



Annual Salaries Report

Year ending June 2005

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Summary

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

This report summarises the results of several surveys we conducted for the 2004/05 financial year. 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.

Overall	<p>There has been a significant overall increase in income for both permanent employees and contractors. In both cases, there has been an upward shift from the lower bands—earning less than \$70,000—into the \$70,000 - \$90,000 range.</p> <p>The majority of employees and contractors earned between \$70,000 and \$90,000 base salary (excluding superannuation).</p> <p>Of those people reporting their earnings as less than \$60,000 approximately ⅓ reported working part-time.</p>
Contractors	<p>71% of contractors earned between \$70,000 and \$90,000 per annum reflecting the high level of educational background and extensive experience of most contractors.</p> <p>48% earned between \$80,000 and \$90,000 and only 7% earned less than \$60,000. This is a significant increase compared to 2004 when 34% earned between \$80,000 and \$90,000 and 10% earned less than \$60,000.</p>
Permanent employees	<p>Permanent employees generally earned less than contractors with 52% earning salary packages of less than \$70,000.¹ However this year there was a significant increase in those earning between \$70,000 and \$80,000.</p>

¹ Note: small sample, 15% of total

Background

This report summarises the results of two surveys on the income of documentation specialists between June 2004 and June 2005.

Survey 1

The first survey is an analysis of the rates paid for a representative sample of over 150 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.

Note: The actual amounts received may differ depending on the variation of rates obtained during the year and the percentage of time employed.

How contractors' earnings were determined

The hourly rate earned by each contractor has been extrapolated to estimate their 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 comparing them with 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 second year and thus comparisons can be made with the period 2003-2004.

Survey 2

The second survey collected salary information from anonymous respondents as part of our candidate satisfaction survey. In this survey, 100 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. Approximately $\frac{1}{3}$ 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 first year that these results have been available so no 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.

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.

Other surveys you may like to refer to are listed on our website at
<http://www.techwriter.com.au/candidates/salary.htm>

Salaries

In 2005 most documentation specialists earned between \$70,000 and \$90,000 (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 documentation experience and salary. However, there seems to be a relationship between the combination of educational background and years of experience that generally impacts rates.

In comparison to 2004, we have seen an increase in the number of candidates earning between \$70,000 and \$90,000. Over 68% fell in this band in comparison with only 50% in 2004². There also appears to have been a concentration of rates around the \$70,000 to \$90,000 range with fewer earning less or more than this amount.

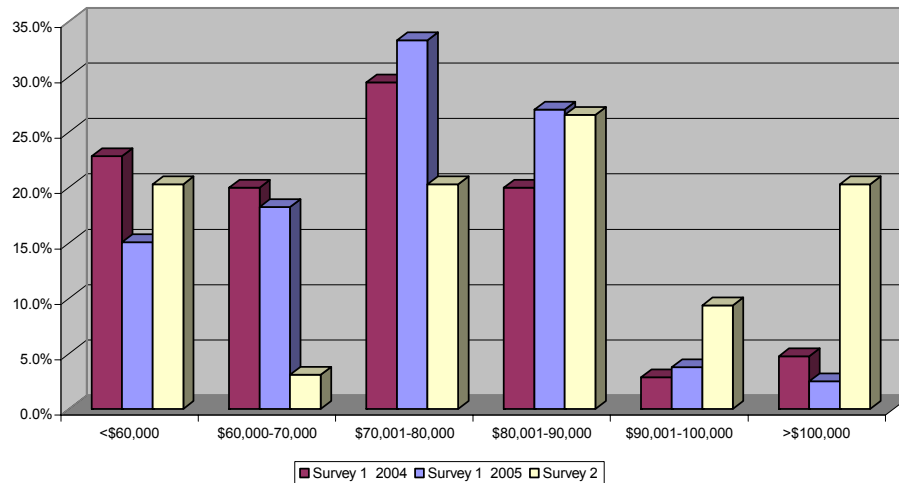


Figure 1: Annual salary ranges (ex superannuation) for documentation specialists

² Comparison made between Survey 1 2005 and Survey 1 2004.

Contractors vs Permanent Employees

Overall, in 2005 permanent employees earned slightly 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 (15%) as compared with contracts.

