



Annual Salaries Report

Year ending March 2007

October 2007

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Summary

Salaries and vacancy levels in the technical communication industry have been impacted by strong demand and skills shortages. The following report shows a significant increase in rates over 2006. During the year, the availability of candidates for positions was very tight and most contractors reported having the choice of several roles each time they were in the market. Responses to advertisements were generally low and often from overseas applicants seeking to work in Australia. At this stage there are no indications that this situation is likely to change in the short term.

As a recruiter of documentation specialists who work across a range of industries, TechWriter Placements & Services (TechWriter) is ideally placed to review the market rates paid and comment on emerging trends.

This report summarises the results of analysis on rates paid by Techwriter and our customers during the period April 2006 – March 2007. We have only presented high level findings on salaries, for a more detailed analysis discussing the reasons for salary variations in more depth please contact us at info@techwriter.com.au or on 1300 788 716.

A summary of our findings on rates is outlined in the table below.

<p>Overall</p>	<p>48% of employees and contractors earned between \$80,000 and \$100,000 package (ie salary including compulsory superannuation). 30% earned between \$90,000 and \$100,000.</p> <p>As seen in 2006, there are clear differences in rates according to industry. The majority (50%) of those earning less than \$70,000 were in the defence industry and 43% of those earning more than \$90,000 worked in financial services or IT.</p> <p>Compared to those in Survey 1, a greater proportion of those in Survey 2 reported earning less than \$60,000 (29%) and also more than \$92,000 (38%), reflecting the wider base of respondents to Survey 2. Lower earnings tend to be related to the amount of time working with 45% of those earning less than \$60,000 in Survey 2 reporting working part-time (25 hours or less per week) and 60% worked for 9 or fewer months.</p>
<p>Contractors</p>	<p>53% of contractors earned between \$80,000 and \$100,000 per annum and 14% earned over \$100,000 reflecting the high level of educational background and extensive experience of most contractors.</p> <p>33% earned between \$90,000 and \$100,000 and only 10% earned less than \$60,000. This is a change from 2006 when 48% earned between \$80,000 and \$90,000 and 11% earned less than \$60,000. There has been an increase in those earning over \$90,000 (47% cf 19% in 2006)</p>
<p>Permanent placements</p>	<p>There has been a continued increase in the number of permanent placements and in the amounts being paid.</p> <p>This year there was a good spread of opportunities across all salary ranges. 58% were between \$60,000 and \$80,000 with</p>

	36% between \$70,000 and \$80,000. 28% were in the range \$90,000 to \$120,000 for senior practitioners and management roles ¹
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Background

This report summarises the results of analysis on rates paid by Techwriter and our customers during the period April 2006 – March 2007.

Survey 1

This survey is an analysis of the rates paid for a representative sample of over 200 successful TechWriter contract and permanent placements made during the period.

The amounts reported in this survey are equivalent full-time salary packages inclusive of superannuation. It is worth noting, however, that for some contracts, the client has a fixed budget and a contractor who is keen for work may be willing to accept a lower rate than usual.

Also, the actual amounts earned by individuals may differ depending on the variation of rates obtained during the year, the percentage of time employed and the number of hours worked.

How contractors' earnings were determined

The hourly rate earned by each contractor has been extrapolated to estimate the potential full year income. The equivalent annual salary is calculated assuming that the hourly rate applied for the full year (see *Methodology section* at end for details of the calculation used).

This does not take into consideration:

- some of the work might have been part-time
- any overtime worked
- the contractor may not be able to find work for the full year.

The full-year estimates were validated by comparison with the actual payments to contractors who worked for TechWriter on extended contracts (more than 6 months) during the same period. This survey has now been completed for the third year and thus comparisons can be made with prior periods.

Survey 2

The second survey collected salary information from anonymous respondents as part of our candidate satisfaction survey. In this survey, over 120 respondents provided details on the typical number of hours worked each week, the number of months they worked in the year and their approximate earnings.

