



**HAYS
CONSTRUCTION
& NZIOB SALARY
GUIDE FY21/22
NEW ZEALAND**



HIRING TRENDS & INSIGHTS

SKILLS IN HIGH DEMAND

TYPICAL SALARIES & BENEFITS

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DISCLAIMER

The NZIOB in conjunction with Hays Construction has produced the Salary Guide as a value added service to the building and construction industry. Whilst every care is taken in the collection and compilation of data, the survey is interpretive and indicative, not conclusive. Therefore information should be used as a guideline only and should not be reproduced in total or by section without written permission from Hays. Neither the NZIOB nor Hays Construction accept any responsibility for actions or outcomes that are deemed to be based on information contained in this publication.



ABOUT HAYS NEW ZEALAND

40+

Years of experience

23+

Areas of expertise

120+

Consultants

5

Offices across
New Zealand

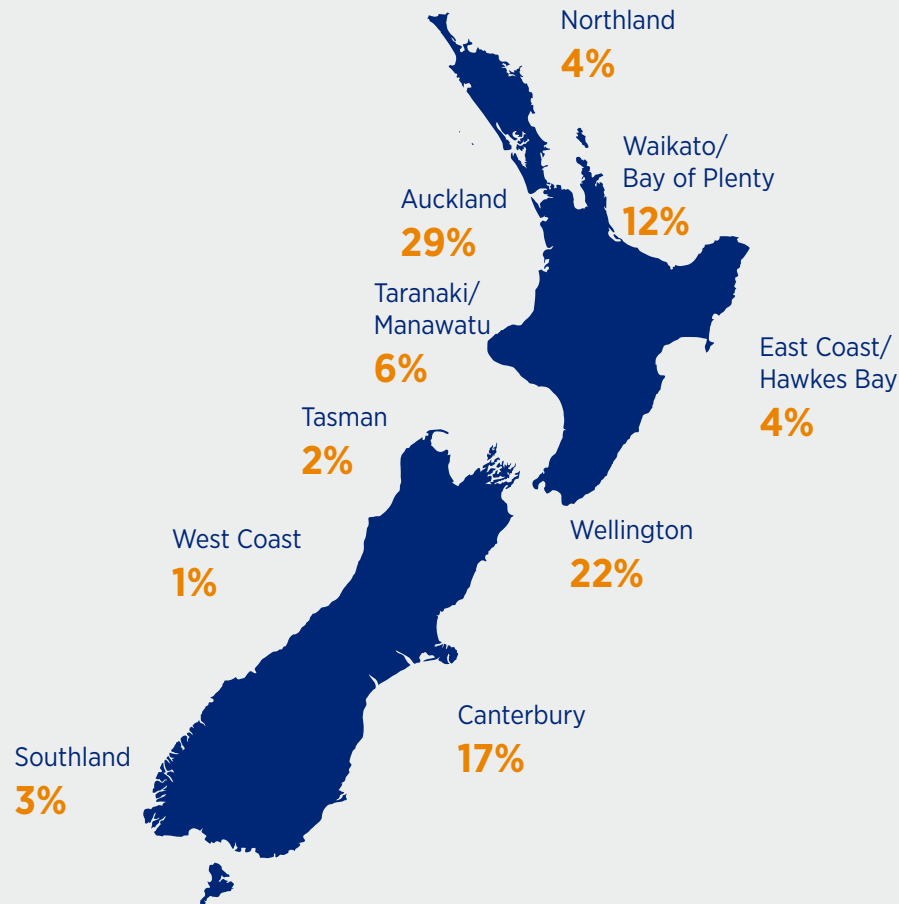


Recruiting experts in:

- Accountancy & Finance
- Architecture
- Banking
- Construction
- Contact Centres
- Energy
- Engineering
- Executive
- Facilities Management
- Human Resources
- Insurance
- Legal
- Logistics
- Marketing & Digital
- Office Support
- Oil & Gas
- Policy & Strategy
- Procurement
- Property
- Resources & Mining
- Sales
- Technology
- Trades & Labour

RESPONDENT DETAILS

Locations participants are based and operate in:



Type of construction undertaken



What generation age bracket do you fall into?



