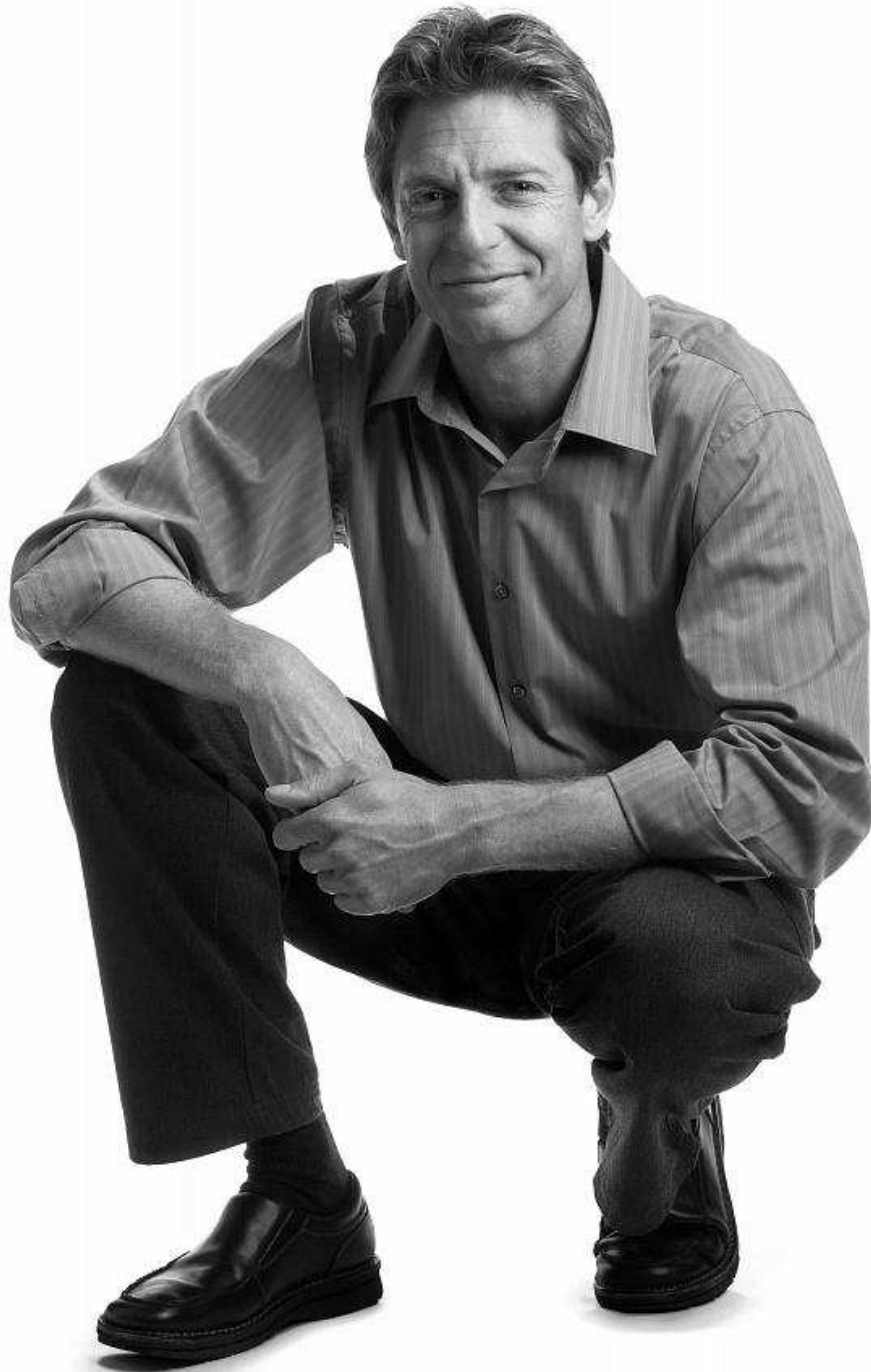


Engineering Professionals

Australia

February 2008



What do you do?

