

1999 RACI salary survey

For most professional and technical employees, remuneration levels remain the primary indicator of their worth to employing organisations and value to the community. Salary surveys are therefore important in establishing the comparative order within the respective profession as well as between professional disciplines.

This paper reports on the remuneration of RACI members based on the responses of 878 members to the 1999 salary survey questionnaire. It needs to be noted however that the respondent number represents only around 10% of Institute members in full-time employment and, as such, the survey data can only be regarded as an indicator of the remuneration status of professional chemists. Whilst interest in accessing the annual survey data remains strong, there continues to be a declining interest by members to contribute to the database. As noted in previous salary survey reports, the

declining number of respondents to the surveys means that the sample pool becomes less representative of the profession as a whole. This decline places increasing uncertainty on the validity of the data as a base for establishing professional salary levels or as a tool for negotiating salary relativity.

Over the past seven years, the collation of the survey data has been undertaken by the Association of Professional Engineers, Scientists and Managers Australia (APESMA) who prepare a detailed stand-alone report on the survey. This paper is intended to highlight key findings of the survey and to provide interpretation on some of the comparative data.

Summary of key findings

- The base salary for all respondents is \$61 235
- The salary package for all respondents is \$72 622
- The base salaries for males is \$64 000 and females \$50 000
- The median commencement salary for recent graduates is \$37 750
- Average salary increases reported for 1998/99 is 4.3% with CPI at 1.1% and AWE at 2.9%
- Median hours worked is 45 hrs/week

An overall summary of the median salaries derived from the 1999 survey is provided in Figure 1.

Median salary and salary movements

The median base salary and total salary package for the private, public and education sectors is presented in Graph 1. It is worth noting that whilst base salaries for the main employment sectors of Industry (\$61.9K), Government (\$61.1K) and Education (\$61.1K) are comparable, private sector respondents have recorded a significantly higher (>10%) salary package compared to the public and education sector respondents.

The percentage salary increases for 1998/99 reported for the three main employment sectors are presented in Graph 2. The median salary increase reported by the survey respondents have outpaced the Average Weekly Earnings (AWE) increase of 2.9% and overall cost of living increases as measured by the Consumer Price Index (CPI) which recorded only 1.1%.

It is worth noting that over the last three years, survey respondents have reported a median salary increase of 13.9% against a very modest CPI movement of 3.8%. Based on this data, professional chemists have enjoyed a 10% before-tax improvement in purchasing power over

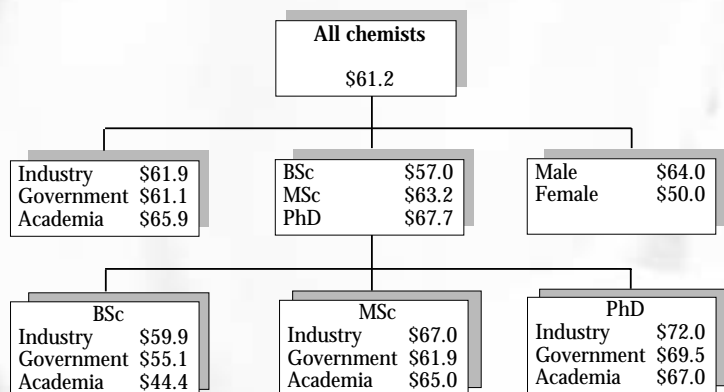


Figure 1. Summary of median salaries (x \$1000) of RACI chemists

Table 1. Salaries of full time respondents by qualification

		Respondent number	Median base salary	% increase 98/99	Median total package
Highest chemical qualification	Diploma or Certificate (not corporate)	5	37 000	-11.9	38 850
	Diploma (corporate)	69	63 000	-1.3	73 519
	Bachelor Degree (3 yr course)	202	58 232	+9.9	69 225
	Bachelor Degree (4 yr course)	135	55 000	+3.0	62 658
	Post Graduate Diploma	32	56 000	+4.7	68 303
	Masters Degree	67	63 242	+12.2	74 920
	Doctorate/PhD/DSc	365	67 694	+1.9	77 715
Total		875	61 200	+3.7	72 600

this period. Whilst it is recognised that salary increases are not uniformly distributed to all salary earners, it does appear that most members have significantly improved their financial position against the CPI benchmark.