The participants in this survey were those who had a significant interaction with TechWriter during the year. Over 50% of the sample did not actually work through TechWriter and thus these results help provide us with a broader market view. Some respondents to Survey 2 may also be included in Survey 1.

This is the third year that these results have been available so prior year comparisons are possible. When comparing the salary results with those of Survey 1, only those who reported earning for the full year are included.

¹ Small sample, 5% of total for survey 1

Comparing results with previous years

There have been a number of surveys conducted over the past few years that attempt to provide a view of the marketplace conditions for documentation specialists. We will continue to conduct similar analyses each year to enable improved comparisons to be made. To date the demographics have largely stayed the same which gives support to the perceived increases in rates. Other surveys you may like to refer to are listed on our website at <http://www.techwriter.com.au/news/salary.htm>

Salaries

In 2007 most documentation specialists are earning the equivalent of between \$80,000 and \$100,000 (see Figure 1 below). Our preliminary analysis indicates that – in comparison to other documentation specialists – those earning incomes above this level have a combination of longer industry experience, higher qualifications and niche skills that are in demand.

When each attribute is viewed in isolation, there remains no clear correlation between educational background and salary, or years of experience and salary. However, there seems to be a relationship between the combination of educational background and years of experience that generally impacts rates.

The most significant change this year is the increase in the number of those earning more than \$90,000. It has risen to 44% from 19% in 2006 and 13% in 2005.

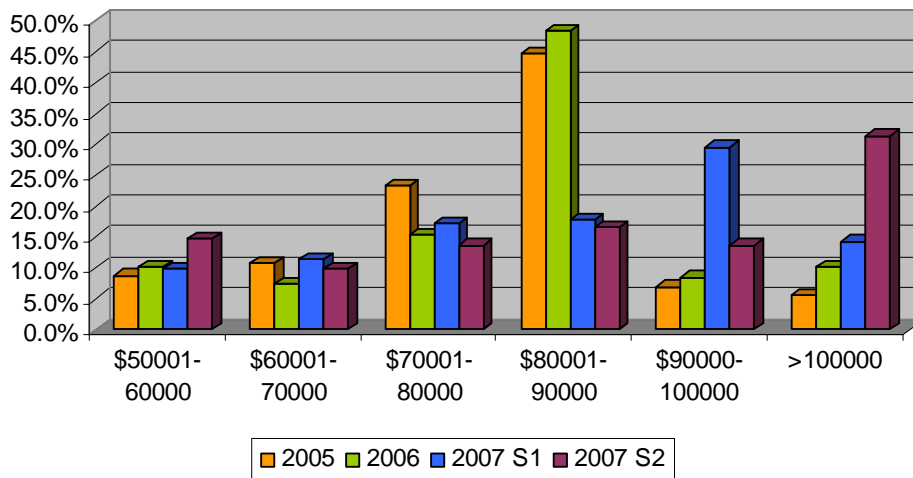


Figure 1: Annual salary ranges (inc superannuation) for documentation specialists

Contractors vs Permanent employees

Overall, in 2007 permanent employees earned less than those who were contracting as shown in the following chart. It should be noted however that the sample contains far fewer permanent placements (18%) as compared with contracts. This also reflects the relative levels of seniority of the roles. The higher salaries are being earned by either experienced contractors who are performing at a consulting level and permanent roles for management or senior technical writers.