Gender split



Survey participants by sector

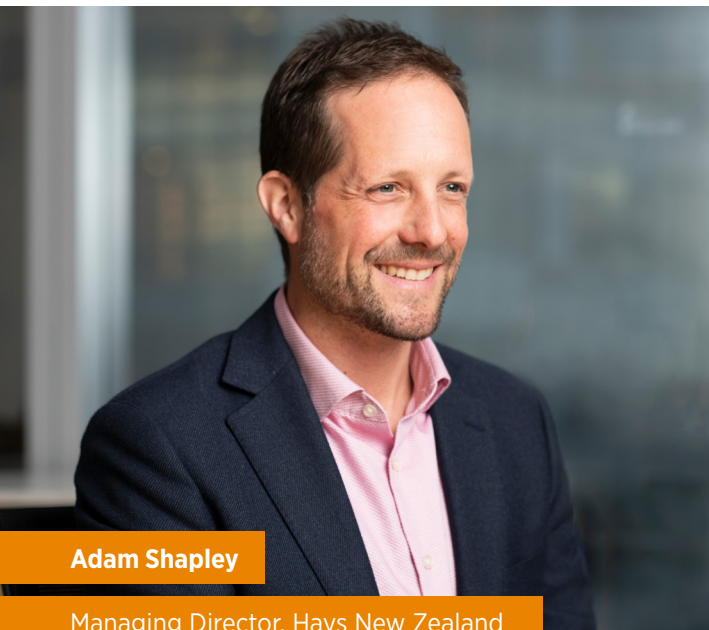


Thank you

We would like to express our gratitude to all the organisations and skilled professionals who completed our survey. Your contribution allows us to produce this comprehensive guide and provides invaluable insight into salaries, benefits and recruiting trends.

FOREWORD FROM HAYS

If there's one word that sums up today's construction recruitment market, it must be resilient. I am writing this foreword from home, with our nation back in a lockdown that has seen much of the construction sector take a pause. But rather than focus on the negatives, many employers are using this time to reflect on what they can do better in the year ahead.



Adam Shapley

Managing Director, Hays New Zealand

Further proving the irrepressible nature of the construction industry is the pleasing levels of business activity our survey respondents have experienced. Despite the challenges of a global pandemic and its impact on supply chain and human movement, 75% of employers have seen business activity increase. Looking ahead, most expect the economy to either remain steady or strengthen over the coming six to 12 months, too.

Permanent headcounts tipped to rise

Another sign of this industry's enduring strength is the 71% of employers who plan to increase their permanent headcount this year. However, this has also seen an old challenge rear its head: skills shortages.

A critical skills shortage

Indeed, throughout the pandemic we have seen the exacerbation of skills shortages to a critical point, thanks to the lack of inward talent migration combined with fewer people gaining the necessary qualifications or experience. With unemployment near record lows, a large percentage of employers are finding it 'hard' or 'very difficult' to recruit the core delivery professionals they require, both site based and commercial.

The situation is no less acute for sub-contractors looking for tradespeople. In fact, almost all organisations surveyed (93%) say they'll feel the effects of skills shortages this financial year. Only half (53%) say they have the talent required to achieve their objectives.

The impact of this skills shortfall will be greatest on project delivery, with 83% of those surveyed seeing projects slow down due to a lack of experienced people. Meanwhile, 77% said workloads will increase for existing staff.

There has also been an increase in the use of temporary or contract staff augmentation, with site management contractors increasingly now used alongside the traditional areas of site labour and health and safety.

Skills shortages increase pay pressure

Unsurprisingly then, most organisations plan to increase salaries over the coming year, with 30% increasing by up to 3% and 45% increasing by greater than 3%.

Staff engagement comes to the fore

Where does this leave you as a leader in the construction sector this year? The most critical area to focus on is employee engagement. Universities and colleges are not producing enough talent to meet the needs of the industry. With offshore recruitment a challenging prospect at present, retaining your existing team has never been more important.

Interestingly, our survey of industry professionals provides a clear pathway to achieve this. Of the construction professionals we surveyed, a pay rise is their number one priority for the year ahead, nominated by 45%. This is followed by more challenging or exciting work (38%). Along with aiding staff engagement and retention, offering new challenges can help you offset the impending risk of skills shortages by upskilling staff to fill gaps.

This doesn't need to be an expensive process – indeed, many employers use on-the-job stretch opportunities to both provide new challenges and upskill staff where needed. I hope you find this report helpful in navigating today's world of work and we look forward to supporting you to do so.



INTRODUCTION FROM NZIOB

The general sentiment and forward workload confidence expressed by businesses and employees alike in the 2021 Hays Construction & NZIOB Salary Guide contrasts markedly to mid-2020 industry predictions.

When comparing 2021 actuals with 2020 forecasts, the major theme is that companies are in better shape compared to their expectations a year ago, when the ramifications of COVID-19 were still largely unknown. In parallel, employees have become more bullish about their prospects in the subsequent 12 months.

