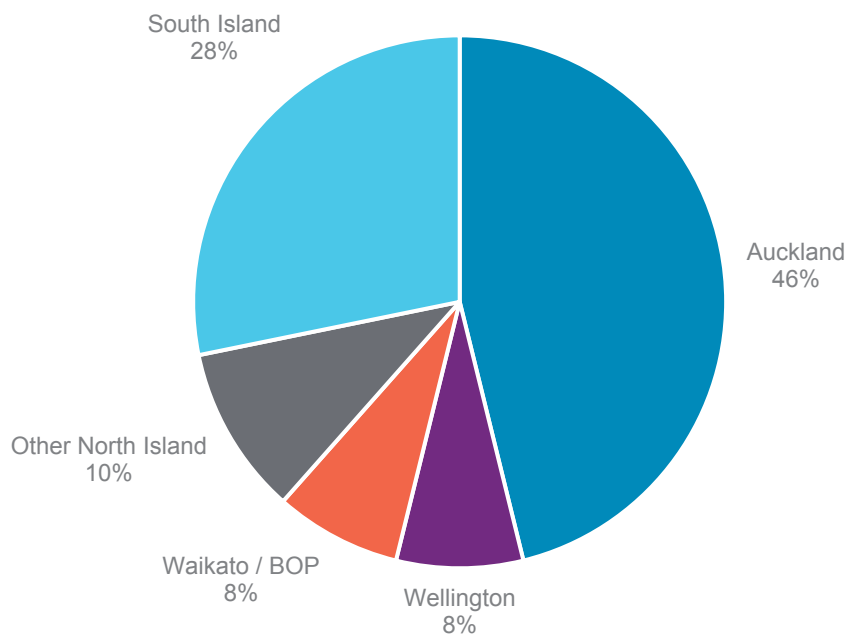
### Participating ACE New Zealand Members

The survey report is based on data from 78 ACE New Zealand members. These are represented in the survey as follows. *A full list of participating organisations can be found in the Appendices.*

