ACE NEW ZEALAND // 2022 REPORT

Member Remuneration Survey

Summary 2022

Introduction

Each year at ACE New Zealand we survey our member organisations to provide a credible, reliable and consistent source of information on the remuneration and benefits provided to employees. This comprehensive survey conducted with Strategic Pay covers corporate services roles and specific engineering roles, including engineers, architects, surveyors, planners, project managers, scientists and other consulting occupations and professions.

This year's report is based on data from 97 ACE New Zealand member organisations representing 12,842 workers across 69 benchmark jobs. This covers 89% of our member organisation employees. We partnered with Strategic Pay to provide detailed analyses for base salary, fixed remuneration and total remuneration breakdowns by location and organisation size. Hourly charge out rates for each job category are also included in this summary.

In the wake of Covid-19, it remains a challenging market for recruitment as a severe skills-shortage across all sectors is making it difficult for our members. With inflation in New Zealand sitting at the highest levels seen for 30 years, coupled with low unemployment and ongoing skill shortages, it is unsurprising that wage pressure across the board has continued to grow. This is evident in the overall wage movements which have increased over the last three years with base salary, fixed remuneration and total remuneration all increasing by around 4% compared to previous years' increases of 2.6% in 2021 and 0.5% in 2020.

This year's movements have exceeded the average forecast remuneration increase of 3.2% projected by ACE New Zealand member organisations back in August 2021. This suggests that employers have had to readjust their salary budgets considering current market pressures. The report also shows that the largest salary movements are at the General Staff level. This suggests that organisations are focusing on the remuneration of entry to mid-career employees, perhaps where inflation is being felt the most and as such, risk of staff turnover due to remuneration is higher.

This report identifies the initiatives our members are using to attract and retain staff and which ones are proving more successful. The skills shortage is likely to continue in the coming years and managing staff retention is important to maintain business continuity and success. When attracting new talent, while wages are important, prospective employees are also looking at organisation's social licence indicators and other benefits including flexible working options.

The report also shows us that we need to remain focused on narrowing the gender pay equity gap. There were improvements this year but in the majority of roles, men are still being paid more than women. The Diversity Agenda strategy was launched in November 2022 and at this time there were 150 Diversity Agenda members and 55 Diversity Accord signatories. Giving our attention to the diversity of our workforce, and the inclusivity of our firms, is not only the right thing to do, but also what we need to do to ensure a sustainable sector and strong businesses into the future. That's why better understanding our workforce and creating pathways for participation and growth, to create equitable and inclusive cultures where everybody thrives, and to build a network of champions advocating for diversity and inclusion, is so crucial.

By sharing this summary report, we encourage you to use it as a valuable tool to drive employee recognition, engagement and satisfaction in what is a competitive market.

Helen Davidson
Chief Executive, ACE New Zealand

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Salary increases and market movement

The overall weighted average movements across all ACE New Zealand industry specific job categories in the past 12 months was 4.1% for base salary, 3.8% at fixed remuneration and 3.9% at total remuneration. The median movement for all participants is 4.0% for base salary, 4.7% for fixed remuneration and 4.7% at total remuneration. The table below shows how the overall weighted average movements for this year compare to the previous two years.

Overall Weighted Average Movements	Base Salary	Fixed Remuneration	Total Remuneration
2019 - 2020	0.9%	1.1%	0.5%
2020 - 2021	2.2%	2.0%	2.6%
2021 - 2022	4.1%	3.8%	3.9%

The 2021-2022 movements have exceeded the average forecast remuneration increase of 3.2% projected by ACE New Zealand member organisations in August 2021. This suggests employers had to readjust their salary budgets considering current market pressures. On average this was reported as being an additional 2% within the wider Private Sector.

See Appendix for remuneration trends by staff category and benchmark position 2021 to 2022.

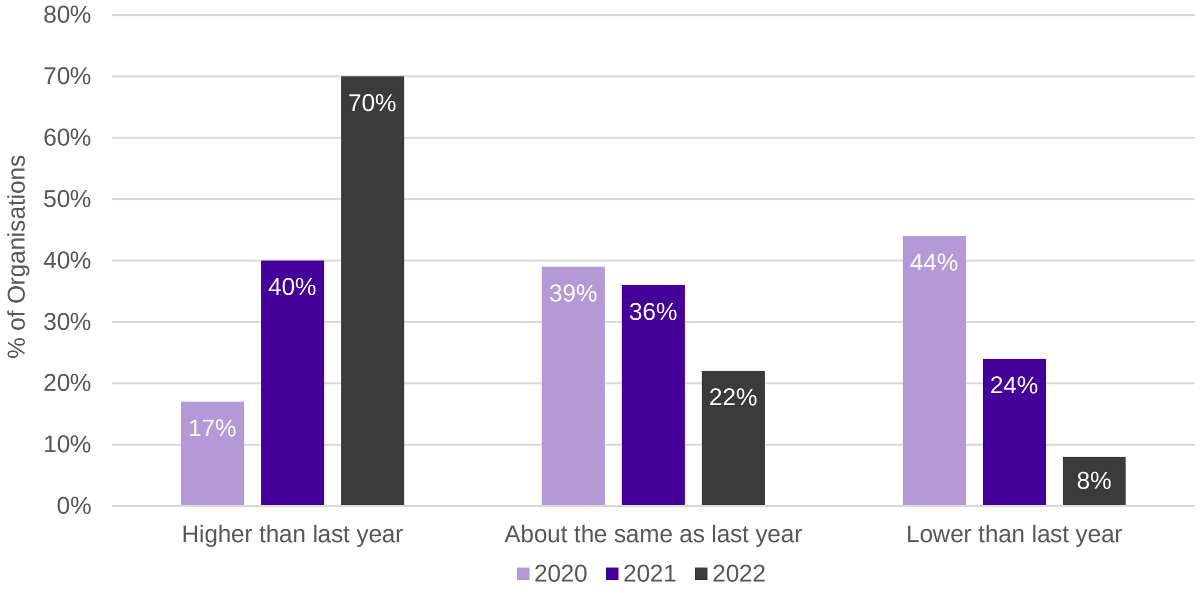
Forecast salary increase

Participants were asked to forecast their increases for the own organisation for the next 12 months. The overall median forecast increase for next year is 5%, increasing from the 3.2% forecast reported in 2021. The New Zealand General Market's overall median forecast for base salary is 4%, as reported in Strategic Pay's New Zealand Remuneration Report March 2022.

Staff Level	Median	Average	Range
CEO	3.0%	2.8%	0% – 9.0%
Senior Executives	5.0%	3.9%	0% – 14.0%
Professional Staff	5.0%	4.7%	0% – 11.0%
Other Staff	5.0%	4.5%	0% – 15.0%
Overall	5.0%	4.7%	0% – 12.8%

The comparison of the current year's salary increases with those of the previous two years shows a significant increase in the proportion of organisations providing salary increases that were higher than last year, climbing to 70% compared to 40% last year and only 17% in 2020.