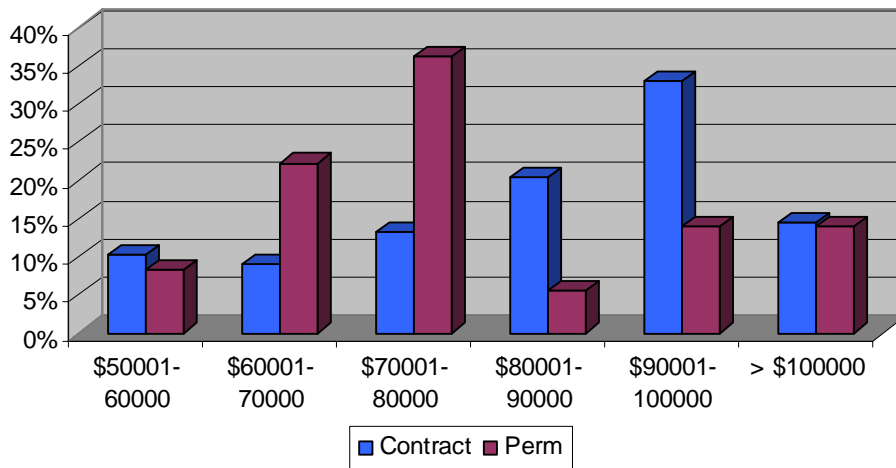


Figure 2: Annual salary ranges permanent compared to contractor

Results by job function

Overall, editors earned less than those working as technical and business writers in both surveys with the majority earning less than \$70,000. However, there are a small group who successfully earned considerably more (\$90,000-\$100,000); this seems to be as a result of taking some roles that involved technical or business writing. As in previous years, trainers and instructional designers earn high rates but the work is often more intermittent.

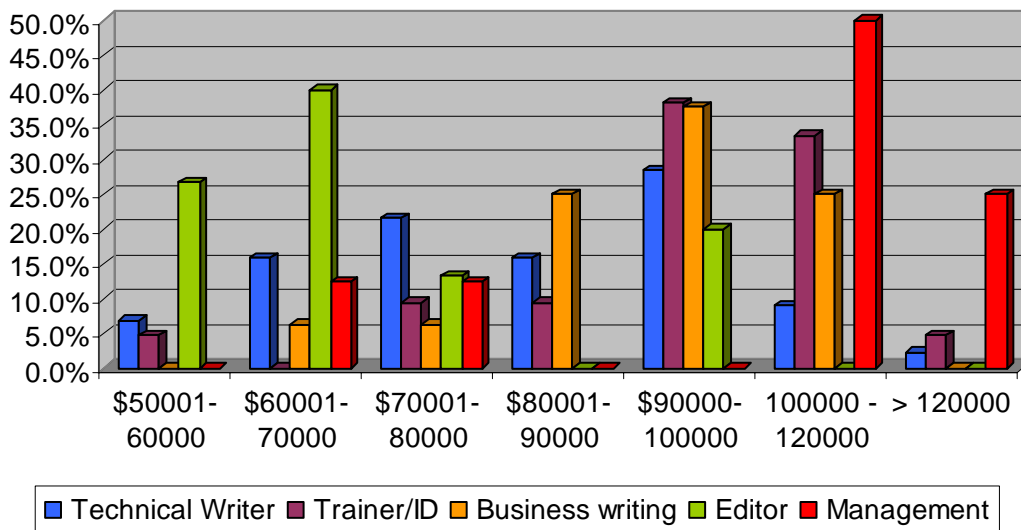


Figure 3: Annual salary ranges by main type of work (Survey 1)