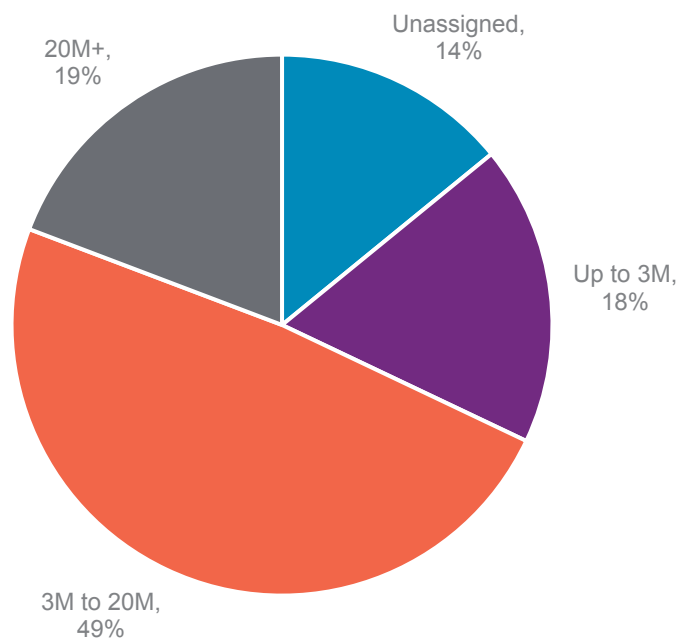
#### PARTICIPANTS BY EMPLOYEE NUMBERS



#### PARTICIPANTS BY REGION



## PARTICIPANTS BY TURNOVER



## INDEX OF POSITIONS

Code	Job Title	Grade Range	Page
Chief Executives and Management			
CEO13	CEO / MD - (>50 Staff)	27 - 30	97
CEO15	CEO / MD - (<50 Staff)	24 - 26	98
CEO18	General Manager	22 - 26	99
Engineering			
ENG101	Trainee CAD Operator / Cadet	6 - 8	103
ENG102	CAD Operator	7 - 9	104
ENG103	CAD / Design Draughtsperson	10 - 12	105
ENG104	Senior CAD / Design Draughtsperson	12 - 14	106
ENG105	CAD / Drawing Operations Supervisor / Manager	14 - 17	107
ENG106	Trainee Technician / Cadet	6 - 8	108
ENG107	Technician	7 - 10	109
ENG108	Senior Technician	11 - 13	110
ENG109	Technician Supervisor / Manager	14 - 16	111
ENG110	Graduate - Entry	10 - 11	112
ENG111	Graduate 2nd Year	11 - 12	113
ENG112	Graduate 3rd Year	12 - 13	114
ENG113	Graduate 4th Year	13 - 14	115
ENG114	Professional	14 - 15	116
ENG130	Mid-level Professional	15 - 16	117
ENG115	Senior Professional	16 - 17	118
ENG116	Manager	17 - 19	119
ENG117	Intermediate manager	19 - 21	120
ENG135	Senior Manager	21 - 23	121
ENG118	Specialist	17 - 19	122
ENG140	Senior Specialist	19 - 21	123
ENG119	Advanced Specialist	21 - 23	124
ENG120	Business Development Manager	21 - 24	125
ENG121	Business / Regional Manager	22 - 26	126
ENG165	Senior Urban Designer	17 - 19	127
ENG170	Urban Designer Manager	19 - 21	128
ENG175	CAD Designer	13 - 15	129
ENG180	Senior CAD Designer	15 - 17	130
ENG185*	CAD Design Team Lead / Manager	17 - 19	131

Code	Job Title	Grade Range	Page
ET99*	Surveying Cadet	11 - 13	132
ET98*	Graduate - Entry Quantity Surveyors	10 - 12	133
ET96*	Quantity Surveyor	14 - 16	134
ET95*	Senior Quantity Surveyor	16 - 18	135
TR36	BIM Technician	16 - 18	136
ICT1014*	GIS Manager	16 - 18	137
ICT1015*	GIS Developer	16 - 18	138
ICT1016*	GIS Analyst	13 - 15	139
Corporate Services			
CO04	Corporate Services Manager	18 - 20	143
CO16	Practice Manager	16 - 18	144
CO05	Administration Manager	14 - 17	145
CO07	Administration Team Leader	11 - 14	146
CO08	Administration Officer	10 - 12	147
CO09	Administrative Assistant	8 - 10	148
CO10	Administrative Support	5 - 7	149
CO21	Executive Secretary	11 - 13	150
CO22	Senior Secretary / PA	9 - 11	151
CO23	Secretary / PA	8 - 10	152
CO25	Receptionist / Telephonist	6 - 8	153
FI04	Finance Manager	21 - 23	154
FI10	Accountant 1	17 - 19	155
FI11	Accountant 2	14 - 16	156
FI28	Assistant Accountant	11 - 13	157
FI32	Senior Accounts Officer	9 - 11	158
FI33*	Accounts Officer	6 - 8	159
LRC640	Quality Assurance Manager	18 - 20	160
HR04	Human Resources Manager	18 - 20	161
HR05	Senior Human Resources Advisor	16 - 18	162
HR06	Human Resources Advisor	15 - 17	163
HR08	Human Resources Assistant	9 - 11	164
HR42	Senior Payroll Officer	11 - 13	165
HS03	Health and Safety Manager - Small to Medium Org	19 - 21	166
HS05	Health and Safety Specialist / Senior Health and Safety Advisor	16 - 18	167
HS07	Health and Safety Officer	13 - 15	168
ICT901	IT Manager	19 - 21	169

Code	Job Title	Grade Range	Page
ICT911	Senior IT Specialist	17 - 19	170
ICT912	IT Specialist	14 - 16	171
ICT609	Application Support Analyst	12 - 14	172
MK03	Marketing Executive	21 - 23	173
MK11	Marketing Officer	12 - 15	174
MK61*	Graphic Designer	9 - 11	175

\*New positions published this year



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## Market Movements and Salary Increases

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# Market Movements and Salary Increases

## MOVEMENTS IN DATA

Market movements and salary increases are two ways of looking at changes in remuneration levels; however, each looks at remuneration from a different angle.