Salary increases



In terms of the factors driving a salary increase 79% of participants use a formal performance appraisal system to assess employee performance and 96% vary the salary increase according to performance. Year on year performance and market data remain the most common drivers for salary increases, followed by affordability. This year sees a noticeable increase in the cost of living as a factor for driving salary increases across all employee categories. Across different staff levels the increases are based on:

Salary increases based on	CEO	Senior Management	Professional / Technical Staff	Other Staff
Sample Size	86	98	94	102
Performance	85%	93%	96%	97%
Market Data	85%	93%	94%	89%
Affordability	66%	68%	66%	70%
Cost of Living (CPI)	47%	59%	64%	68%
Tenure	15%	19%	28%	26%
Other	9%	11%	14%	13%

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

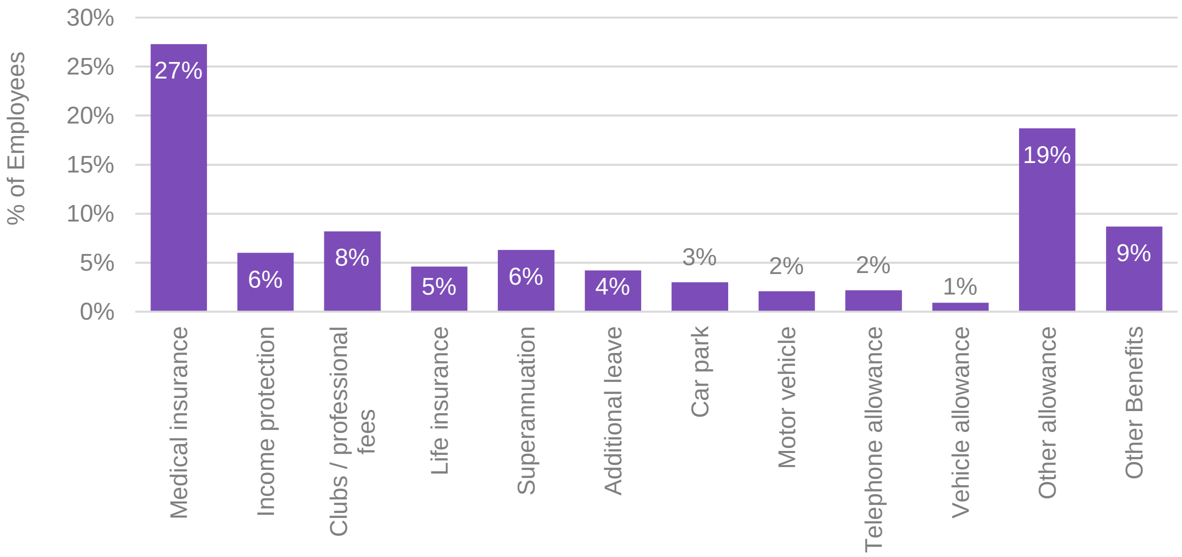
Employers had to readjust their salary budgets considering current market pressures

Benefits

40% of participants have made changes in the past 12 months to incentives and how they are provided with the most changes relating to bonuses or profit shares.

72% of employees are receiving employer contributions to KiwiSaver, with the majority of respondents having policies that provide a flat 3% employer contribution. The percentages of employees receiving benefits other than Kiwisaver are as follows:

Benefits Offered



Benefit allocation by staff level

Mobile phones, professional association fees, flu vaccinations, employee assistance programme (EAP) and education subsidies remain the most common benefits offered. Covid also gave rise to an increase in health checks, a benefit offered by 26% of participants, up from 19% last year.

Benefit	% of Total Organisations	CEO	Senior Management	Professional / Technical Staff	Other Staff
Insurances					
Health insurance	38%	90%	92%	82%	85%
Death & disability insurance	42%	88%	72%	47%	44%
Income protection insurance	28%	83%	66%	52%	48%
Telecommunications					
Mobile Phone	88%	89%	95%	85%	52%
Home telephone rental	28%	86%	48%	10%	7%
Home internet	34%	80%	49%	14%	11%
Memberships and Discounts					
Professional association fees	92%	83%	97%	84%	82%

Benefit	% of Total Organisations	CEO	Senior Management	Professional / Technical Staff	Other Staff
Airline club	40%	93%	66%	32%	17%
Subsidised gym	11%	91%	73%	73%	73%
Health and Wellbeing Benefits					
Flu vaccinations	86%	90%	97%	87%	99%
Employee Assistance Programme (EAP)	63%	86%	95%	92%	100%
Health checks	26%	96%	89%	67%	74%
Onsite gym, massage, fitness classes	11%	91%	91%	91%	91%
Education					
Education Subsidies / Full Reimbursement	70%	76%	93%	76%	92%
Study Allowance	41%	62%	79%	71%	83%

Changes to incentives

Participants were asked if they had made any changes in the past year to incentives and how they are provided. 60% of those stated no changes have been made. The remaining 40% indicated they have made changes in the past 12 months, with most relating to bonuses or profit shares. The changes made by organisations in the last 12 months are:

Bonus / profit share

- Bonus scheme introduced
- Bonus payment for promotion
- Employee health and wellbeing bonus
- Profit share scheme for non-shareholders
- Removed annual bonus and added value to salaries
- Sign on bonuses offered to graduates
- Sign on bonus for new employees
- Removed 'stand down' periods and 'factoring' from existing profit share scheme
- New middle management incentive programme

Leave

- Additional paid leave
- Added a 'wellbeing day off' in Mental Health Week
- Added birthday leave day

Allowances

- Increases to wellbeing allowances
- Increases to working away food allowances

Other

- 9 or 9.5 day fortnight
- Vehicles as part of remuneration
- Introduced an employee referral scheme
- Wellness initiative have been tailored to staff's needs
- Enhanced induction process
- More flexibility with working from home
- Relocation costs

Vacancies

The significant skills shortage remains the biggest issue we've heard about this year.

This year ACE has continued to advocate strongly for immigration settings that support the roles we need in professional services consulting, and we were pleased to see engineering roles strongly represented in the Government's straight to residence Green List. Attracting international talent remains a challenge, and we were pleased to partner with HainesAttract on an international recruitment campaign for consulting and engineering, and to work with our association partners and the Construction Sector Accord on a plan for a broader construction sector campaign. We will continue our advocacy in international recruitment, and now turn our eyes firmly to the opportunities to grow domestic talent for a strong and sustainable future in consulting.

The percentage of firms reporting vacancies remains high and has increased slightly across most job categories compared to the 2021 report. Filling vacancies remains difficult for roles within CAD draughtsperson, technician, graduate engineers, professional, specialist, manager and senior manager categories. Throughout the past five years, the professional engineers job category is consistently the most common job category for organisations to have vacancies, followed by graduate engineers. Roles at management level have been increasing in difficulty to fill for the past 3 years.

Job Category	Did You Have Any Vacancies?		How Many Vacancies?		Was It Easy To Fill?	
	Sample Size	% Organisations with Vacancies	Sample Size	Average Number of Vacancies	Sample Size	% Yes
CAD Draughtsperson	79	59%	46	1.6	47	30%
Technicians	66	38%	27	4.7	29	28%
Graduate Engineers	82	78%	59	4.8	63	65%
Professional	87	85%	68	6.5	73	21%
Specialist	62	52%	32	5.2	30	20%
Manager Level	65	42%	30	2.9	29	14%
Senior Management	61	41%	24	1.8	27	22%
Support Staff	71	56%	40	3.6	44	64%

Skills shortage

Participants were asked to identify their top three disciplines experiencing a skill shortage and 83% of organisations listed at least one discipline – of those, 72% listed a second discipline and 53% listed a third discipline in demand. While nearly all disciplines were identified by at least one organisation as being in demand, the table below lists the top eight disciplines experiencing a skills shortage.

Percentage of organisations reporting skill shortage

Discipline	Percentage of Organisations Reporting Skill Shortage
Structural	49%
Civil	40%
Geotechnical	22%
Environmental / Water	16%
Land Surveyors	13%
Fire	10%
Planners	9%
Mechanical	8%

The highest increase in skills shortage is seen in CAD Draughtsperson and Support Staff job categories. The table below shows the perception of skills shortage in the engineering market for each category.

Job Category	Do You Think There is a Skills Shortage in the Market Place?		What Was Your Success Rate Attracting the Right Skills for the Role/s?		Was the New Employee's Salary Offer in Line with Current Employees Pay in the Same Role?	
	Sample Size	% Yes	Sample Size	Average Rating Out Of 5	Sample Size	% Yes
CAD Draughtsperson	50	84%	46	3.1	44	86%
Technicians	30	77%	27	3.0	26	85%
Graduate Engineers	66	41%	64	3.8	64	88%
Professional	75	88%	72	2.7	71	75%
Specialist	33	91%	30	2.7	27	67%
Manager Level	33	76%	30	3.2	29	72%
Senior Management	29	72%	27	3.3	26	65%
Support Staff	46	26%	44	3.9	44	89%


The skills shortage remains the biggest issue we've heard about this year

Workforce planning

With skills shortages remaining, managing retention is more important than ever to keep key staff, maintain business continuity and keep down costs of recruitment and training. While the general market has reported having to pay premiums to recruit or retain talented staff, only a small percentage of ACE New Zealand organisations provided a retention or sign-on bonus. The most common approach to attract and retain staff for 'key' or 'difficult to fill' positions is the same as last year, and includes flexible working arrangements, followed by a relocation allowance and mentoring. As with last year, nearly all organisations offer some form of work/ life balance benefit, such as a work from home policy, flexible hours or a nine-day fortnight.