Salary and qualification

The median base salary and total remuneration package of respondents against professional qualifications are listed in Table 1. As noted previously, salary increases are unlikely to be evenly distributed over all the respondents. In this survey, significant increases in median base salaries have been reported by respondents with three-year Bachelor (9.9%) and Masters degrees (12.2%). These salary movements however should be balanced against the very modest changes recorded in the previous year with Bachelor degree holders recording only a 1.9% salary increase, and respondents with Masters degrees actually reporting a decrease in median salary of 1.1% in 1998. It should be recognised that such fluctuations in the median salaries are likely to be attributed to the low sample population and may not be representative of the salary status of the profession as a whole.

Employment sector and remuneration

Table 2 provides a breakdown of salaries by employment sector.

As noted in previous surveys, salary gains have not been consistent across all employment sectors. In the current survey, private sector employees have recorded a greater gain than public sector respondents and now lead in both base salaries and total remuneration.

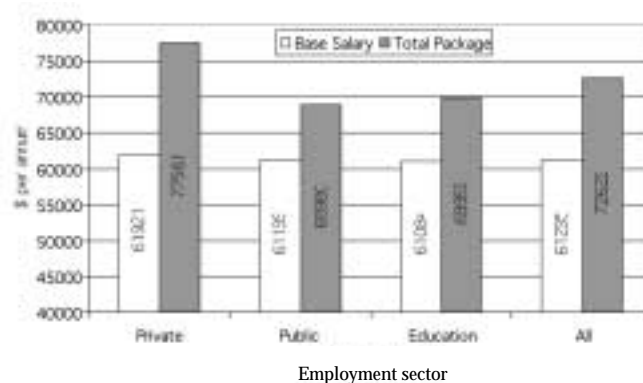
The median base salary for CSIRO respondents has dropped from \$67 000 in 1998 to \$62 000 in 1999. This decrease however is likely to reflect a change in employee age/experience profile due possibly to business restructuring or increased recruitment at base levels. The education sector continues to cover the total median salary range with secondary teaching at the bottom level at \$47 864 and academia at the top of the range at \$65 948.

Remuneration and job function

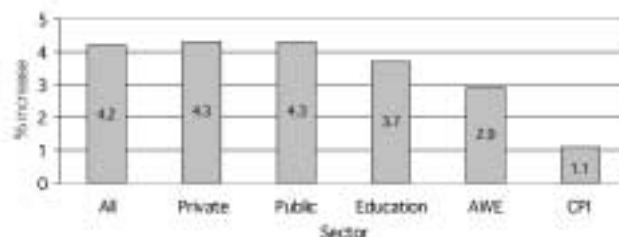
Table 3 summarises the median salaries by job function. Consistent with previous surveys, the teaching and the

analysis-and-testing functions which make up around 15% of all respondents have recorded median base salaries some 20% below the overall median for all respondents. As might be expected, Marketing (\$70 500) and Management and Administration (\$73 300) provide the higher levels of remuneration. This would be consistent with the increased levels of accountability for sales and responsibility for productivity and financial control.

There appears to be little change in the job function profile of respondents from previous surveys. Given the present buoyant economic climate and strong government support for bio-industries within Australia, one might reasonably expect a measurable increase in the level of government and private sector research and development activities impacting on the job profile within the chemistry profession as a whole.



Graph 1. Median base salary and total salary package by employment sector



Graph 2. Mean % increase in salary by employment sector for 1998/99

Table 2. Salaries of full time respondents by employment sector

Sector of employment		Respondents		Median salary	
		Number	% of total	Base salary	Total package
Sector of employment	Private sector employee	442	50.5%	61 921	77 561
	Australian Public Service	32	3.7%	60 855	72 017
	Australian Govt Insti (inc. CSIRO)	77	8.8%	62 000	72 600
	State Public Service	66	7.5%	59 650	68 507
	State Government Instrumentality	30	3.4%	60 220	71 841
	Local Government	3	0.3%	59 873	78 991
	University of Tertiary Institution	199	22.7%	65 948	73 262
	School, including TAFE	22	2.5%	47 864	54 607
	Independent organisation	4	0.5%	48 050	56 093
	Total	875	100.0%	61 235	72 622