For companies, a stark example is that in 2020, 88% of respondents expected their business activity to decrease or remain the same over the preceding 12 month period.



Today, 90% of respondents say their business activity over the previous year either increased or stayed the same. For salaries, only 5% of companies in 2020 allowed for salary increases of 5% or greater; in actuality, 34% lifted salaries by 5% or more in 2020-2021.

For employees, the number one career consideration a year ago was that their employer had a good forward pipeline of work. A pay rise was at the bottom of the list, being seventh (of seven) in terms of importance. In 2021, this perspective has reversed, with employees now considering a pay rise to be their number one priority, while concerns about job security have halved to 30%.

Perhaps underpinning this growing employee confidence is the fact that many practitioners have upskilled themselves this past year and now want to be compensated for the greater value they can offer an employer.

Some general observations on skills demand and salaries:

- It has become tougher than it was a year ago to employ people for senior roles. In 2020 there was only one role that at least a third of respondents cited as being 'very difficult' to recruit for. 12 months later, there are nine roles that meet this same benchmark
- The main areas of salary growth have been for higher skilled roles, although the trend is uneven across the various project sizes and regions. Conversely, there was a consistent lift in salaries for General Managers across the full project size spectrum. The latter trend reinforces the view that in times of crisis, companies value strong business management and leadership skills above all else.

- The distinction between salaries for those working on larger projects and those on smaller projects is more pronounced than in previous years. That salaries for Commercial Managers reduced for projects below \$15M, but increased for projects above \$15M, highlights this trend.

Like its predecessors, this year's Hays Construction & NZIOB Salary Guide will prove a valuable tool for employers and employees alike. Companies and employees fared better across the last year than originally forecast. While companies in 2021 are optimistic about the year ahead, they expect that salary increases, while higher than forecast in mid-2020, will be at lower levels than what was delivered this past year.

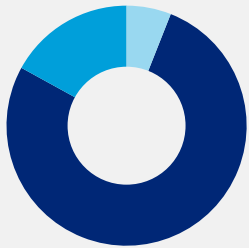


Malcolm Fleming

Chief Executive Officer for NZIOB

Typical working week

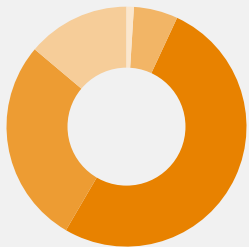
Q: What is a typical working week within your organisation?



6% Less than 40 hours
77% 40-49 hours
17% 50-59 hours
0% 60+ hours

Average length of service

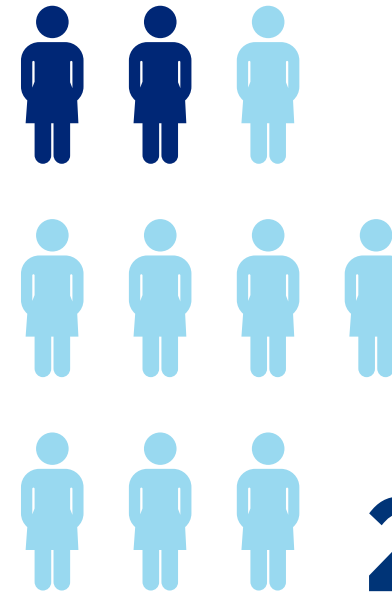
Q: What is the average length of service of your employees?



1% Less than 1 year
5% 1-2 years
52% 3-5 years
28% 6-10 years
14% 10+ years

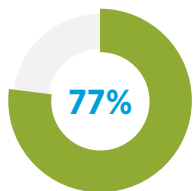
Female representation

Q: What percentage of your management team is female?

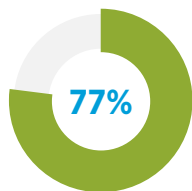


Recruitment methods

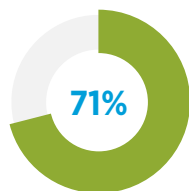
Q: What mediums do you use to recruit staff? (multiple responses allowed).