38% of organisations report having some form of workforce plan or analytics in place to understand the workforce requirements and skills (up from 32% last year). Approaches include:

- Workforce plan developed from vacancies and/or likely staff turnover
- Factoring strategic plan, goals for expansion, key areas off growth
- Internal skills database
- Completing a skills/competency matrix
- Project management software and analytics tools
- Careers planning tool as part of our annual appraisal system that measures required skills and tracking
- Map of succession planning
- Reviewing / monitoring trends in actual hours worked to identify need for increase employee numbers.

22% of organisations are looking at changing or implementing a workforce plan in the next two years. 44% of these organisations do not currently have a plan in place.

Pay premiums

More than half of participants pay a premium in the structural discipline and nearly a third of organisations indicated they pay a premium in the Civil discipline. This year also sees premiums paid for Environmental / Water and Mechanical disciplines within manager and specialist roles.

The table below shows the percentage of respondents that pay a premium at professional levels in each discipline.

Professional level

Discipline	Professional (ENG114) (% of Organisations)	Mid-level Professional (ENG130) (% of Organisations)	Senior Professional (ENG115) (% of Organisations)
Sample Size	76	68	80
Architects	2%	-	4%
Civil	31%	30%	30%
Electrical / Electronic	2%	-	2%
Environmental / Water	2%	2%	2%
Geotechnical	9%	7%	13%
Land Surveyors	-	2%	2%
Mechanical	7%	9%	8%

Discipline	Professional (ENG114) (% of Organisations)	Mid-level Professional (ENG130) (% of Organisations)	Senior Professional (ENG115) (% of Organisations)
Planner	2%	2%	2%
Process (inc. Chemical)	4%	4%	2%
Project Management	4%	9%	6%
Quantity Surveyors	2%	2%	2%
Roading	2%	2%	2%
Structural	51%	57%	53%
Transport / Traffic / Rail	5%	9%	8%
Water Resources	2%	2%	2%

Note some of the totals per column exceeds 100 as some organisations pay a premium for more than one specialisation. Not all organisations provided information for all disciplines – of those that supplied information the percentages are presented in the table above.

The table below shows the percentage of respondents that pay a premium at manager level in each discipline.

Management level

Discipline	Manager (ENG116) (% of Organisations)	Intermediate Manager (ENG117) (% of Organisations)	Senior Manager (ENG135) (% of Organisations)
Sample Size	37	27	36
Architects	-	6%	4%
Civil	22%	28%	25%
Environmental / Water	-	6%	4%
Geotechnical	7%	17%	8%
Land Surveyors	4%	6%	8%
Mechanical	7%	6%	8%
Process (inc. Chemical)	4%	6%	4%
Project Management	7%	-	4%
Roading	4%	6%	4%
Structural	59%	56%	46%
Transport / Traffic / Rail	4%	6%	8%

Note some of the totals per column exceeds 100 as some organisations pay a premium for more than one specialisation. Not all organisations provided information for all disciplines – of those that supplied information the percentages are presented in the table above.

The table below shows the percentage of respondents that pay a premium at specialist level in each discipline.

Specialist level

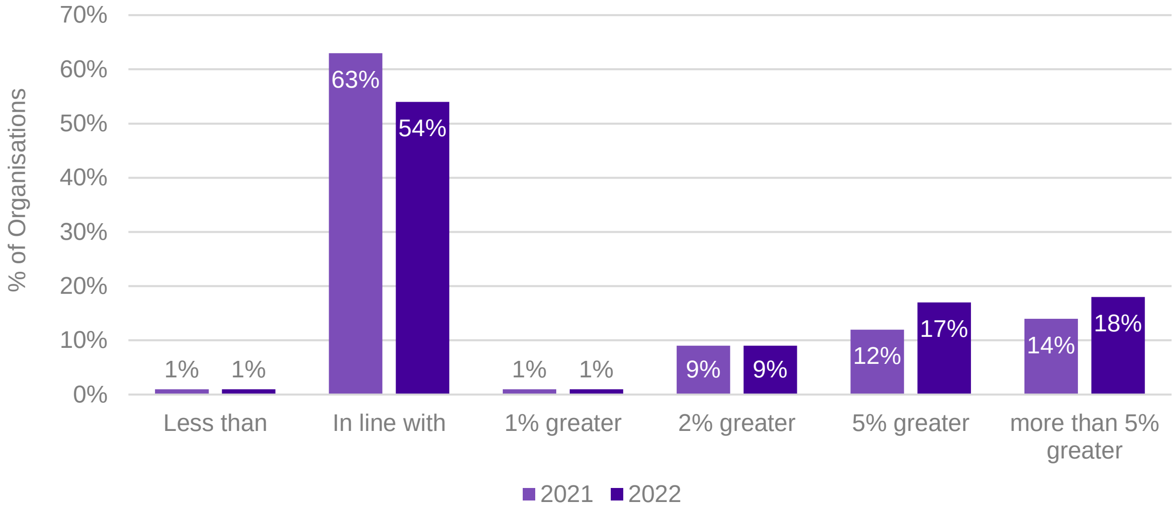
Discipline	Specialist (ENG118) (% of Organisations)	Senior Specialist (ENG140) (% of Organisations)	Advanced Specialist (ENG119) (% of Organisations)	Business Development Manager (ENG120) (% of Organisations)	Business / Regional Manager (ENG121) (% of Organisations)
Sample Size	42	27	21	19	35
Civil	39%	20%	19%	33%	24%
Environmental/ Water	7%	-	6%	-	4%
Geotechnical	11%	10%	19%	13%	12%
Mechanical	11%	20%	13%	13%	12%
Process (inc. Chemical)	11%	5%	6%	7%	4%
Project Management	-	5%	6%	7%	4%
Roading	4%	5%	6%	7%	4%
Structural	29%	50%	31%	20%	44%
Transport / Traffic / Rail	11%	5%	6%	7%	4%

Note some of the totals per column exceeds 100 as some organisations pay a premium for more than one specialisation. Not all organisations provided information for all disciplines – of those that supplied information the percentages are presented in the table above.

New employee salary

In the last 6 months over half of respondents have offered salaries to new employees that were in line with current or previous employees pay in the same role. Compared to last year, there is an increase in organisations offering salaries to new employees that are 5% higher or more 5% higher than the current or previous employees' salary. There is a corresponding decrease in organisations offering salaries in line with the current or previous employee's pay in the same role.