Introduction

Engineers continue to be just one of the occupations experiencing extreme talent shortages in Australia. This ongoing shortage means that firms need to develop innovative and effective strategies, to ensure that they can both attract and retain these qualified professionals.

This report is based on research conducted in September 2006 and subsequently in September 2007. The research shows that there are 329,000 people classified as engineering professionals in Australia, with 193,000 being tertiary qualified in 2007. This is an increase of 14,000 (or 8%) compared to the 2006 report, when there were 179,000 tertiary qualified engineers.

Demographic Profile

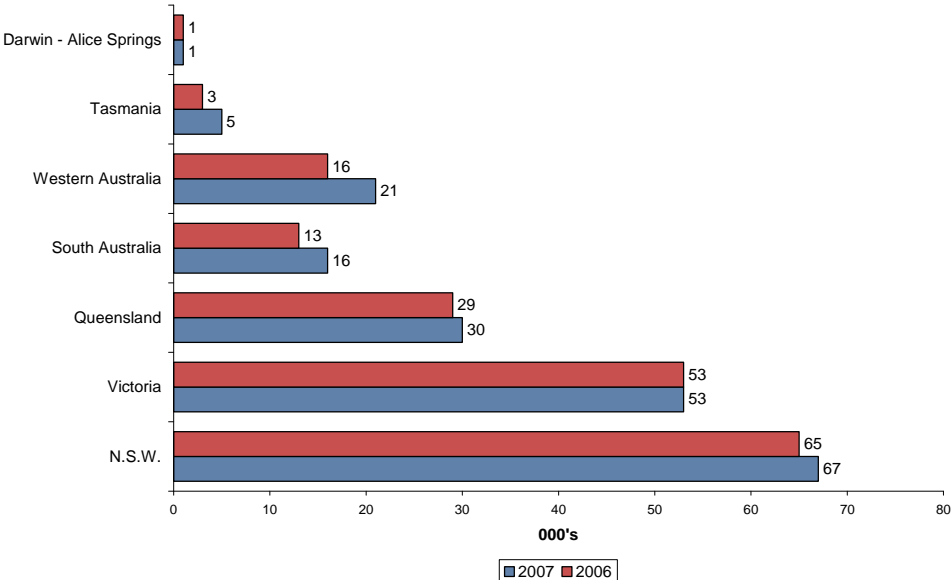
In 2007, the 193,000 qualified engineers in Australia showed the following general characteristics. The majority:

- Are male
- Are on average 41 years of age
- Are Australian born
- Work full-time
- Earn on average \$85,710 per annum
- Reside on the eastern seaboard

Engineers are generally a little less satisfied with their current jobs than in 2007, with 77% satisfied compared with 82% in 2006. Despite most engineers being satisfied, there was an increase in those considering changing jobs in the next 12 months - 28% compared with 27% previously.

Geographic Distribution

Geographically, there was some redistribution of engineers, with WA showing an increase of 5,000 engineers since the previous report.



Mobility and Access

On average engineers travel 20kms to work, four kilometers more than the average population. Engineers rely heavily on their cars for transport, with 93% being drivers. 10% drive a company registered vehicle.

They rarely travel by public transport. In the previous 3 months, 61% had not travelled by bus and 43% had not travelled by train.