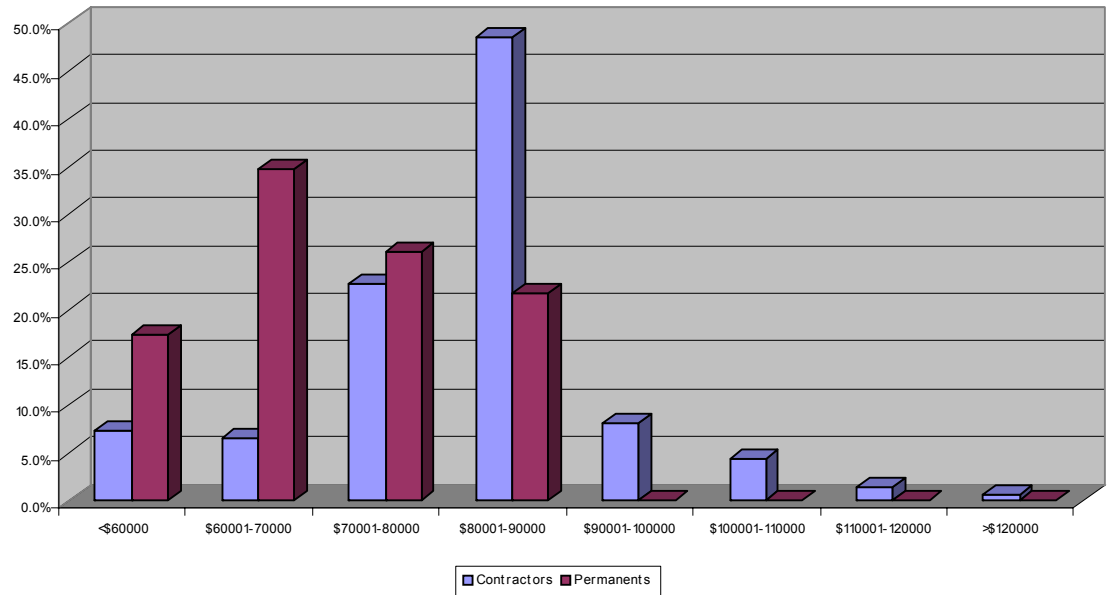


Figure 2: Annual salary ranges permanent compared to contractor

Results by Job Function

While the bulk of incomes in the sample are clustered around \$80000 - \$90000, editors and marketing communicators tend to earn less than those working as technical writers. There is considerable variation in the amounts earned by instructional designers and trainers with some in this group being the best paid overall. This reflects the continuing strong demand for instructional designers and trainers with current SAP experience.

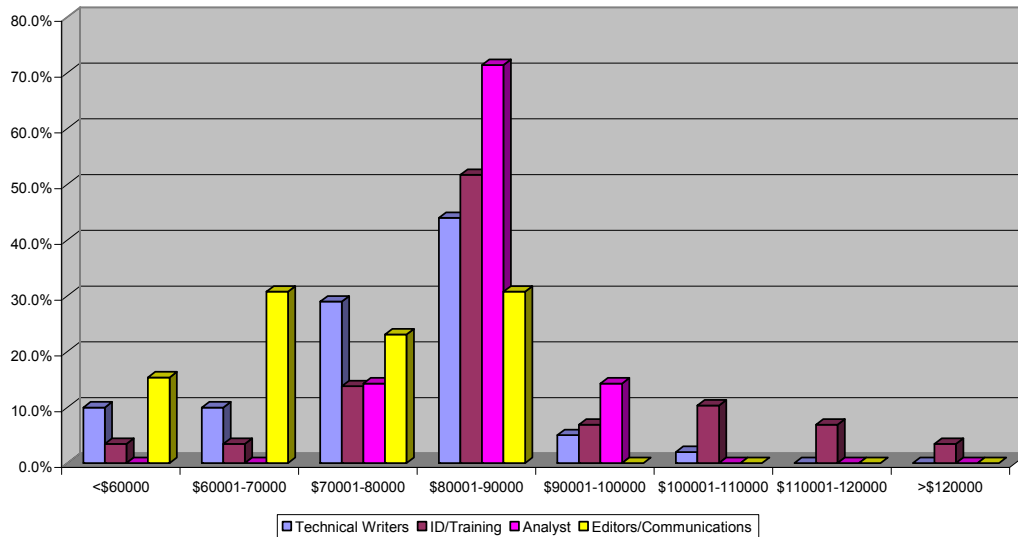


Figure 3: Survey 1—Annual salary ranges by main type of work (Survey 1)