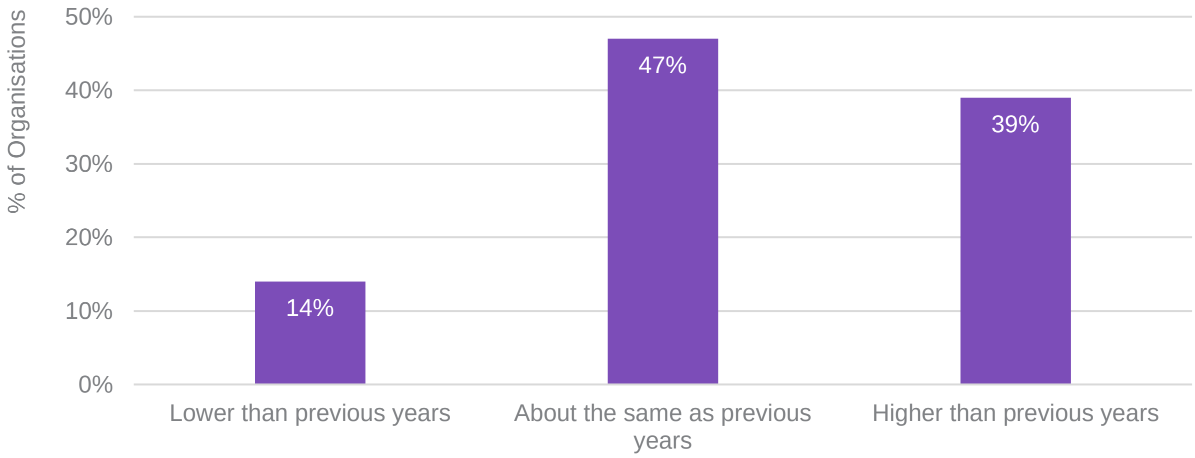
New employee salary



Turnover

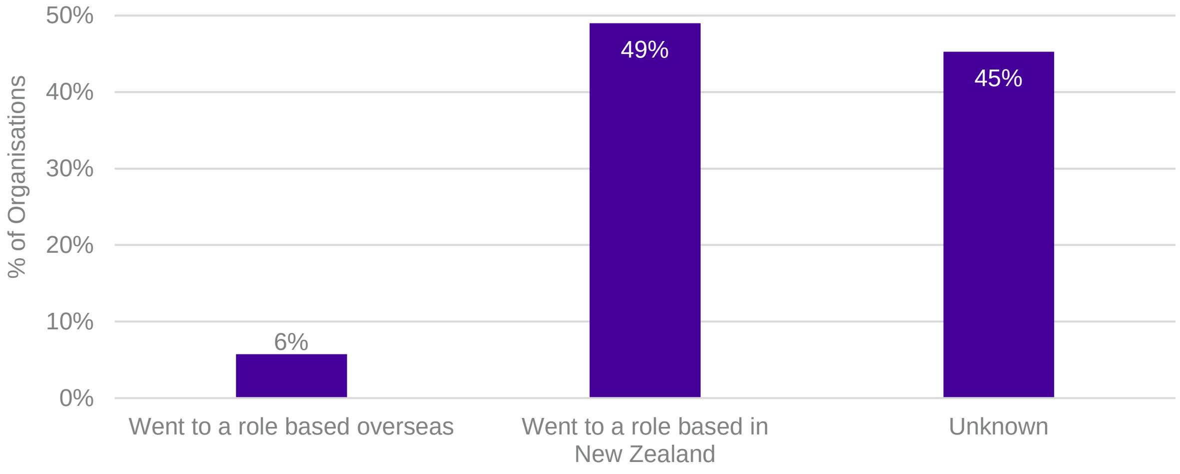
Participants were asked to provide details of employee turnover for the past 12 months in relation to previous years and for the past six months in relation to the previous 12 months. Results indicate employee turnover continues to increase, with more organisations reporting employee turnover is higher than in previous years and also higher in the past 6 months.

Past 12 months turnover compared to previous years



75% of organisations provided details of the total number of employees that have left in the past 12 months and how many left for roles based overseas or based in New Zealand. Only 6% of employees are known to have leave an organisation to take a job based overseas (compared with 4% last year). Unless organisations have a robust exit process in place, it can be difficult to determine why employees have decided to move to different roles, which can be seen in the graph with 45% of organisations not aware of where the employee has gone.

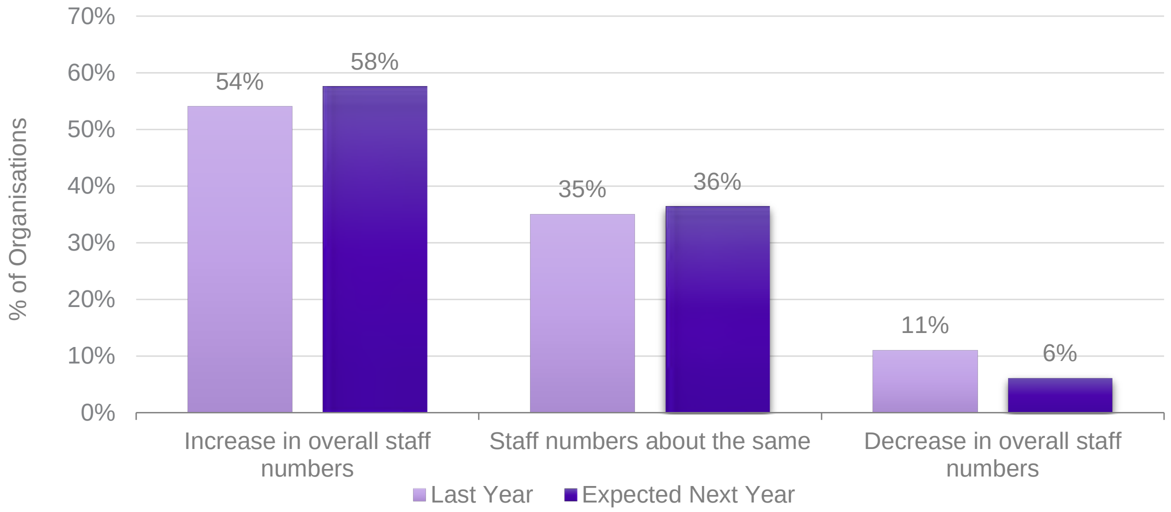
Previous employees



Staff levels

Respondents were asked to comment on patterns in terms of their overall staff numbers. Figures from last year and expected statistics for next year were submitted as shown in the graph.

Patterns of overall staff numbers



Retention tools

91% of organisations indicated they utilise at least one of the listed approaches below to attract and retain staff for key or difficult to fill positions.

The most common approaches to attract and retain staff for key or difficult to fill positions continue to be flexible working arrangements with 84% using this approach and 64% of organisations finding this has a good impact in attracting and retaining staff. Other popular approaches are relocation allowance and mentoring, and while less popular, enhanced induction processes, enhanced training/management training, and enhanced benefits also have a reportedly good impact on attraction and retention.

Approach	% of Organisations Using	Effectiveness of Approach		
		Good Impact	No Long-Term Impact	Can't Tell
Flexible Working Arrangements	84%	64%	3%	17%
Relocation Allowance	64%	61%	14%	18%
Mentoring	63%	51%	2%	29%
Sign-on	35%	42%	8%	39%
Enhanced Training	33%	68%	-	24%
Accelerated Salary Progression	29%	43%	20%	33%
Enhanced Benefits	27%	68%	-	18%
Enhanced Management Training	27%	61%	7%	21%
Additional Holidays	26%	59%	19%	22%
Enhanced Induction Process	19%	70%	5%	25%
Retention Bonus	13%	31%	15%	38%
Other	11%	55%	-	18%

Note: percentages do not add to 100% as not all organisations using an approach indicated its effectiveness.

Other approaches used for retention and attraction include:

- Discounted holiday packages, electronic ware and banking rates
- Shareholding opportunities
- Top up of paid parental leave payments to full salary for up to 18 weeks
- Paid secondary carer leave of up to two weeks
- Spot bonuses for one-off great performance
- Wellbeing vouchers
- Lots of social events to celebrate
- Public appreciation
- Performance bonuses
- Overtime can be accumulated then used as Time in Lieu for extra leave
- Employee Referral Programme
- Paid overtime

Retention – Engineering specific roles

The table below shows the percentage of organisations experiencing retention issues and the percentage of organisations with tools to aid retention.

Job Category	Did You Experience Retention Issues with Current Staff?		Do You Have Specific Retention Tools?	
	Sample Size	% Yes	Sample Size	% Yes
CAD Draughtsperson	51	27%	45	47%
Technicians	31	39%	28	57%
Graduate Engineers	65	23%	60	50%
Professional	71	41%	66	47%
Specialist	31	52%	28	54%
Manager Level	37	38%	32	59%
Senior Management	33	24%	30	63%
Support Staff	47	26%	45	47%

Attraction - Engineering specific roles

The table below shows the percentage of organisations with specific attraction tools in hiring new staff.