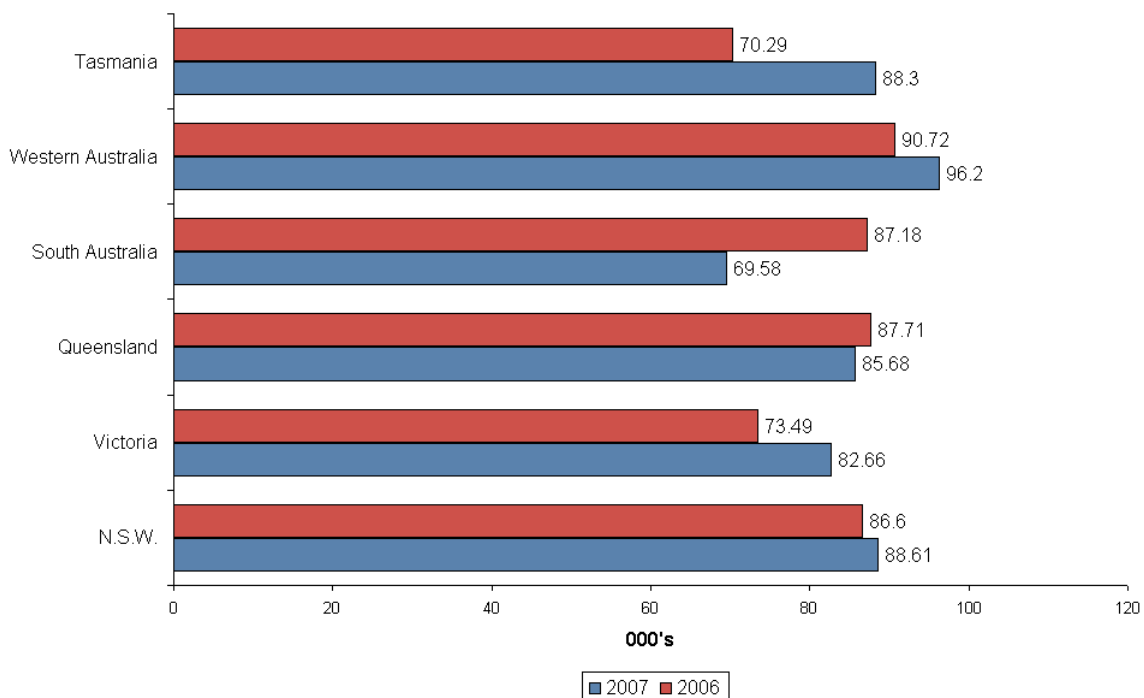
Gender and Age

89% of engineers are male. Their average age is 41 years. This is 4 years younger than the average working population.

Income

The national mean income of engineers in Australia is almost unchanged at \$85,710 compared with \$83,030 in early 2006. There is however a wide range from a high of \$130,000+ to the mid range of \$63,000.