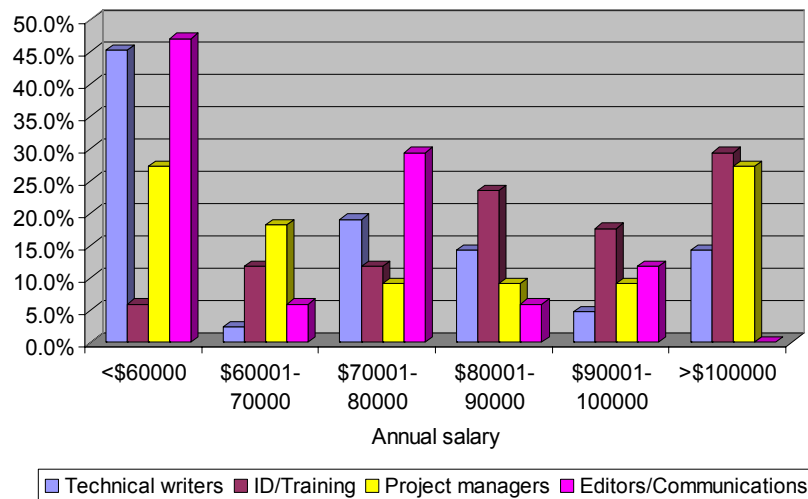


Figure 4: Survey 2—Annual salary ranges by main type of work

Results by Job Function

Participants in both surveys worked in a variety of roles. Often the roles encompassed a number of skills and functions. The following charts indicate the main function of each role.