Job Category	Do You Have Specific Attraction Tools		Do You Offer Bonus or Incentive Schemes?	
	Sample Size	% Yes	Sample Size	Average Rating
CAD Draughtsperson	45	49%	48	56%
Technicians	28	57%	34	50%
Graduate Engineers	62	63%	62	45%
Professional	67	54%	70	57%
Specialist	29	59%	33	70%
Manager Level	32	63%	36	56%
Senior Management	29	69%	34	65%
Support Staff	44	43%	47	47%


69% of organisations plan to train or upskill existing staff to meet the skills gaps

Training

69% of organisations have plans and/or processes in place to train or upskill existing staff to meet the skills gaps in their organisation over the next 12 months (up from 62% last year). The median training budget per employee is $1,235 (up from $1,190 last year) and the average training budget per employee is $2,306 (up from $1,841 last year). The chart shows the median and average percentages of organisations total training budgets allocated at each employee level.

Allocation of training budget

CPEng bonuses and salary increases

Participants were asked whether they pay a bonus or increase base salary when an employee achieves CPEng, the results are shown in the table. 67% of participants have a policy of increasing the employee's base salary on achievement of CPEng with nearly all these organisations providing a bonus or a salary increase. Some participants increase their base salary by a fixed value instead of a percentage of base salary, with values ranging from $2,000 to $10,000. Other provisions include moving employees up a band and increasing base salary based on performance. 17% of organisations reported they pay a bonus on achievement of CPEng. Of those organisations, 50% pay a bonus based on a percentage of the employees' base salary while the other 50% pay a bonus of a set dollar value.

CPEng Policy	% of Organisation	Median % of Base Salary
Pay a bonus	17%	-
Increase base salary	67%	10%

Working from home

60% of organisations currently have a working from home policy (increased from 44% in 2021). Working from home allowances continue to be uncommon.

The table below shows the percentage of organisations providing working from home options to each job category. Other working from home policies or provisions include:

- One day per week although not on set days
- Operate flexible working environments that allow for working from home

- At manager discretion based on needs and wants of the employee, team and role
- Informal / ad hoc arrangements – primarily in the office and working from home occasionally
- Employees can work from home if they need to – but are encouraged to work from the office
- Considered on a case-by-case basis, considering guiding principles, impacts on culture and performance, consideration of role and team impact, and health and safety of the working location.

Positive outcomes observed by organisations include:

- Improved staff wellbeing with work / life balance and fewer sick days
- Attraction and retention of employees
- Reduced office costs
- In some cases, productivity has increased
- Employees feel trusted
- Saving of time and money and reduced commuting time
- Update of new IT systems
- Reduced spread of mild illness.

Negative outcomes observed by organisations include:

- Require regular reporting and time keeping
- Some employees more affected by the isolation and loneliness of working from home
- Difficulties with integrating and training new or junior staff
- Negative impact on office culture – team cohesion, connection, working relationships
- A very small percentage of staff who find it difficult to be motivated / fully engaged when working from home
- Reduction in efficiency and more time being spent on projects
- Reduced communication and teamwork
- Loss of productivity
- Lack of senior representation sometimes within the office to support the junior staff or graduates
- People miss learning by osmosis from being in the office

Options	**Job Categories**							
	CAD Draught-person	Technician	Grad Engineers	Profess-ional Engineers	Specialists	Manage-ment level	Senior Manage-ment	Support Staff
Can work from home regularly	40%	34%	34%	52%	45%	49%	50%	49%
Equipment supplied	39%	34%	34%	49%	42%	44%	50%	47%
Limited days at home per week (organisation wide policy)	16%	13%	10%	15%	12%	15%	15%	14%
Limited days at home per week (at manager's discretion)	23%	22%	20%	29%	24%	23%	25%	30%

Unlimited days at home per week (organisation wide policy)	5%	5%	4%	8%	9%	7%	6%	6%
Unlimited days at home per week (at manager's discretion)	13%	11%	13%	16%	15%	14%	17%	17%
Other provisions or conditions	14%	13%	13%	15%	13%	13%	14%	16%

Work / life balance

Similar to last year, 95% of organisations offer some form of work / life balance benefit. Of those organisations who responded, the following table details the responses across the varying staff categories.

Work / Life Balance Initiative	Senior Management	Professional / Technical Staff	Other Staff
Sample Size	**88**	**91**	**96**
Flexible hours	94%	97%	92%
Working from home	92%	91%	82%
Part-time work	42%	64%	78%
Job-share	5%	7%	14%

Other work / life balance initiatives utilised by organisations include:

- Choice of time in lieu or overtime
- Compressed work week or fortnight – 9 day fortnight, 9.5 day fortnight, 4 day week
- Flexible start and finish times
- New parents can work from home to support their partners

Managing retention is more important than ever

Diversity and inclusion

At ACE New Zealand, we value diversity and inclusion and the benefits these bring to our organisations and our sector. Giving our attention to the diversity of our workforce, and the inclusivity of our firms, is not only the right thing to do, but also what we need to do to ensure a sustainable sector and strong businesses into the future. That's why better understanding our workforce and creating pathways for participation and growth, to create equitable and inclusive cultures where everybody thrives, and to build a network of champions advocating for diversity and inclusion, is so crucial.

You can find our Diversity and Inclusion Policy on our website. We are a partner of The Diversity Agenda along with Engineering New Zealand and Te Kāhui Whaihanga New Zealand Institute of Architects. The Diversity Agenda strategy was launched in November 2022 and at this time there were 150 Diversity Agenda members and 55 Diversity Accord signatories.

30% of organisations reported they have a diversity and inclusion policy (up from 26% last year). Further initiatives include:

- Being a member of the Diversity Agenda
- Diversity and inclusion policies promoting equity for all employees, applicants, and other people in the business and to prohibit any discrimination because of age, disability, gender reassignment, marital or civil partner status, pregnancy or maternity, race, colour, nationality, ethnic or national origin, religion or belief, sex, or sexual orientation
- Have a diversity and inclusion statement followed by six key principles that underpin this
- Have a basic D&I policy
- A proactive focus on eliminating any perceived or real barriers in the traditional areas of diversity.

Workforce age group

Organisations were asked to identify the age group representing the majority and minority of staff at each level. The table below shows the majority age group per each job category/level.

Job Category	19 - 25 Years Old (% of Organisations)	26 - 45 Years Old (% of Organisations)	46 - 55 Years Old (% of Organisations)	56 - 65 Years Old (% of Organisations)	65+ Years Old (% of Organisations)
CAD Draughtsperson	3%	78%	16%	3%	-
Technicians	20%	61%	12%	7%	-
Graduate Engineers	79%	19%	2%	-	-
Professional	-	87%	12%	1%	-
Manager	-	53%	35%	10%	2%
Specialist	-	39%	34%	20%	7%
General Manager	-	26%	45%	25%	4%

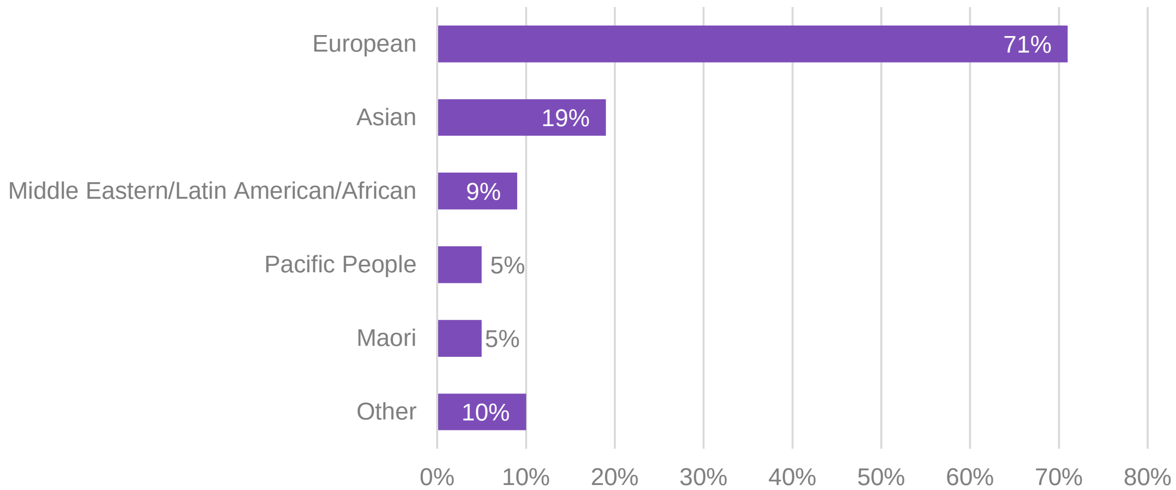
The table below shows the **minority** age group per each job category / level.