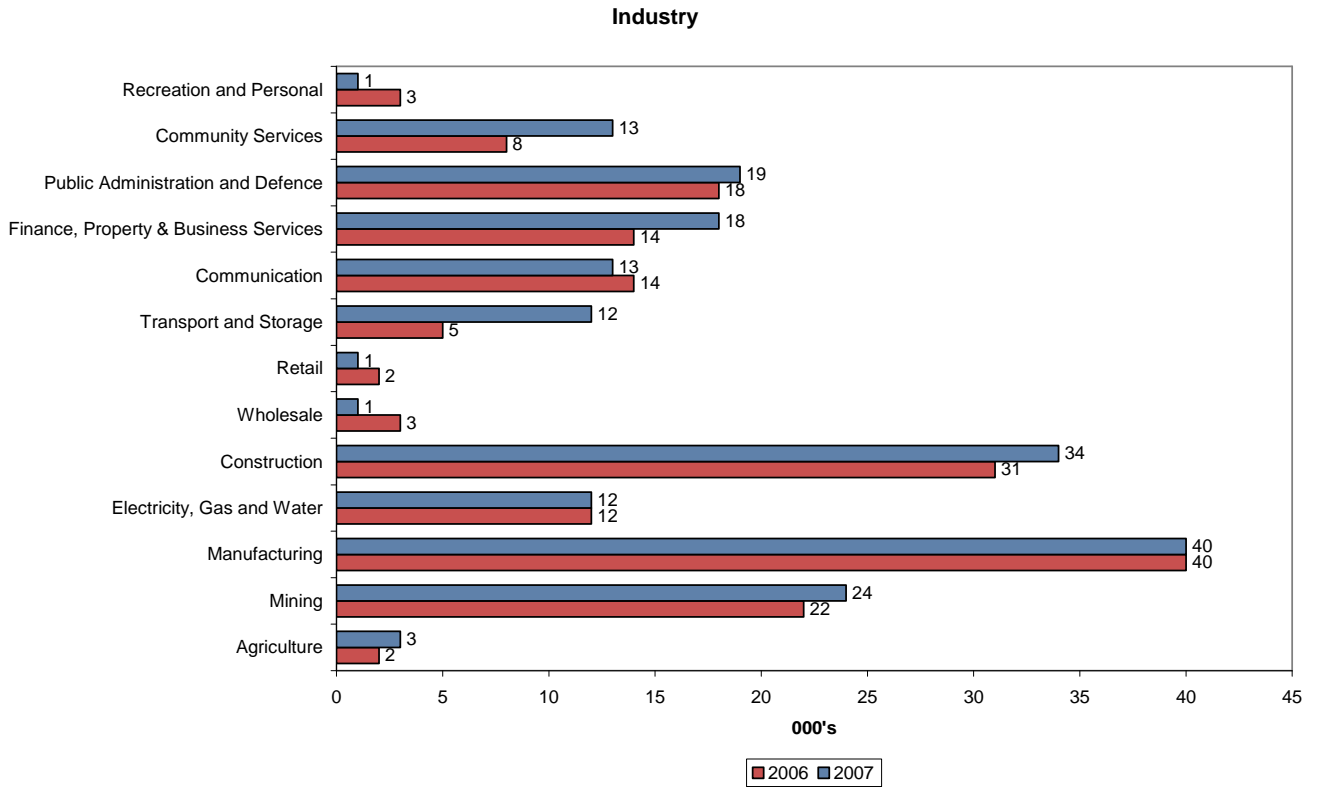
Engineers living in Western Australia earn the highest mean incomes (\$90,720). They also have the highest percentage earning over \$130,000. Those residing in Tasmania earn the lowest average income, \$77,290, and also show a large drop in the MEAN.



Industry and Sector

Two-thirds of engineers work in small-to-medium enterprises, those with 1-299 employees (69%). Nearly one-third (30%) work for large companies (300+ employees).

21% of engineers work in the Manufacturing industry. Other sectors engineers tend to concentrate in include Construction and Mining. There has been some redistribution between industries, with the Wholesale and Retail industries recording a drop in the number of engineers compared to 2006.



Job Satisfaction

79% of engineers are satisfied with their current job, with 77% satisfied compared with 82% in 2006. Engineers are now:

- Less satisfied with overall job recognition
- Less satisfied with general job opportunities
- Generally satisfied with their current pay
- Have more confidence in their job security
- Would like more engagement with management

Engineers are still less satisfied with the training they receive in their job. This is something that employers should focus on when developing attraction and retention strategies.

Attitudes

Engineers:

- Consider themselves as intellectuals
- Consider themselves “Fix-It” types
- Need security in their jobs
- Believe having responsibility in the job is important
- Are success driven.

Talent Shortage

A recent Manpower survey found that 32% of Australian employers are having difficulty filling permanent professional positions due to a lack of available talent in the marketplace. Even more employers (38%) indicated that these talent shortages are causing their organisations to pay higher compensation for these positions when compared with the previous year.

The results of this survey build on the findings of the 2007 Manpower White Paper *Confronting the Coming Talent Crunch*. This report revealed that engineers are the second most difficult to fill jobs in Australia. Factors that are causing the talent shortages worldwide include demographic shifts such as aging populations, global competition and inadequate educational programmes.

As these trends grow in the coming years, the companies with the strongest employer brands will be the big winners because they will be able to attract and retain top talent more easily than those who have been slower to adapt. Employers will need to develop alternative attraction and retention strategies to ensure they can secure adequately qualified professionals. They must implement an integrated, strategic approach to talent management, from planning and sourcing to training, development, and retention.