It is common to assume the two methodologies measure 'market movement' and measure the same information. However, these methodologies produce two very different sets of statistics. The following table highlights the differences between these two approaches to data analysis:

Market Movement	Salary Increases
Looks at the value of the job in the market as a whole.	Looks at individual employees' average pay increases.
Incorporates recruitments, exits, premiums, as well as salary movements.	Incorporates company performance (ability to pay salary increases), promotions, and pay increases.
Dynamic and volatile movements – can be up or down.	Upward year-on-year movement.
Market movement analysis e.g. the change in median data for each job code as compared to the previous year.	Salary increase analysis – reflects company average salary increases year on year.
Is what's taken into account when reviewing pay ranges to reflect the organisation's policy position against the market.	Is the figure most likely to be taken into account when setting salary budgets.

**Market movement** data is typically used to evolve an organisation's pay ranges in order to remain market competitive and continue to reflect the organisation's policy position (i.e. ideal position against the market, such as median total remuneration).

**Salary increase** data (actual and forecast) is used to understand actual increase movements and cost impact to the organisation. Forecast data is typically used to budget for the upcoming financial year's salary reviews.

## MARKET MOVEMENTS

### Overall New Zealand Remuneration Trends

From our March 2020 New Zealand Remuneration Report (**197,132** incumbents from **544** participating organisations: 65% Private, 32% Public, 3% Not for Profit), the following overall movements were noted.

#### Market Movements | March 2019 to March 2020

##### MEDIAN MOVEMENT FOR MATCHED ORGANISATIONS AND WHOLE SAMPLE

SP10® Points	Staff Level	Fixed Remuneration					
		Matched Movements (%)			Whole Sample Movements (%)		
		General Market	Private Sector	Public Sector	General Market	Private Sector	Public Sector
Up to 400	General Staff	1.9	2.5	1.4	2.2	2.7	1.7
400 – 800	Middle Management / Specialist / Technical	2.0	2.2	1.9	2.3	2.5	2.2
800 - 1200	Senior Management / CEO small Organisation	2.5	2.5	2.4	2.6	2.7	2.5
1200 - 1600	CEO medium organisation / GM larger organisation	2.2	2.7	2.1	2.6	2.8	2.5

This analysis compares only those organisations that participated in both March 2019 and March 2020.