Job Category	19 - 25 Years Old (% of Organisations)	26 - 45 Years Old (% of Organisations)	46 - 55 Years Old (% of Organisations)	56 - 65 Years Old (% of Organisations)	65+ Years Old (% of Organisations)
CAD Draughtsperson	38%	6%	24%	18%	14%
Technicians	28%	12%	21%	27%	12%
Graduate Engineers	29%	62%	-	2%	7%
Professional	15%	22%	28%	19%	16%
Manager	9%	27%	27%	25%	12%
Specialist	9%	24%	21%	34%	12%
General Manager	8%	40%	24%	20%	8%

Workforce ethnicity

The average distribution of ethnicity across organisations shows 41% of the workforce is European, and Pacific People and Māori are just 5% each. In 2021 Pacific People and Māori were 2% and 3% respectively.

Average percentage of ethnicity in organisation



Gender pay

In most roles male workers are being paid more except for Trainee CAD operators, CAD operators, and Senior Quantity Surveyor. The distribution of the sample is important to note within these industry specific engineering roles where the majority are still male employees.

Job Code	Job Category	Total Gender Sample Size (Female and Male)	% Female	% Male	Base Salary % Bias to Male
ENG101	Trainee CAD Operator / Cadet	23	39%	61%	-2%
ENG102	CAD Operator	54	31%	69%	-4%
ENG103	CAD/Design Draughtsperson	122	33%	67%	1%
ENG104	Senior CAD/Design Draughtsperson	211	23%	77%	8%
ENG105	CAD/Drawing Operations Supervisor/Manager	111	10%	90%	6%
ENG106	Trainee Technician / Cadet	91	25%	75%	1%
ENG107	Technician	126	29%	71%	5%
ENG108	Senior Technician	167	26%	74%	3%
ENG109	Technician Supervisor / Manager	132	19%	81%	1%
ENG110	Graduate - Entry	236	36%	64%	2%
ENG111	Graduate 2nd Year	195	34%	66%	1%
ENG112	Graduate 3rd Year	331	38%	62%	4%
ENG113	Graduate 4th Year	329	43%	57%	1%
ENG114	Professional	1,010	35%	65%	2%
ENG130	Mid-level Professional	562	30%	70%	3%
ENG115	Senior Professional	1,335	25%	75%	4%
ENG116	Manager	469	23%	77%	2%
ENG117	Intermediate Manager	284	19%	81%	3%
ENG135	Senior Manager	270	18%	82%	5%
ENG118	Specialist	832	22%	78%	2%
ENG140	Senior Specialist	628	15%	85%	1%
ENG119	Advanced Specialist	593	12%	88%	5%
ENG120	Business Development Manager	68	16%	84%	13%
ENG121	Business / Regional Manager	179	14%	86%	11%
ET98	Graduate - Entry Quantity Surveyors	14	50%	50%	5%
ET95	Senior Quantity Surveyor	29	28%	72%	-12%

Pay bias 2018 to 2021

The table below shows the percentage of pay bias towards males' base salary for 2018 to 2022. It is worth noting the percentage gap can be volatile where there are smaller sample sizes or gender samples relative to the proportion of females. Compared to 2021 jobs with improved gaps include Senior Technician, Manager, Senior Manager and Senior Specialist. The pay gap in Senior CAD / Design Draftsperson remains high at 8%, however, the pay gap for a CAD Operator has reduced significantly from 6% in 2021 towards women at -4% in 2022. Jobs where the pay gap has widened by more than 1% include Trainee Technician / Cadet, Graduate – Entry, Graduate 3rd Year, Intermediate Manager, and Advanced Specialist.

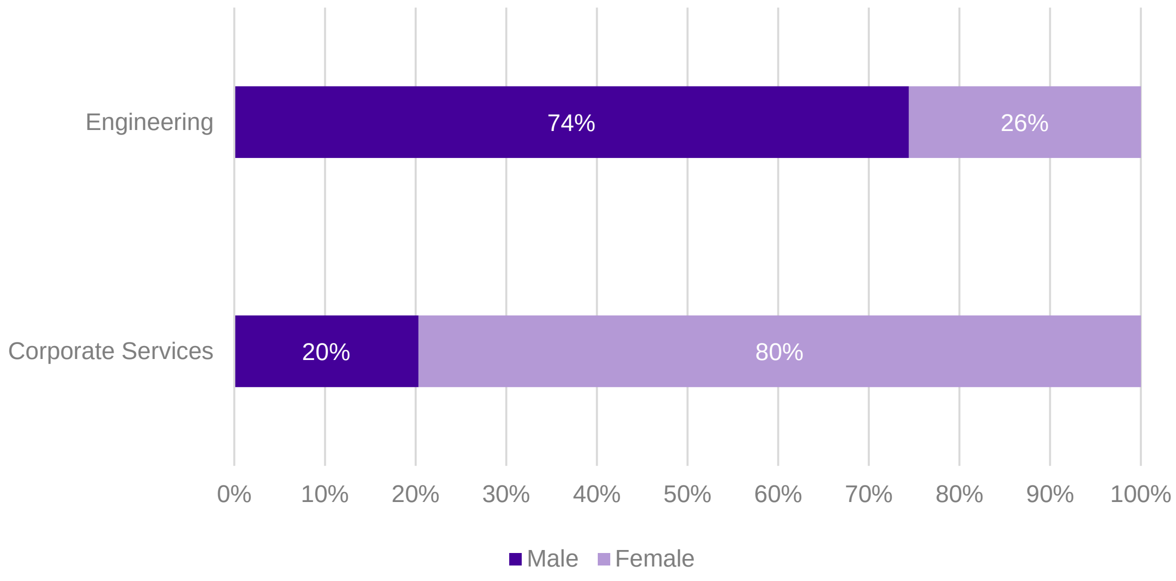
Base Salary percentage Bias to Males 2018 to 2022

Benchmark Job	2018	2019	2020	2021	2022
CAD Operator	-3%	6%	8%	6%	-4%
CAD / Design Draughtsperson	2%	-1%	-1%	2%	1%
Senior CAD / Design Draughtsperson	12%	10%	3%	7%	8%
Trainee Technician / Cadet	-9%	-5%	-1%	-2%	1%
Technician	-5%	1%	-1%	2%	5%
Senior Technician	11%	9%	5%	6%	3%
Technician Supervisor / Manager	10%	3%	-4%	2%	1%
Graduate - Entry	1%	-1%	0%	-1%	2%
Graduate 2nd Year	0%	0%	1%	0%	1%
Graduate 3rd Year	1%	1%	1%	1%	4%
Graduate 4th Year	1%	1%	4%	1%	1%
Professional	2%	3%	1%	1%	2%
Mid-level Professional	2%	0%	1%	2%	3%
Senior Professional	3%	4%	4%	5%	4%
Manager	4%	1%	1%	5%	2%
Intermediate Manager	6%	3%	4%	0%	3%
Senior Manager	1%	6%	4%	8%	5%
Specialist	7%	5%	4%	2%	2%
Senior Specialist	5%	4%	3%	4%	1%
Advanced Specialist	3%	3%	6%	3%	5%

Distribution of overall gender

74% of workers in the engineering job function are male, while 80% of workers in corporate services are female.