Agency



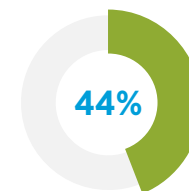
Word of mouth



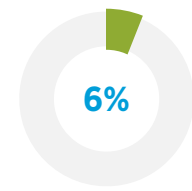
Website - Seek, Trade Me, etc



Direct applications - own website, HR Department, etc



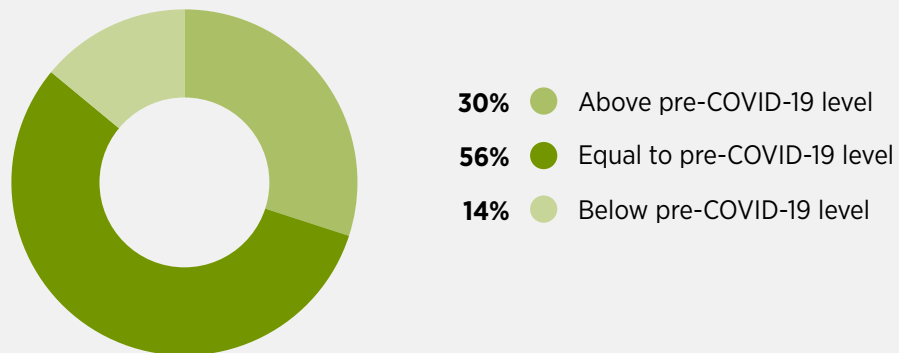
Social media - Facebook, Twitter, LinkedIn



Newspaper

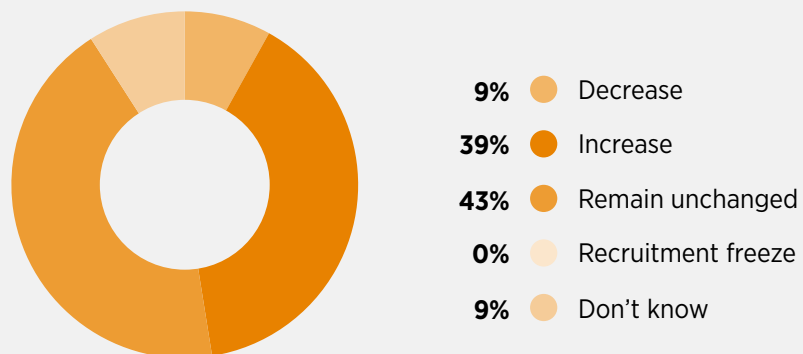
Current temporary/contract staff levels

Q: Are temporary and contract staffing levels in your department:



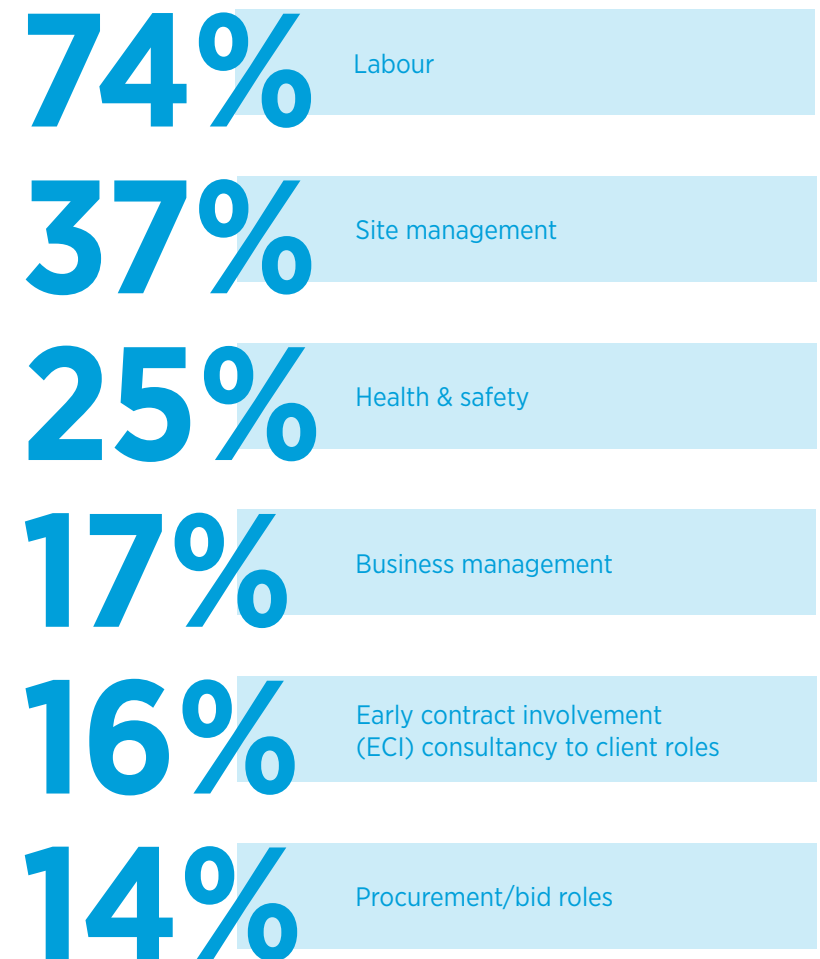
Temporary/contract investment in the coming year