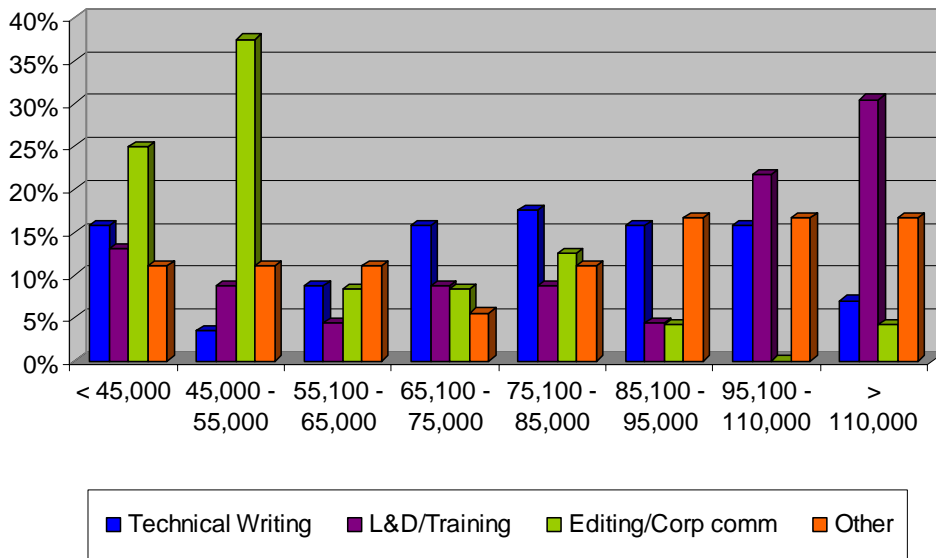


Figure 4: Annual salary ranges by main type of work (Survey 2)

Proportion of Job Function

Participants in both surveys worked in a variety of roles. Often the roles encompassed a number of skills and functions. The following chart indicates the main role:

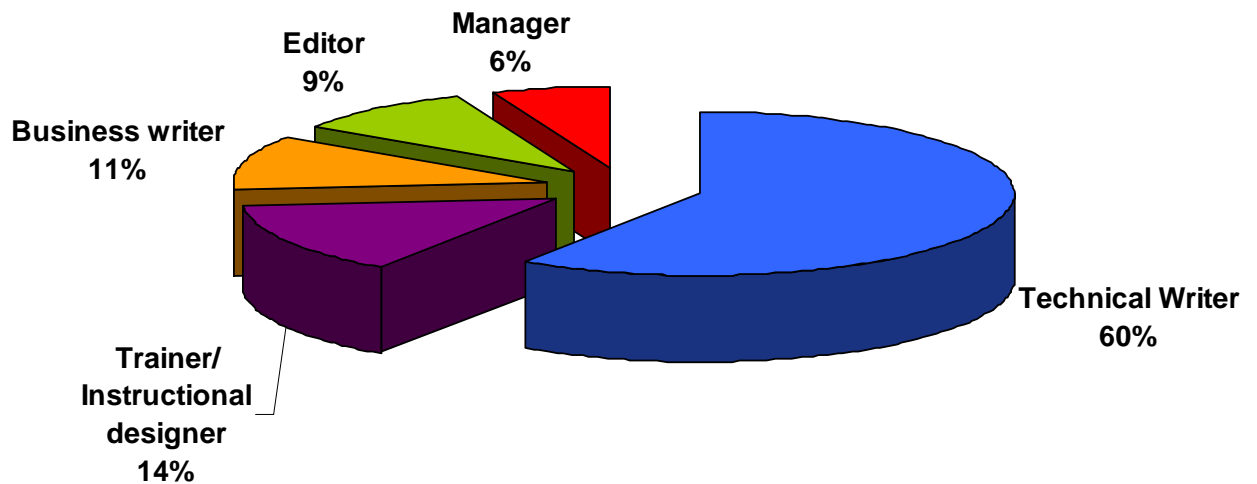


Figure 5: Proportions in Survey 1 by type of work

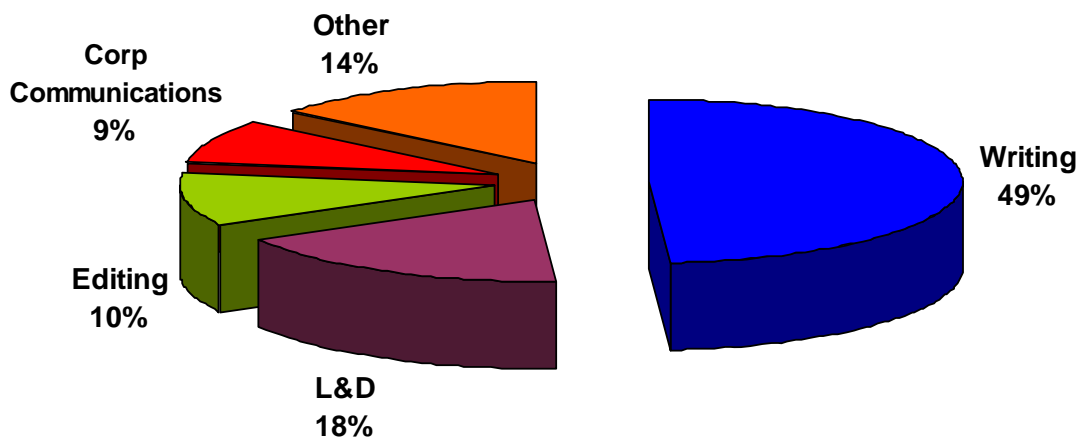


Figure 6: Proportions in Survey 2 by type of work

Results by industry

As was the case in 2006, the industry of employment has had an impact on rates, with the majority of those earning over \$80,000 working in financial services or IT and the majority of those earning under \$60,000 being in the defence/aviation sector.

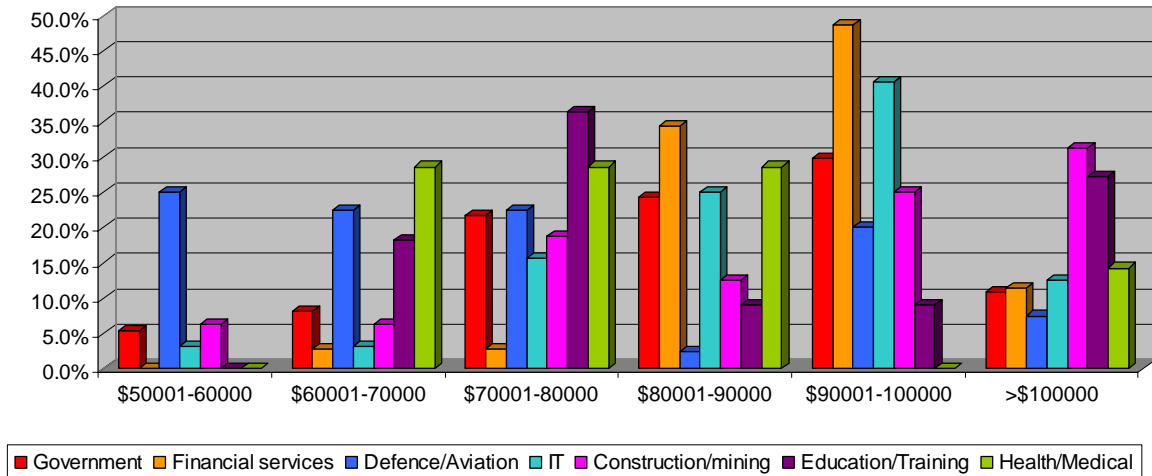


Figure 7: Percentages by Industry (Survey 1)

Demographics

The demographics in this report are largely unchanged from last year. The demographics of the samples are shown in the following table and Figure 8:

Location	84% of the respondents were working in the Sydney area; 10% in Melbourne.
Job functions	The top three primary job functions were: <ol style="list-style-type: none"> 1. Technical writing (60%, 44.9%)² 2. Instructional design/training (14%, 16.5%) 3. Business writing (11%, 17.4)
Contractors vs Permanent³	82% of Survey 1 were contractors, mostly paid on an hourly basis. 18% were permanent placements. The proportion of those working via a company structure has stayed the same as prior years.
Education	The majority of both samples had a higher education qualification. 71% and 70% had a university education including 34% (17.5%) with a bachelor's degree and 37% (52.4%) with a postgraduate qualification. The percentage of those with postgraduate qualifications is consistent with last year.
Experience	The majority of both surveys (59% and 52.8%) had between 5 and 14 years relevant experience; however 32% (31.5%) had 15 or more years of experience. This an increase in experience compared with prior years.
Hours worked⁴	75% reported that they normally worked more than 35 hours per week with 31% indicating that they normally worked more than 40 hours per week. 15% reported working fewer than 25 hours per week.
Months employed⁵	34% of the sample worked for 12 months of the year and 66.4% worked for more than 9 months. There was no indication that respondents wished to work more hours or months than they actually did. Only 12% reported working for less than 6 months of the year.