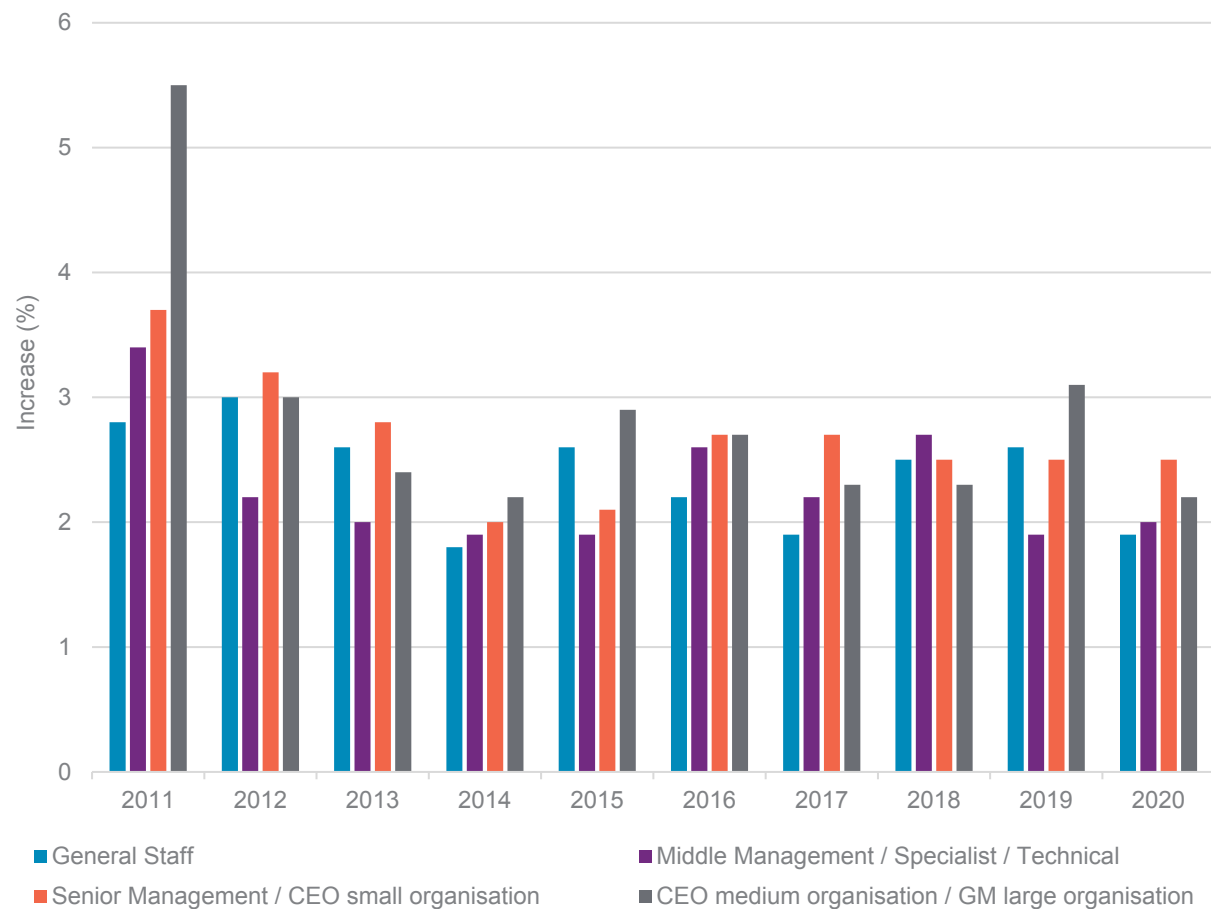
#### Salary Projections 2020 / 2021

##### OVERALL PAYROLL INCREASES

Staff level	Average increase expected in Base Salary (%)		
	General Market	Private Sector	Public Sector
General Staff	2.5	3.1	2.4
Middle Management / Specialist / Technical	2.5	2.9	2.3
Senior Management / CEO small organisation	2.5	2.8	2.3
CEO medium organisation / GM large organisation	2.4	2.2	2.2
Overall - All Staff	2.5	2.8	2.3

## Long Term Trends in New Zealand General Market for Matched Organisations | March 2011 to March 2020

ANNUAL INCREASE PERCENTAGE IN MEDIAN FIXED REMUNERATION FOR MATCHED ORGANISATIONS



## ACE New Zealand Members Remuneration Trends

The whole sample market movement analysis compares all participating organisations in 2019 with all participants in 2020. Changes in survey sample reflect the changing nature of the workforce resulting from restructuring, mergers and acquisitions of organisations. These factors affect the remuneration market and should be taken into consideration when assessing remuneration placement.

Survey companies tend to measure different things when reporting average percentage movements. It is a common device to measure movements in average base salary and by same incumbent. In our experience these statistics are unhelpful for identifying movement in salary scales. Salary scales should be based more on movement in the survey medians as a whole or for various job functions or positions at different levels. When one looks at movements in the base salary medians, the percentage increases are invariably lower as employers recruit new staff at lower levels.

The table below outlines the median whole sample movement for base salary, fixed remuneration and total remuneration over the past 12 months. Comparison tables are based on regressed job size data for all organisations rather than weighted aggregated job size information.