For more information about the Manpower Employment Outlook Survey and White Paper, please visit our website www.manpowerprofessional.com.au

Top 10 Talent Shortages in Australia

1. Skilled Trades (primarily electricians, boilermakers and welders)
2. Engineers
3. Sales Representatives
4. Accounting & Finance Staff
5. Labourers
6. Management/Executive
7. Drivers
8. Machinist/Machine Operators
9. Technicians
10. Secretaries / PAs / Officer Support Roles

Conclusion

With competition for talent becoming more intense, employers will need to look beyond money and develop alternative attraction and retention strategies to ensure they can secure adequately qualified professionals. Engineering professionals, in particular, are in high demand. Although increasing salary is a factor to attracting these candidates to a workplace, it is important to provide on-the-job training and clear potential career paths to retain employees.

For strategies on how to attract and retain engineers, please contact your Manpower Professional consultant.

About Manpower Inc.

Manpower Inc. is a world leader in the employment services industry; creating and delivering services that enable its clients to win in the changing world of work. The \$21 billion company offers employers a range of services for the entire employment and business cycle including permanent, temporary and contract recruitment; employee assessment and selection; training; outplacement; outsourcing and consulting. Manpower's worldwide network of 4,400 offices in 78 countries and territories enables the company to meet the needs of its 400,000 clients per year, including small and medium size enterprises in all industry sectors, as well as the world's largest multinational corporations. The focus of Manpower's work is on raising productivity through improved quality, efficiency and cost-reduction across their total workforce, enabling clients to concentrate on their core business activities. Manpower Inc. operates under five brands: Manpower, Manpower Professional, Elan, Jefferson Wells and Right Management. More information on Manpower Inc. is available at www.manpower.com.

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Candidate Pool

1. Engineering Professionals are defined as the following occupations that hold a degree:

Engineering Manager, Production Manager (Manufacturing), Plant Manager (Manufacturing), Works Manager (Manufacturing) Production Manager (Mining), Mine Superintendent, Supply and Distribution Manager, Information Technology Manager, Computer Services Manager, Architect, Conservation Architect, Heritage Architect, Landscape Architect, Quantity Surveyor, Geomatic Engineer, Cadastral Surveyor, Geodetic Surveyor, Hydrographic Surveyor, Photogrammetric Surveyor, Building Surveyor, Civil Engineer, Traffic Engineer, Hydraulics Engineer, Electrical Engineer, Electrical Design Engineer, Electronics Engineer, Mechatronics Engineers, Radio Engineer, Mechanical Engineer, Airconditioning Engineer, Production or Plant Engineer, Mining Engineer, Petroleum Engineer, Mud Engineer, Petrophysical Engineer, Materials Engineer, Civil Engineering Technologist, Mechanical Engineering Technologist, Electrical or Electronics Engineering Technologists, Engineering Technologist nec, Aeronautical Engineering Technologist, Agricultural Engineering Technologist, Biomedical Engineering Technologist, Chemical Engineering Technologist, Industrial Engineering Technologist, Mining Engineering Technologist, Aeronautical Engineer, Aerospace Engineer, Avionics Systems Engineer, Agricultural Engineer, Biomedical Engineer, Bioengineer, Clinical Engineer, Medical Engineer, Chemical Engineer, Industrial Engineer, Naval Architect, Building and Engineering Professionals nec, Armament Engineer (Defence Force), Instrument Engineer (Defence Force), Product Design Engineer.

Sources

Talent Shortages & Wage Inflation results are sourced from Manpower's White Paper "Confronting the Coming Talent Crunch" and the Manpower Professional "Talent Shortage & Wage Inflation Survey."

Demographic profiles and satisfaction information is sourced from Roy Morgan Single Source Data September 2006 and 2007.

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