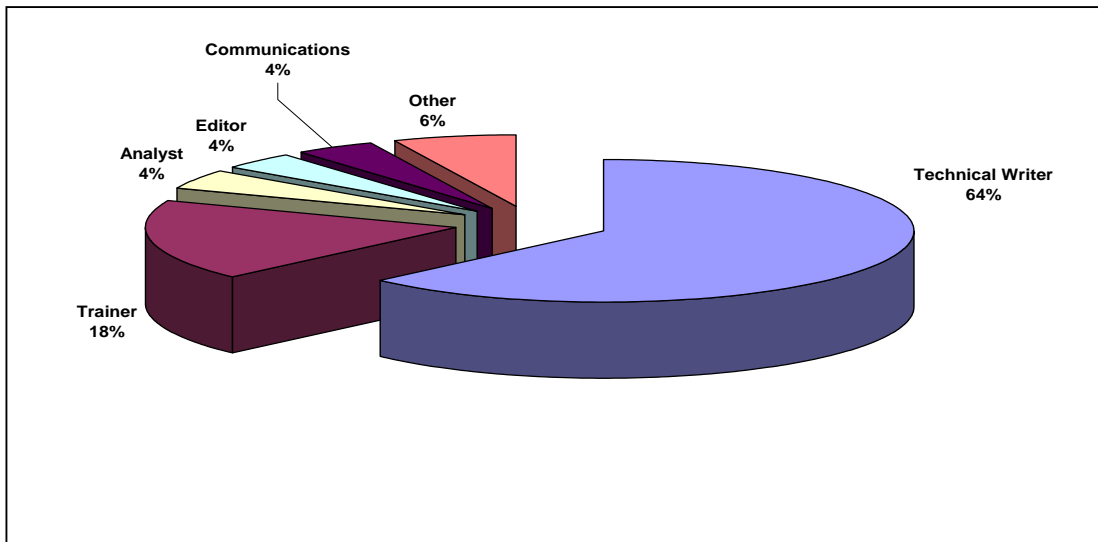


Figure 5: Proportions in Survey 1 by type of work

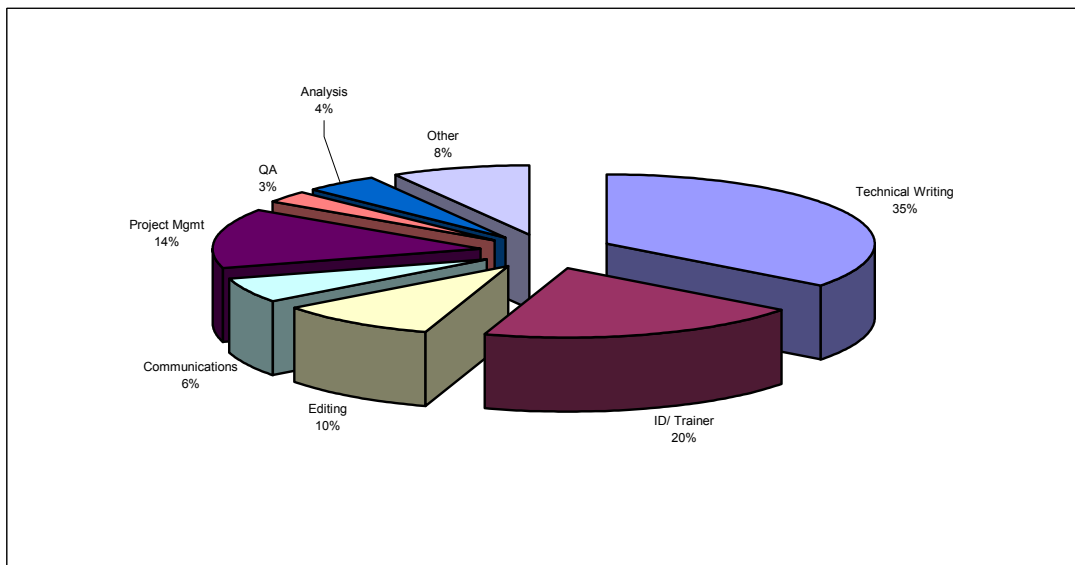


Figure 6: Proportions in Survey 2 by type of work

Results by Industry

This year the industry of employment had a minimal impact on rates, as all employers are competing for the same pool of workers. The high rates earned by some in IT and financial services result from the previously mentioned SAP training work.

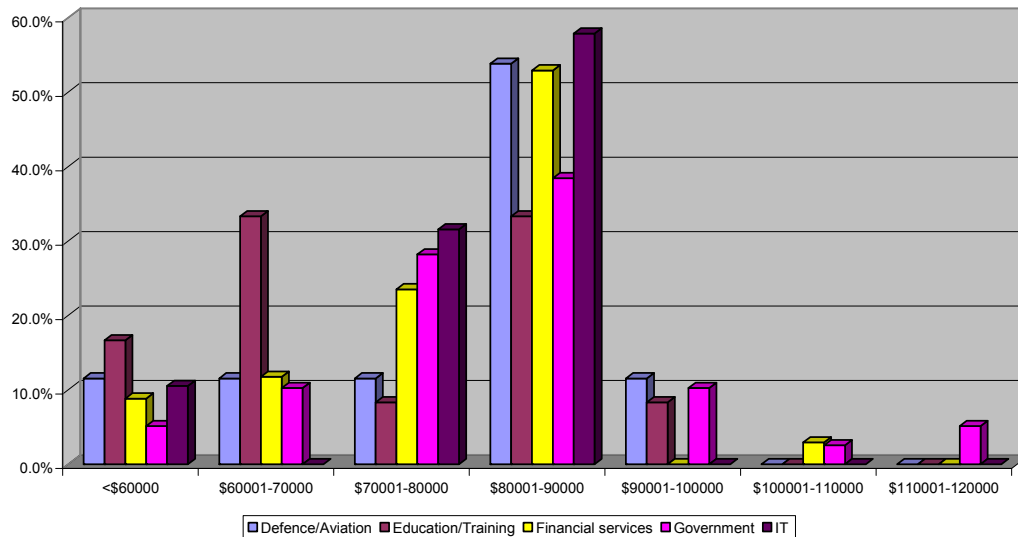


Figure 5: Survey 1—Proportions by industry

Demographics

The demographics in this report are largely unchanged from last year. The only significant change is an increase in the number of people with post-graduate qualifications. The demographics of the samples are shown in the following table and Figure 8.