Gender population by job function



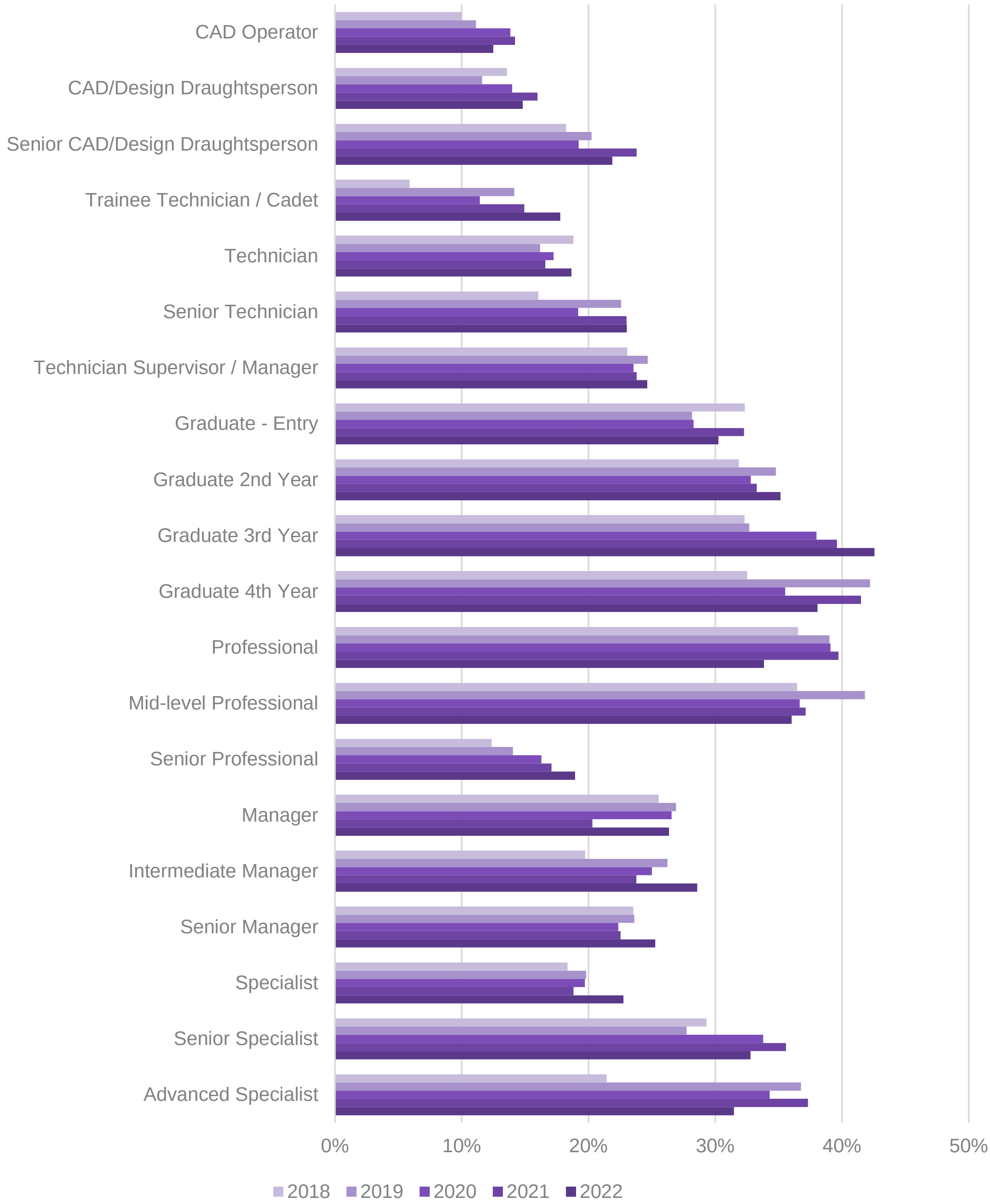
Gender policies

31% of organisations have a policy around gender equity with respondents indicating roles are remunerated based on qualifications, merit and experience as well as equal opportunities for both genders. Organisations have been supporting gender equity through:

- Membership of The Diversity Agenda and/or Diversity Accord
- Conducting annual review of pay parity
- Monitoring internal gender pay gap
- Having a detailed policy around recruitment and day to day management of any issues
- Having women represented at Director and Senior Management level

Percentage of females 2018 to 2022

From graduate up to mid-level professional, percentages of females within these roles have ranged from 28% to 42% over the four years. However, percentages of females continue to be significantly less in senior professional roles.

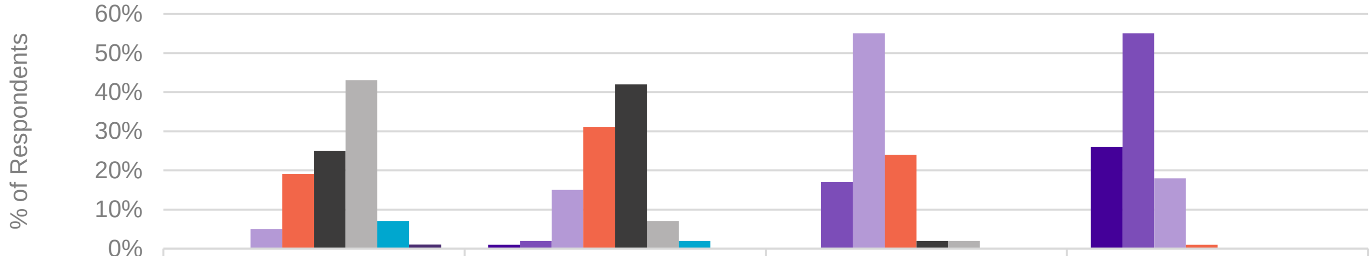


Distribution of ethnicity across organisations shows Māori are up from 3% in 2021 to 5%

Charge out rates

The most common range for hourly charge out is between $151 and $200 for professional / technical staff followed by $101 to $150 for other staff. This has not changed over the previous year. The table shows the percentage of organisations with charge out rates within each range for individual benchmark jobs.

Charge out rate per category



	CEO	Senior Management	Professional / Technical Staff	Other Staff
$50-$100	0%	1%	0%	26%
$101-$150	0%	2%	17%	55%
$151-$200	5%	15%	55%	18%
$201-$250	19%	31%	24%	1%
$251-$300	25%	42%	2%	0%
$301-$350	43%	7%	2%	0%
$351-$400	7%	2%	0%	0%
$401-$450	1%	0%	0%	0%

Benchmark Position and Job Code	Sample	Charge Out Rate Per Hour (% of Organisations)							
		$50 - $100	$101 - $150	$151 - $200	$201 - $250	$251 - $300	$301 - $350	$351 - $400	$401 - $450
Trainee CAD Operator / Cadet (ENG101)	37	51%	49%	-	-	-	-	-	-
CAD Operator (ENG102)	41	12%	81%	7%	-	-	-	-	-
CAD /Draughtsperson (ENG103)	60	3%	77%	18%	2%	-	-	-	-
Senior CAD / Draughtsperson (ENG104)	65	1%	28%	66%	5%	-	-	-	-
CAD / Drawing Operations Supervisor / Manager (ENG105)	42	-	10%	71%	17%	2%	-	-	-
Trainee Technician / Cadet (ENG106)	29	52%	48%	-	-	-	-	-	-