Q: Over the coming year, do you expect temporary/contract recruitment to:



Reasons employers engage contract staff

Q. Which areas have you employed staff on a contract basis over the last year (multiple responses allowed).

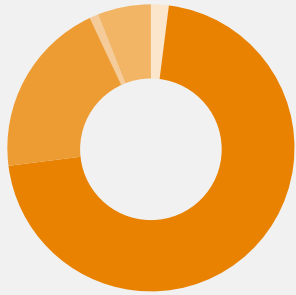


PERMANENT STAFF

PERMANENT STAFF INTENTIONS

Hiring on the rise

Q: Over the coming year do you expect permanent recruitment to:



- 2% Decrease
- 71% Increase
- 20% Remain unchanged
- 1% Recruitment freeze
- 6% Don't know

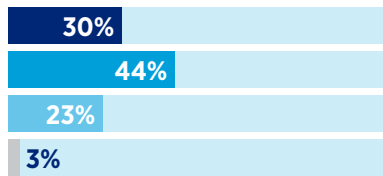


Current ease of recruitment

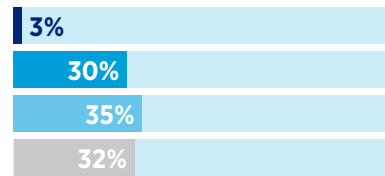
Q: How difficult are you finding recruiting for the following positions?