Industry⁶

Participants in the surveys were employed in a wide range of industries with the majority in financial services, government, and defence/aviation.

² (survey 1 result, survey 2 result)

³ Survey 1 only

⁴ Survey 2 only

⁵ Survey 2 only

⁶ Survey 1 only

The industry proportions are largely unchanged from last year. The main change has been the increase in the number of roles in the mining and construction sector. The government sector in NSW has continued to decline proportionally to other industries. This is partly as a result of a conscious move by government to reduce their use of contractors with many long term contractors taking up permanent roles. There are recent signs of a change in this with increased opportunities for contractor work. Work in the financial services is still being driven by some major IT projects and change management programs with strong demand for procedure writers. Defence continues to have a strong demand for those with defence experience to support acquisitions and refit work.

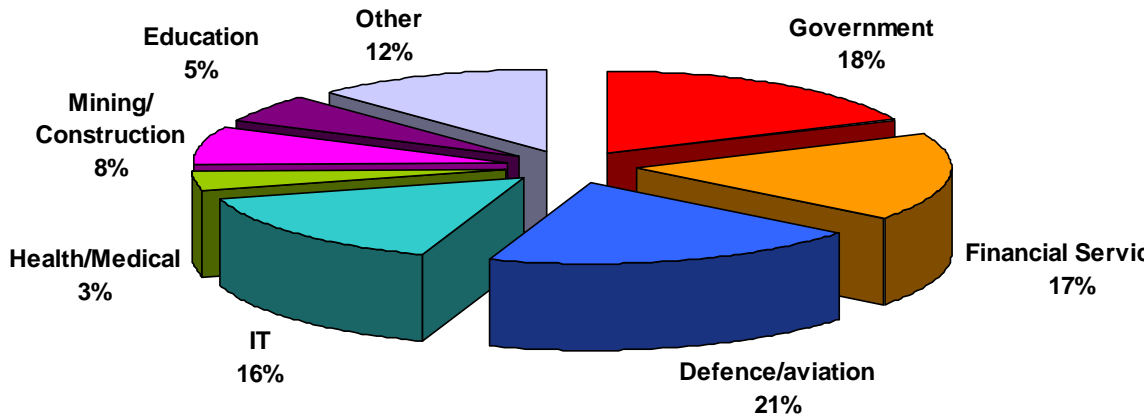


Figure 8: Distribution of documentation roles by industry

Methodology

A number of assumptions have been made in order to produce this report. They are:

Equivalent annual full-time salary

The equivalent annual full-time salary is calculated as hourly rates multiplied by 1500 hours. The use of 1500 hours allows for the fact that contractors have to cover themselves for:

- unemployment (approximately four weeks per year)
- annual and sick leave (six weeks)
- public holidays (10 days).

And assumes a standard 37.5 working hours per week.

The salary figures include both base salary and 9% compulsory superannuation. Sick leave entitlements and usage varies.

Other costs

The salary rates discussed do not include other costs associated with hiring a documentation specialist on a contract or permanent basis including statutory costs (eg payroll taxes, workers compensation premiums) and TechWriter benefit.

Sample

The individual items in the report are based on actual contracts. This means that if a person worked on multiple contracts, the average rate was used.

Contractor information as to years of experience and educational qualifications was drawn from resumes. 'Years of experience' refers to relevant experience in a technical communication role. Contractors may have prior experience in a specialized field (eg IT) in addition to that referred to here.

Type of work

As most contractors will be aware many contracts encompass various components and use multiple skills. For the purposes of this report, we have identified the primary role where possible. Training includes instructional design as well as pure training activities.