Table 3. Salaries of full time respondents by job function

Job function	Respondents		Median salary		Median age
	Number	% of total	Base salary	Total package	
Development	98	11.2%	60 000	72 618	39
Production	46	5.3%	61 200	76 69	41
Research only	121	13.8%	57 500	64 529	42
Teaching only	29	3.3%	48 000	53 891	42
Research & Teaching	144	16.4%	67 883	75 515	48
Sales and Service	17	1.9%	62 000	86 534	43
Marketing	10	1.1%	70 500	88 621	46
Analysis and Testing	102	11.6%	49 750	57 150	40
Consulting	33	3.8%	64 700	71 895	46
Management & Admin	171	19.5%	73 300	92 920	47
Quality Assurance	61	7.0%	59 424	69 862	42
Computing	2	0.2%	57 350	63 202	48
Other	42	4.8%	57 500	67 493	40
Total	876	100.0%	61 319	72 670	44



Remuneration and gender

The median salary reported by male respondents was \$64 000 whilst the salary level for female members was considerably less at \$50 000. Whilst it may be tempting to put the salary differential to employment inequality and opportunity, it is more likely that the apparent salary advantage of males is due to age, greater years of experience and increased levels of responsibility. Table 4 provides a breakdown of employment sector by gender. Whilst the data for female respondents need to be viewed with some caution due to the lower population numbers, it is clear that the younger median age for female respondents observed in almost all employment sectors affect levels of job responsibility and therefore remuneration. In addition career interruptions due to maternity leave and on-going family responsibilities are other factors which continue to have some impact on career opportunities and progression for females.

Table 4. Respondent by sector by gender

Gender	Male	Sector of employment	Respondents		Median salary		Age Median				
			Number	% of total	Base salary	Total package					
Female	Male	Sector of employment	Private Sector – employee	362	39.7%	65 000	83 690	43			
			Australian Public Service	25	2.7%	60 855	76 402	48			
			Australian Govt. Instr (inc. CSIRO)	65	7.4%	68 550	76 914	47			
			State Public Service	59	6.6%	61 367	68 915	48			
			State Government Instrumentality	25	2.7%	64 700	73 000	50			
			Local Government	3	0.3%	59 873	78 991	43			
			University or Tertiary Institute	172	19.1%	67 000	74 602	50			
			School, including TAFE	15	1.6%	48 000	55 446	49			
			Independent organisation	2	0.2%	75 400	99 198	45			
			Female	Female	Sector of employment	Private Sector – employee	80	9.1%	50 000	54 671	32
						Total	72	82.8	64 000	75 969	45
						Australian Public Service	7	1.0%	60 500	67 242	40
						Australian Govt. Instr (inc. CSIRO)	12	1.3%	52 500	57 750	38
						State Public Service	7	0.9%	45 000	50 106	37
						State Government Instrumentality	5	0.5%	52 200	58 123	34
Female	Female	Sector of employment	University or Tertiary Institute	27	3.1%	47 000	53 020	38			
			School, including TAFE	7	0.8%	46 000	51 219	33			
			Independent organisation	2	0.2%	39 650	56 093	43			
			Total	147	17.2%	50 000	55 673	33			

Salaries and geographic location

Table 5 gives a breakdown of respondents by State location. Whilst the remuneration data is unlikely to result in mass migration to the ACT, it is clear that this territory offers the most attractive remuneration levels. Of concern however is that SA, TAS and QLD respondents have reported median base salaries some 10% lower than colleagues in all other states. It is not clear from this data whether this reflects a more subdued economic environment in these states or whether it is due to a combination of factors such as employment sector, qualifications and gender.

Data validity and value of future surveys

The continuing decline in responses to the annual salary surveys puts at risk the integrity and usefulness of future survey data. As noted previously, remuneration levels are a measure of our value to employers and the larger community. Comparative data with other professional disciplines is important in establishing relativity with kindred professionals and may assist undergraduates in determining career directions. If salary survey data continues to be used in formulating enterprise agreements and contract negotiations, it is clearly in the interest of Institute members to arrest the slide in survey responses.

Finally, as author of this report, I would like to thank Domenic Angerame and the APSMA for undertaking the survey and collating the data for this report. I would also like to thank those Institute members who have taken the time to complete the survey questionnaire. □

Table 5. Respondent salaries by location

State		Respondents		Median salary	
		Number	% of total	Base salary	Total package
NSW		250	28.5%	62 000	73 141
VIC		308	35.1%	61 050	73 853
QLD		82	9.3%	57 375	69 310
SA		41	4.7%	56 200	64 025
WA		13	15.1%	63 000	75 343
TAS		26	3.0%	56 463	67 511
ACT		28	3.2%	70 462	87 747
NT		10	1.1%	66 000	73 488
Total		878	100.0%	61 235	72 622



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