### Whole Sample Median Movements

BY STAFF CATEGORY 2019 TO 2020

Grade Range	Staff Level	Base Salary	Fixed Remuneration	Total Remuneration
<b>6 - 25</b>	<b>All staff</b>	<b>1.1%</b>	<b>0.4%</b>	<b>0.1%</b>
6 - 12	General Staff	0.9%	0.3%	-0.6%
13 - 20	Specialist / Technical	1.0%	0.9%	0.8%
21 - 25	Senior Management / CEO Small Organisation	1.5%	-0.4%	-0.1%

### Median Movements for Matched Organisation – ACE New Zealand Members

The movements below are from organisations in both 2019 and 2020 surveys sample.

BY STAFF CATEGORY 2019 TO 2020

Grade Range	Staff Level	Base Salary	Fixed Remuneration	Total Remuneration
<b>6 - 25</b>	<b>All staff</b>	<b>1.4%</b>	<b>1.7%</b>	<b>1.7%</b>
6 - 12	General Staff	1.5%	1.3%	1.3%
13 - 20	Specialist / Technical	0.9%	1.8%	1.8%
21 - 25	Senior Management / CEO Small Organisation	2.1%	2.1%	2.1%

This year we have seen overall staff salary movements lower this year, for matched organisations (organisations that contributed data to both 2019 and 2020 surveys). With a base salary movement in 2019 of 4.2% this year we see a more moderate 1.4%.

## Whole Sample Median Movements

BY BENCHMARK POSITION 2019 TO 2020

Benchmark Position Code	Benchmark Position Title	Base Salary	Fixed Remuneration	Total Remuneration
ENG101	Trainee CAD Operator / Cadet	5.5%	6.9%	5.5%
ENG102	CAD Operator	0.8%	-0.2%	1.3%
ENG103	CAD / Design Draughtsperson	-0.1%	1.3%	2.3%
ENG104	Senior CAD / Design Draughtsperson	-0.6%	0.3%	0.1%
ENG105	CAD / Drawing Operations Supervisor / Manager	-0.1%	-0.2%	-0.7%
<b>Weighted Average Design</b>		<b>0.0%</b>	<b>0.7%</b>	<b>0.9%</b>
ENG106	Trainee Technician / Cadet	3.7%	3.6%	3.7%
ENG107	Technician	0.6%	1.4%	3.1%
ENG108	Senior Technician	-0.1%	0.3%	0.8%
ENG109	Technician Supervisor / Manager	0.8%	1.8%	-0.8%
<b>Weighted Average Technical</b>		<b>0.8%</b>	<b>1.4%</b>	<b>1.7%</b>
ENG110	Graduate - Entry	0.9%	1.8%	1.8%
ENG111	Graduate 2nd Year	-0.8%	-1.3%	-0.8%
ENG112	Graduate 3rd Year	1.4%	1.3%	1.3%
ENG113	Graduate 4th Year	1.5%	0.8%	0.6%
<b>Weighted Average Graduate</b>		<b>0.7%</b>	<b>0.5%</b>	<b>0.6%</b>
ENG114	Professional	2.7%	2.6%	2.4%
ENG130	Mid-level Professional	0.0%	0.7%	0.5%
ENG115	Senior Professional	0.1%	1.0%	0.1%
<b>Weighted Average Professional</b>		<b>1.0%</b>	<b>1.5%</b>	<b>1.0%</b>
ENG116	Manager	0.0%	0.2%	-0.9%
ENG117	Intermediate Manager	0.0%	0.7%	0.3%
ENG135	Senior Manager	2.7%	1.8%	0.9%
ENG120	Business Development Manager	-0.6%	-1.1%	-2.2%
ENG121	Business / Regional Manager	4.0%	0.9%	1.3%
<b>Weighted Average Manager</b>		<b>1.1%</b>	<b>0.7%</b>	<b>0.0%</b>
ENG118	Specialist	0.4%	1.0%	-0.6%
ENG140	Senior Specialist	1.2%	1.4%	-1.0%
ENG119	Advanced Specialist	1.8%	1.2%	0.1%
<b>Weighted Average Specialist</b>		<b>0.9%</b>	<b>1.1%</b>	<b>-0.6%</b>
<b>Overall</b>		<b>0.9%</b>	<b>1.1%</b>	<b>0.5%</b>