Easy
 Manageable
 Hard
 Very difficult

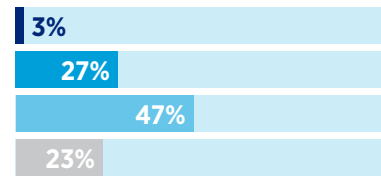
Cadet/Junior



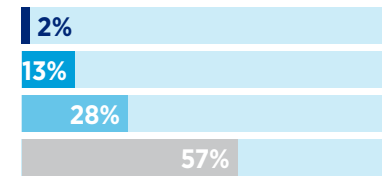
Leading Hand



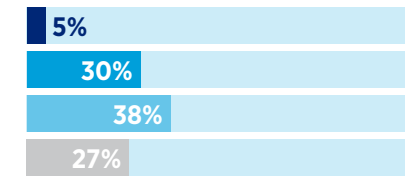
Intermediate Quantity Surveyor



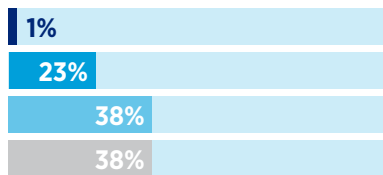
Senior Estimator



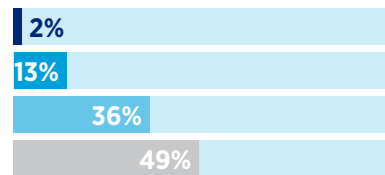
Project Engineer



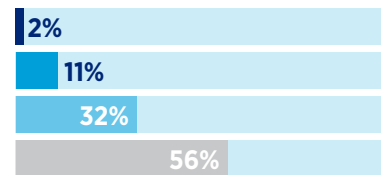
Foreperson



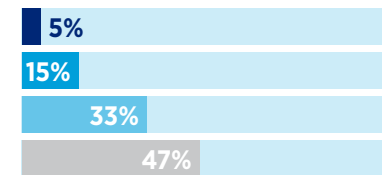
Site Manager



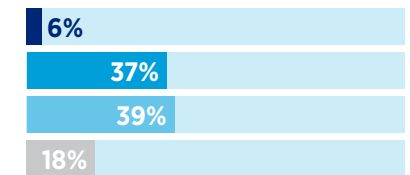
Senior Quantity Surveyor



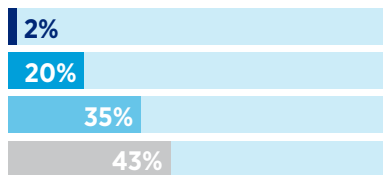
Commercial Manager



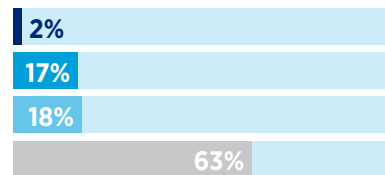
Health & Safety Manager



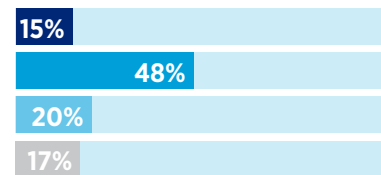
Project Manager



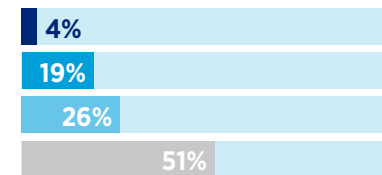
Senior Project Manager



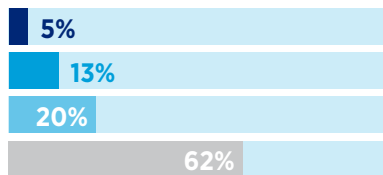
Junior Estimator



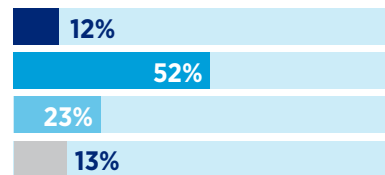
General Manager



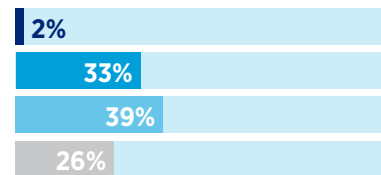
Project Director



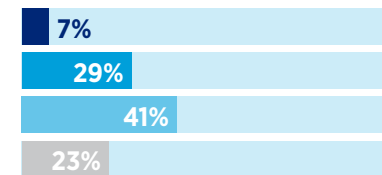
Junior Quantity Surveyor



Intermediate Estimator

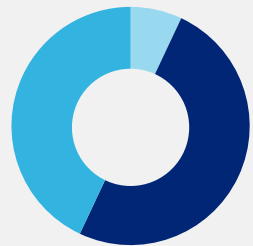


Site Engineer



Almost all will be impacted by skills shortages in the year ahead

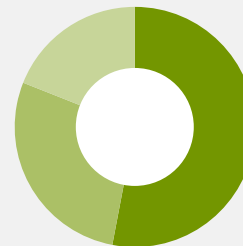
Q: Do you think that skills shortages are likely to have an impact on the effective operation of your business/department?



- 7% No
- 50% Yes - in a minor way
- 43% Yes - significantly

Only half have the talent to achieve their objectives in FY21/22

Q: Do you have the talent required to achieve your organisation's strategic objectives in FY 21/22?



- 53% Yes
- 28% No
- 19% Unsure

High impact skills

Q: Which skills have the highest impact on the effectiveness of your organisation? (multiple responses allowed).

