

IT&T SALARY INCREASES REMAIN HEALTHY – NEW REPORT

Tuesday 15th April, 2003: Despite signs that the New Zealand economy is slowing, and with it income growth, salary increases in the Information and Communications Technology sector are expected to remain healthy over the next 12 months, indicating employers expect the labour market for professionals to remain tight.

According to research by remuneration specialists Classified Salary Information Services (CSI), IT&T companies are anticipating average salary increases of 4 per cent for employees over the next year – a more optimistic outlook than in February 2002, when employers were forecasting average increases of 2.8 per cent.

The *New Zealand IT&T Salaries and Benefits Survey*, published in February this year and representing remuneration data from 60 organisations with a total of 6,823 employees, found incumbents' total remuneration package increases had exceeded expectations, rising 4.5 per cent on average in the year to February. Base salaries increased on average by 4.0 per cent, compared to 3.4 per cent in February 2002.

Areas showing particular strength include customer support, marketing, information technology and finance and administration, which all posted increases above 2002 levels (5.7, 4.9, 4.9 and 4.8 per cent respectively). Job families experiencing declines included sales, professional services and e-business. E-business professionals received a 4.2 per cent remuneration increase in the year to February 2003, down from 7 per cent in the year to February 2002.

The March Quarterly Survey of Business Opinion, published by the New Zealand Institute of Economic Research (NZIER) in April, shows that although levels of business confidence are down, hiring intentions remain high, with the proportion of firms reporting difficulty finding both skilled and unskilled labour increasing. However, it is expected that this will ease over coming

months with increases in immigration and declining levels of job advertising reducing pressure on the labour market.

ENDS

Note:

CSi are remuneration specialists. We conduct 20 industry-specific salary surveys in Australia and New Zealand and provide remuneration consulting services ranging from executive compensation advice to remuneration technology services.

For further information please contact:

Mr Peter Barton

Managing Director on (02) 9415 3455

Mr Jairus Ashworth

Professional Services Manager on (02) 9415 3455 or 0414 893 621

Ms Erica Holburn

Marketing Communications Officer on (02) 9415 3455 or 0404 139 650

Or go to www.classalinfo.com.au