## SAME INCUMBENT MEDIAN MOVEMENTS BY BENCHMARK POSITION 2019 TO 2020

Benchmark Position Code	Benchmark Position Title	Base Salary	Fixed Remuneration	Total Remuneration
ENG101	Trainee CAD Operator / Cadet	5.0%	5.3%	4.8%
ENG102	CAD Operator	1.8%	1.7%	1.5%
ENG103	CAD / Design Draughtsperson	1.5%	2.1%	1.8%
ENG104	Senior CAD / Design Draughtsperson	1.8%	1.6%	1.2%
ENG105	CAD / Drawing Operations Supervisor / Manager	1.4%	1.3%	1.1%
<b>Same Incumbent Movement Design</b>		<b>2.3%</b>	<b>2.4%</b>	<b>2.1%</b>
ENG106	Trainee Technician / Cadet	7.9%	7.9%	8.0%
ENG107	Technician	2.5%	2.6%	2.4%
ENG108	Senior Technician	3.0%	2.9%	2.5%
ENG109	Technician Supervisor / Manager	2.5%	2.5%	2.3%
<b>Same Incumbent Movement Technical</b>		<b>4.0%</b>	<b>4.0%</b>	<b>3.8%</b>
ENG114	Professional	2.6%	2.4%	2.2%
ENG130	Mid-level Professional	2.5%	2.5%	2.6%
ENG115	Senior Professional	1.9%	2.4%	2.2%
<b>Same Incumbent Movement Professional</b>		<b>2.3%</b>	<b>2.4%</b>	<b>2.3%</b>
ENG116	Manager	2.7%	2.7%	2.3%
ENG117	Intermediate Manager	2.9%	2.9%	2.1%
ENG135	Senior Manager	2.1%	2.3%	1.1%
ENG120	Business Development Manager	0.0%	0.0%	0.0%
ENG121	Business / Regional Manager	1.1%	1.2%	0.1%
<b>Same Incumbent Movement Manager</b>		<b>1.78%</b>	<b>1.8%</b>	<b>1.1%</b>
ENG118	Specialist	0.0%	2.6%	0.3%
ENG140	Senior Specialist	0.0%	2.4%	0.6%
ENG119	Advanced Specialist	2.5%	2.8%	1.8%
<b>Same Incumbent Movement Specialist</b>		<b>0.8%</b>	<b>2.6%</b>	<b>0.9%</b>