Benchmark Position and Job Code	Sample	Charge Out Rate Per Hour (% of Organisations)							
		$50 - $100	$101 - $150	$151 - $200	$201 - $250	$251 - $300	$301 - $350	$351 - $400	$401 - $450
Technician (ENG107)	37	16%	73%	11%	-	-	-	-	-
Senior Technician (ENG108)	44	2%	25%	73%	-	-	-	-	-
Technician Supervisor / Manager (ENG109)	27	-	15%	67%	18%	-	-	-	-
Graduate Engineers 1-4 Years (ENG110-ENG113)	79	4%	75%	21%	-	-	-	-	-
Professional (ENG114)	79	-	25%	66%	6%	3%	-	-	-
Mid-level Professional (ENG130)	72	-	8%	68%	20%	4%	-	-	-
Senior Professional (ENG115)	80	-	4%	35%	39%	21%	1%	-	-
Manager (ENG116)	50	-	2%	20%	60%	10%	8%	-	-
Intermediate Manager (ENG117)	36	-	3%	19%	47%	22%	6%	3%	-
Senior Manager (ENG135)	45	2%	-	7%	38%	38%	11%	4%	-
Specialist (ENG118)	48	-	-	13%	50%	29%	8%	-	-
Senior Specialist (ENG140)	42	-	2%	7%	24%	43%	22%	2%	-
Advanced Manager (ENG119)	34	-	3%	3%	27%	29%	32%	3%	3%
Business Development Manager (ENG120)	25	-	-	16%	32%	16%	32%	-	4%
Business / Regional Manager (ENG121)	36	-	-	6%	11%	28%	33%	17%	5%

Conclusion

Our 2022 survey provides valuable insights into remuneration and benefits across the sector during what continues to be a challenging economic period in New Zealand and globally. For ACE New Zealand member organisations, workforce planning is vital to balance the current economic climate in the wake of Covid-19.

Moving forward forecasts are for inflation to continue to rise and, for the immediate term at least, for unemployment to remain low. There is also a certain amount of lag in remuneration data, with forecast base salary projections demonstrating that strong increases are expected to continue. This will only further add to wage pressure, especially for technical and specialist positions where skills shortages have been experienced over the longer term, such as those found within ACE New Zealand member organisations.

While we know money plays an important role in attracting and retaining workers, we also know employees place high value on benefits such as flexible working arrangements, good onboarding processes, mentoring and training. These benefits are more important than ever in a tight labour market and prospective employees are also looking at employers' environmental and social governance initiatives and ratings. We encourage you to use this summary report as a tool to drive employee recognition, engagement and satisfaction.

Feedback

We welcome feedback from participating organisations regarding additions, deletions or enhancements to the survey.

Let's talk. Please send your feedback to: letstalk@acenz.org.nz

Appendix

Base salary, fixed remuneration and total remuneration

The whole sample market movements for each benchmark job show the movement in the market for those roles compared to the 2021 results. Changes in survey sample are a reflection of differing participating organisations and the changing nature of the workforce. These factors affect the remuneration market and should be taken into consideration when assessing remuneration placement.

By benchmark position 2021 to 2022

This table outlines the median whole sample movements for base salary, fixed remuneration and total remuneration since the 2021 report.

Whole sample median movements by benchmark position 2021 to 2022

Benchmark Position Code	Benchmark Position Title	Base Salary	Fixed Remuneration	Total Remuneration
ENG101	Trainee CAD Operator / Cadet	9.2%	7.6%	10.0%
ENG102	CAD Operator	5.7%	4.9%	4.7%
ENG103	CAD/Design Draughtsperson	5.1%	5.9%	4.9%
ENG104	Senior CAD/Design Draughtsperson	3.9%	4.5%	4.3%
ENG175	CAD Designer	6.0%	5.0%	5.2%
Weighted Average Design		5.1%	5.2%	5.0%
ENG106	Trainee Technician / Cadet	4.0%	3.8%	5.0%
ENG107	Technician	5.6%	3.4%	3.7%
ENG108	Senior Technician	3.5%	2.3%	2.4%
ENG109	Technician Supervisor / Manager	1.6%	1.9%	2.7%
Weighted Average Technical		3.9%	2.8%	3.3%
ENG110	Graduate – Entry	4.2%	3.5%	3.4%
ENG111	Graduate 2nd Year	6.5%	5.7%	6.7%
ENG112	Graduate 3rd Year	5.8%	6.2%	5.3%
ENG113	Graduate 4th Year	5.3%	5.5%	4.4%
Weighted Average Graduate		5.3%	5.2%	4.8%
ENG114	Professional	7.5%	6.5%	6.8%
ENG130	Mid-level Professional	5.4%	5.2%	5.4%
ENG115	Senior Professional	4.5%	4.3%	4.6%
Weighted Average Professional		5.8%	5.3%	5.6%

ENG116	Manager	3.7%	3.5%	4.1%
ENG117	Intermediate Manager	2.5%	1.6%	1.7%
ENG135	Senior Manager	4.2%	3.0%	0.8%
ENG120	Business Development Manager	3.7%	1.3%	0.7%
ENG121	Business / Regional Manager	0.3%	1.9%	2.1%
Weighted Average Manager		3.1%	2.6%	2.4%
ENG118	Specialist	2.5%	1.8%	2.5%
ENG140	Senior Specialist	-0.5%	-1.3%	-0.9%
ENG119	Advanced Specialist	0.5%	1.4%	1.3%
ENG191	Digital Specialist	0.6%	1.6%	1.9%
ENG192	Senior Digital Specialist	6.8%	7.4%	5.4%
ENG193	Advanced Digital Specialist	4.8%	3.3%	1.2%
Weighted Average Specialist		1.0%	0.8&	1.2%
Overall		4.1%	3.8%	3.9%

The same incumbent median movements in the table below are the result of an analysis of employees who are in the same role (benchmark position) in 2022 compared to 2021. These movements are a reflection of salary increases in the past 12 months to employees in each of the benchmark positions.

Same incumbent median movements by benchmark position 2021 to 2022

Benchmark Position Code	Benchmark Position Title	Base Salary	Fixed Remuneration	Total Remuneration
ENG101	Trainee CAD Operator / Cadet	11.8%	12.5%	12.5%
ENG102	CAD Operator	7.6%	7.5%	7.5%
ENG103	CAD/Design Draughtsperson	7.0%	7.5%	7.5%
ENG104	Senior CAD/Design Draughtsperson	5.5%	5.5%	5.9%
ENG175	CAD Designer	8.5%	9.2%	8.8%
Average same incumbent movements - Design		7.7%	7.9%	7.9%
ENG106	Trainee Technician / Cadet	9.9%	10.0%	9.9%
ENG107	Technician	8.6%	10.3%	9.4%
ENG108	Senior Technician	5.7%	5.7%	5.5%
ENG109	Technician Supervisor / Manager	5.5%	5.3%	5.7%

Average same incumbent movements - Technical		7.4%	7.8%	7.6%
ENG114	Professional	9.4%	9.5%	9.5%
ENG130	Midlevel Professional	8.0%	8.2%	8.2%
ENG115	Senior Professional	7.6%	7.7%	8.3%
Average same incumbent movements - Professional		8.4%	8.5%	8.7%
ENG116	Manager	7.0%	7.1%	7.6%
ENG117	Intermediate Manager	6.3%	5.8%	6.3%
ENG135	Senior Manager	5.4%	5.1%	5.4%
ENG120	Business Development Manager	6.0%	6.0%	5.3%
ENG121	Business / Regional Manager	5.4%	5.5%	7.0%
Average same incumbent movements - Manager		6.0%	5.9%	6.3%
ENG118	Specialist	5.3%	5.2%	5.4%
ENG140	Senior Specialist	5.7%	5.8%	5.4%
ENG119	Advanced Specialist	6.3%	6.0%	6.4%
ENG191	Digital Specialist	6.0%	6.0%	6.5%
Average same incumbent movements - Specialist		5.8%	5.8%	6.1%
Overall		7.0%	7.1%	7.3%

Remuneration by location

The following table illustrates the difference in the current survey in median fixed remuneration between different geographical sectors of the country. In Grade 4-9, Auckland is 6% above the national average and Waikato/BOP is 3% below the national average. In most other grades the remuneration is generally within 2% of the average.

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%	106%	97%	103%	100%	104%	99%
10 - 14	100%	101%	99%	98%	101%	99%	101%
15 - 19	100%	102%	100%	99%	102%	98%	98%
20 - 24	100%	103%	98%	100%	97%	99%	99%
Average	100%	103%	98%	100%	100%	100%	99%

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