76% Technical skills

61% Communication skills

46% Organisational skills

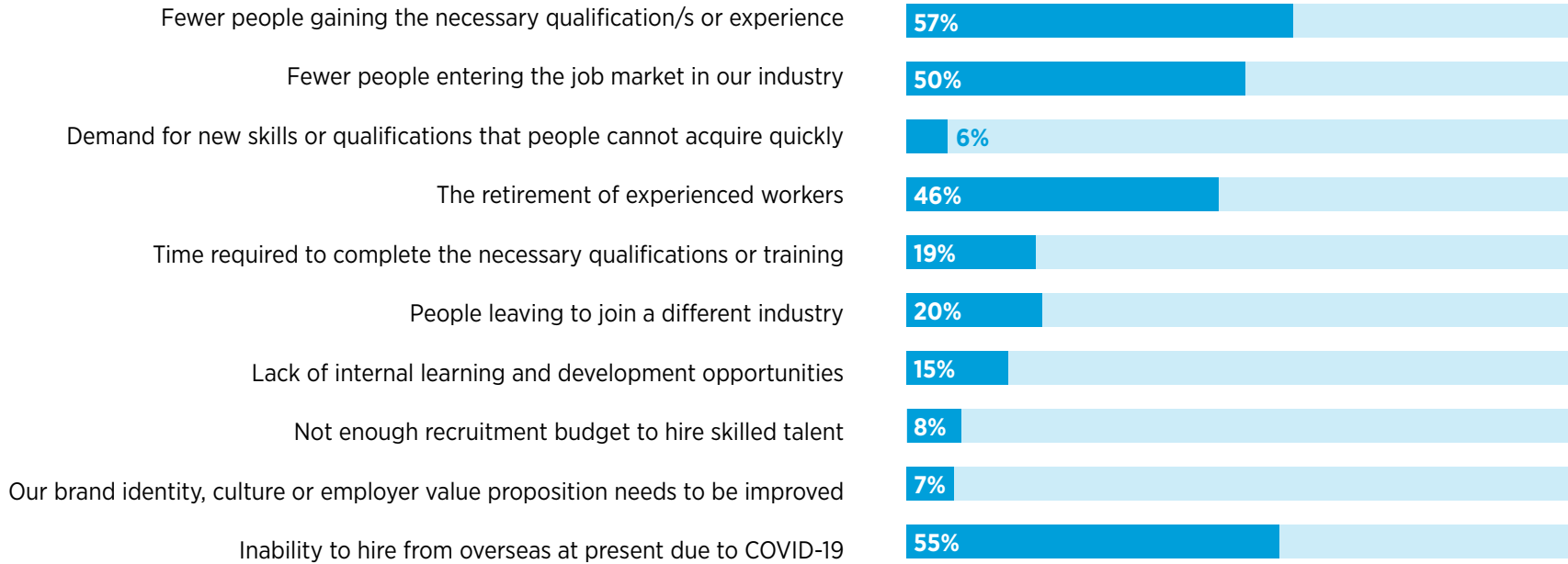
25% General soft skills

11% Software skills



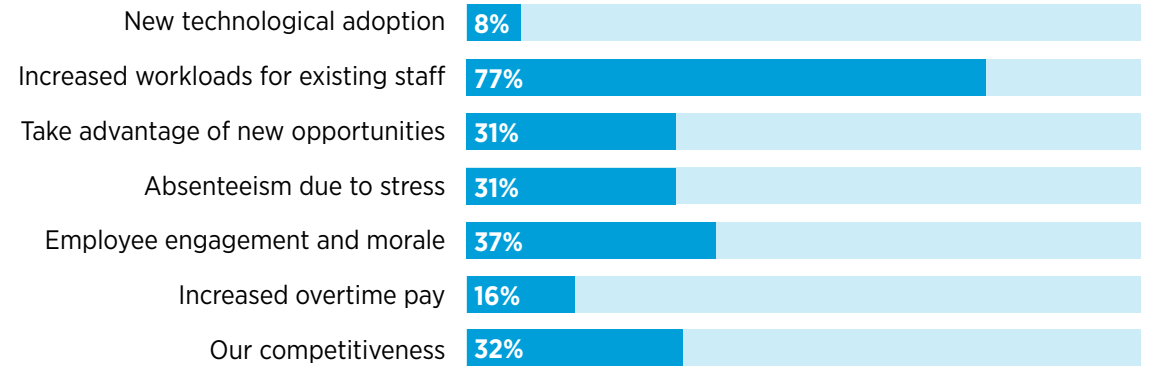
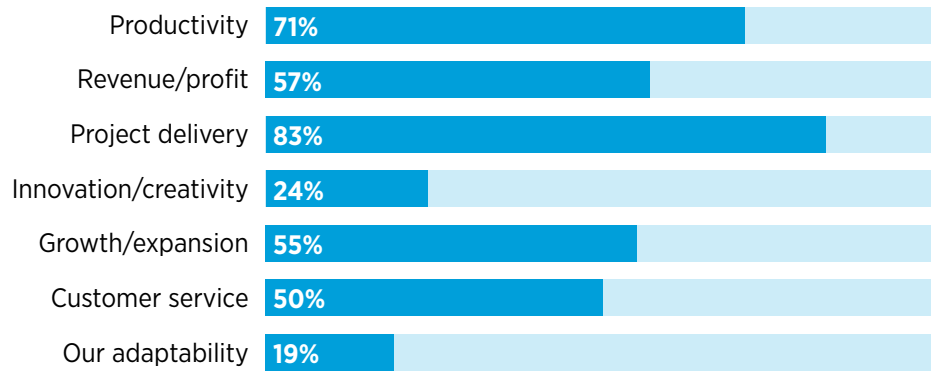
Why skills shortages exist

Q: What factors have led to skills shortages in your organisation? (multiple responses allowed).



The impact of skills shortages

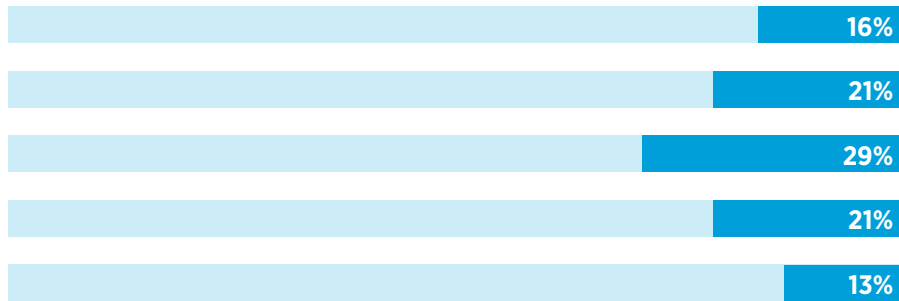
What factors will be impacted by skills shortages? (multiple responses allowed).