## The Metropolitan Factor

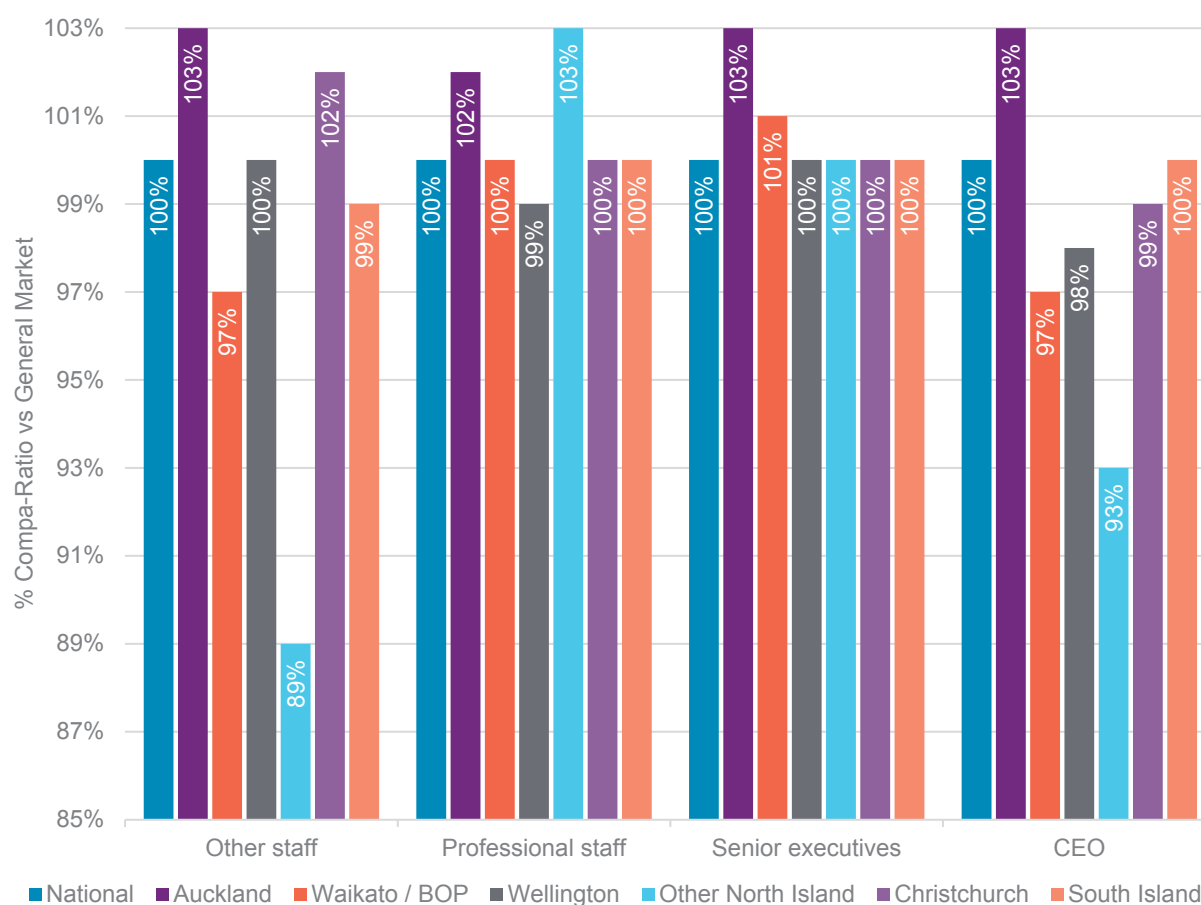
The following table illustrates the difference in the current survey in median fixed remuneration between different geographical sectors of the country.

### COMPARISONS OF MEDIAN FIXED REMUNERATION BY LOCATION AGAINST GENERAL MARKET

Grade	ACE NZ Total Sample	Fixed Remuneration					
		Auckland	Waikato / BOP	Wellington	Other North Island	Christchurch	South Island
4 - 9	100%	103%	97%	100%	89%	102%	99%
10 - 14	100%	102%	100%	99%	103%	100%	100%
15 - 19	100%	103%	101%	100%	100%	100%	100%
20 - 24	100%	103%	97%	98%	93%	99%	100%
<b>Average</b>	100%	103%	99%	99%	96%	100%	100%

In comparing between the regions, the biggest regional difference in pay is at the grade 4 to 9, other staff level where Auckland is paying at a 3% premium and Other North Island are paying at 11% below the national average.