Location	Most of the respondents were working in the Sydney area. Numbers for other states were too small to analyse separately but our experience indicates that rates in other areas are slightly lower than those in Sydney for an equivalent level of experience.
Job functions	The top three primary job functions were: <ol style="list-style-type: none"> 1. Technical writing (63%, 42%³) 2. Instructional design/training (18%, 17%) 3. Editing and communication (8.2%, 17%).
Contractors vs Permanent⁴	86% of Survey 1 were contractors, mostly paid on an hourly basis. 14% were permanent placements. The proportion of PAYG (55%, 59%) and sub-contractors, (30%, 35%) is similar in both surveys.
Education	The majority of both samples had a higher education qualification. Over 80% had a university education including 39% (31% Survey 2) with a bachelor's degree and 38% (52% Survey 2) with a postgraduate qualification. The percentage of those with postgraduate qualifications is higher than our 2004 survey where only 22% had a post graduate qualification.
Experience	The majority of both samples (65%, 60%) had between 6 and 15 years relevant experience; however 14% (22%) had 16 or more years of experience. These proportions are unchanged when compared with the 2004 sample.
Hours worked⁵	73% reported that they normally worked more than 35 hours per week with 21% indicating that they regularly worked more than 40 hours per week. 16% reported working fewer than 30 hours a week.
Months employed⁶	44% of the sample worked for 12 months of the year and 72% worked for more than 9 months.

³ First figure is Survey 1 the second is Survey 2.

⁴ Survey 1 data only

⁵ Survey 2 data only

⁶ Survey 2 data only

Industry⁷

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

The main change since 2004 has been a decline in the proportion of employment in the financial services area (from 38% to 17%) and a corresponding increase in government (from 17% to 34%). This is partly as a result of a decline in demand in financial services following the introduction of major legislative changes and the increasing use of preferred supplier arrangements by large financial services organisations.

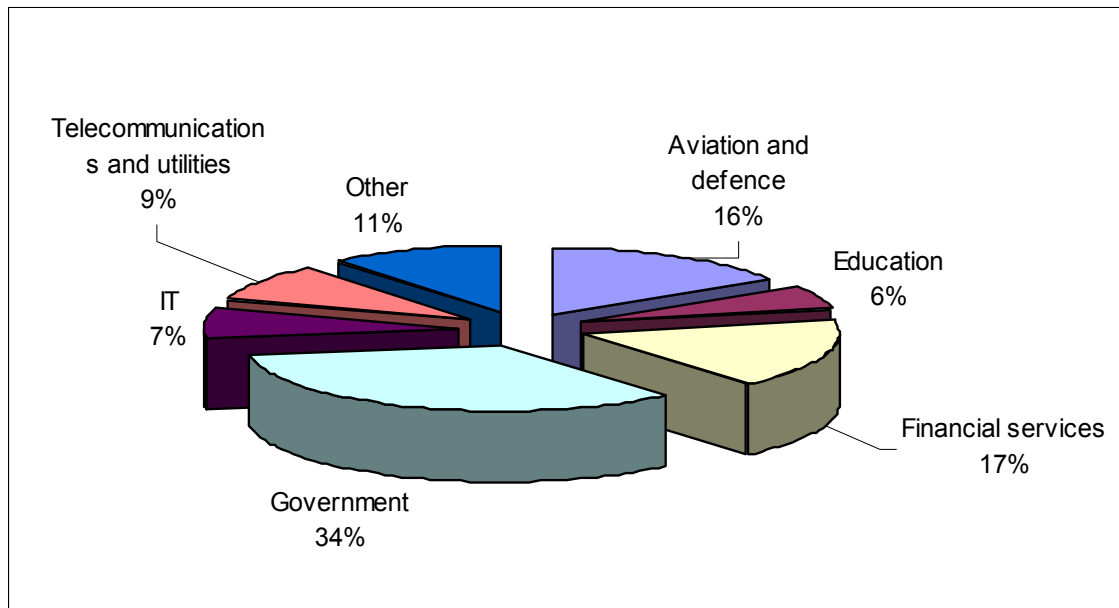


Figure 8: Distribution of documentation roles by industry

⁷ Survey 1 data only

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 (two weeks).

The 1500 hours also assumes that a permanent employee is paid a maximum of 1725 hours. These hours being comprised of:

- 37.5 working hours per week
- 4 weeks annual leave
- 10 days public holidays.

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

Participants in Survey 2 were asked to provide details of actual working hours and months. These respondents reported that 72% worked for more than 10 months of the year and 73% reported that they typically worked more than 35 hours per week. Those working less than full-time naturally reported lower total earnings.

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 not individual contractors. This means that if a person worked on multiple contracts, the information is reported for each contract.

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.