### ACE NEW ZEALAND FIXED REMUNERATION BY REGION IN COMPARISON TO GENERAL ACE NEW ZEALAND MARKET



## Forecast Salary Increase

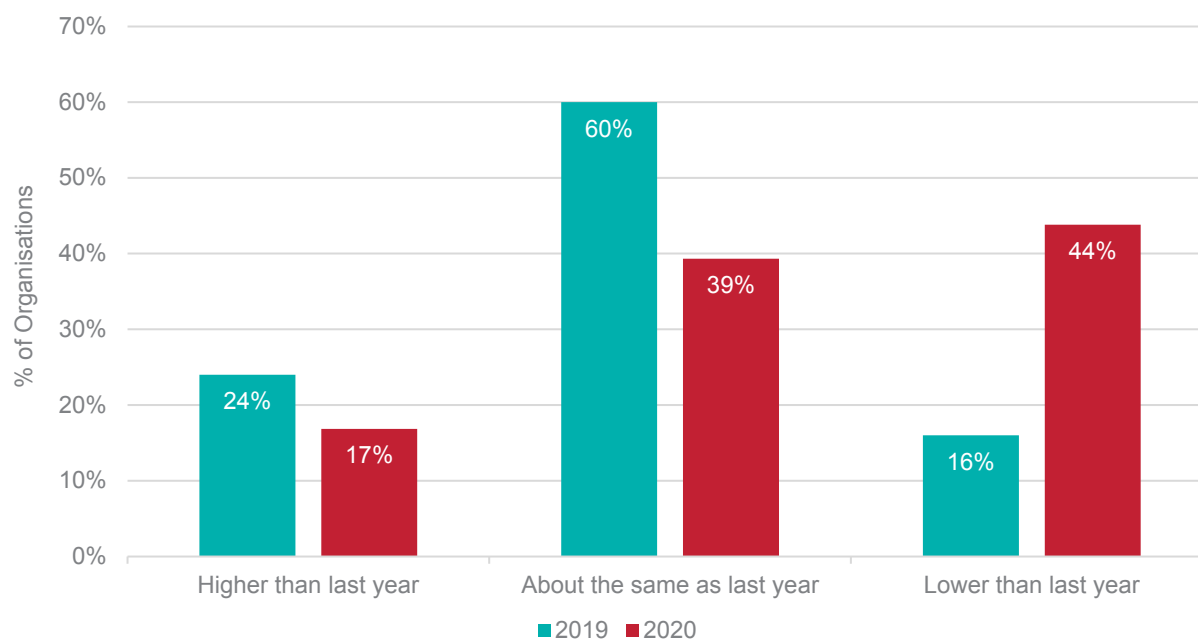
Participants in the ACE New Zealand remuneration survey were asked to forecast / project their remuneration increases for their own organisation for the next 12 months. The results are tabled below.

Staff Level	Median	Average	Range
CEO	0.0%	1.5%	0% – 10.0%
Senior Executives	2.0%	2.1%	0% – 9.0%
Professional Staff	3.0%	2.4%	0% – 6.0%
Other Staff	2.5%	2.4%	0% – 10.0%
<b>Overall</b>	<b>2.9%</b>	<b>2.4%</b>	<b>0% – 6%</b>

The overall median forecast for next year is 2.9% whereas the general market's forecast for 2020 is 2.0%. There is a considerable drop for the median forecast increases for CEO from 2.5% last year to 0.0% this year.

The comparison of the current year's salary increases with those in the previous year is as follows, with 39% of respondents awarding similar increases compared to 60% last year and a further 44% reporting increases lower than in the 2018 - 2019 year.

### SALARY INCREASES



## Factors Driving Increase Decisions

Seventy-eight percent of respondents use a formal performance appraisal system to assess employee performance, and 97% of the respondents vary the level of the salary increase according to performance.

Across the different staff levels, the increases are based as follows:

Salary increases based on	CEO	Senior Management	Professional / Technical Staff	Other Staff
Sample Size	78	85	75	89
Market Data	77%	91%	85%	85%
Performance	85%	93%	91%	96%
Affordability	63%	65%	61%	66%
Cost of Living (CPI)	37%	48%	51%	56%
Tenure	9%	14%	19%	21%
Union Agreements	-	-	-	-
Other	10%	12%	12%	12%

Note: Each staff level totals more than 100, because most organisations consider a combination of factors in determining the level of increase.

Market data and performance are the most common drivers for salary increases, followed by affordability.

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