SALARY TRENDS

Salary increases to dominate FY21/22

Q. On average, in your last salary reviews, by what percentage did you increase salaries?



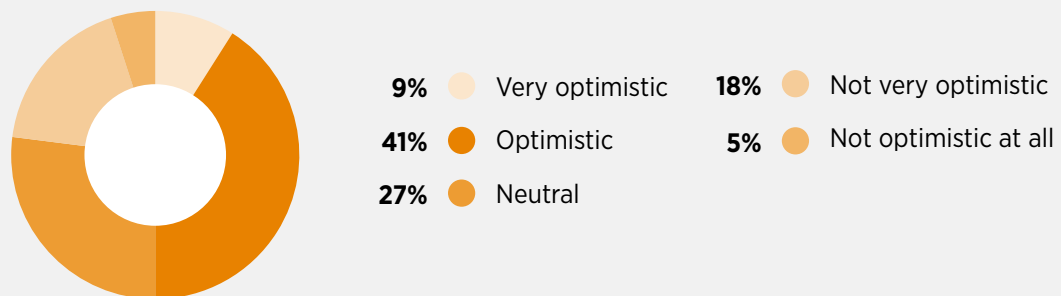
Nil
Up to 3%
3-5%
5-10%
Greater than 10%
Don't know

Q. When you next review salaries, by what percentage do you intend to increase salaries?



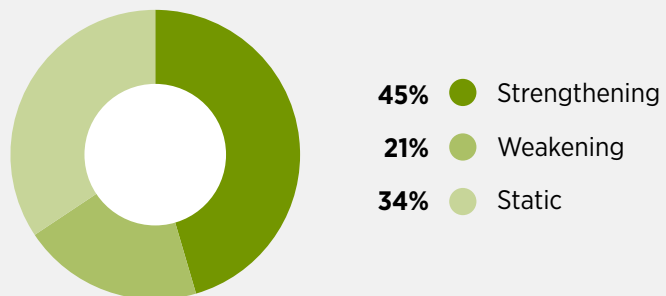
Employers are optimistic about future economic and jobs growth

Q. How optimistic are you about the wider economic climate and the employment opportunities it may/may not create within the next 2-5 years?



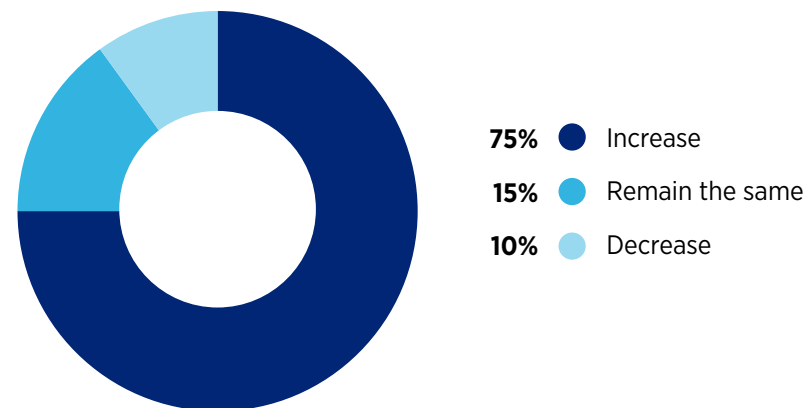
Employers expect the economy to strengthen

Q. Do you see the general outlook for the economy in the forthcoming 6-12 months as:



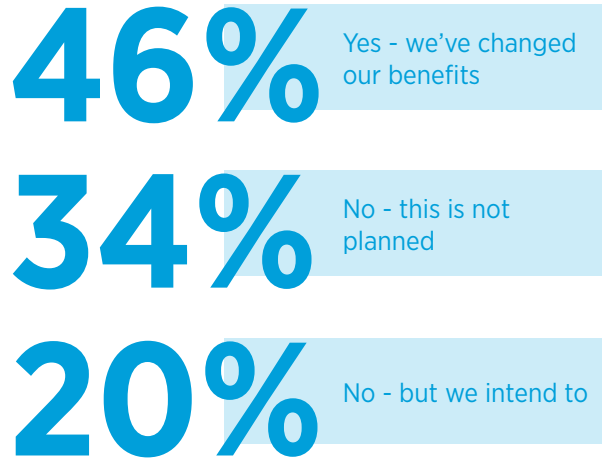
Business activity has increased

Q. In the past 12 months, has business activity increased/decreased for your organisation?



Employee benefits

Q: Have you reviewed your benefits offering to employees as a result of COVID-19 pandemic?



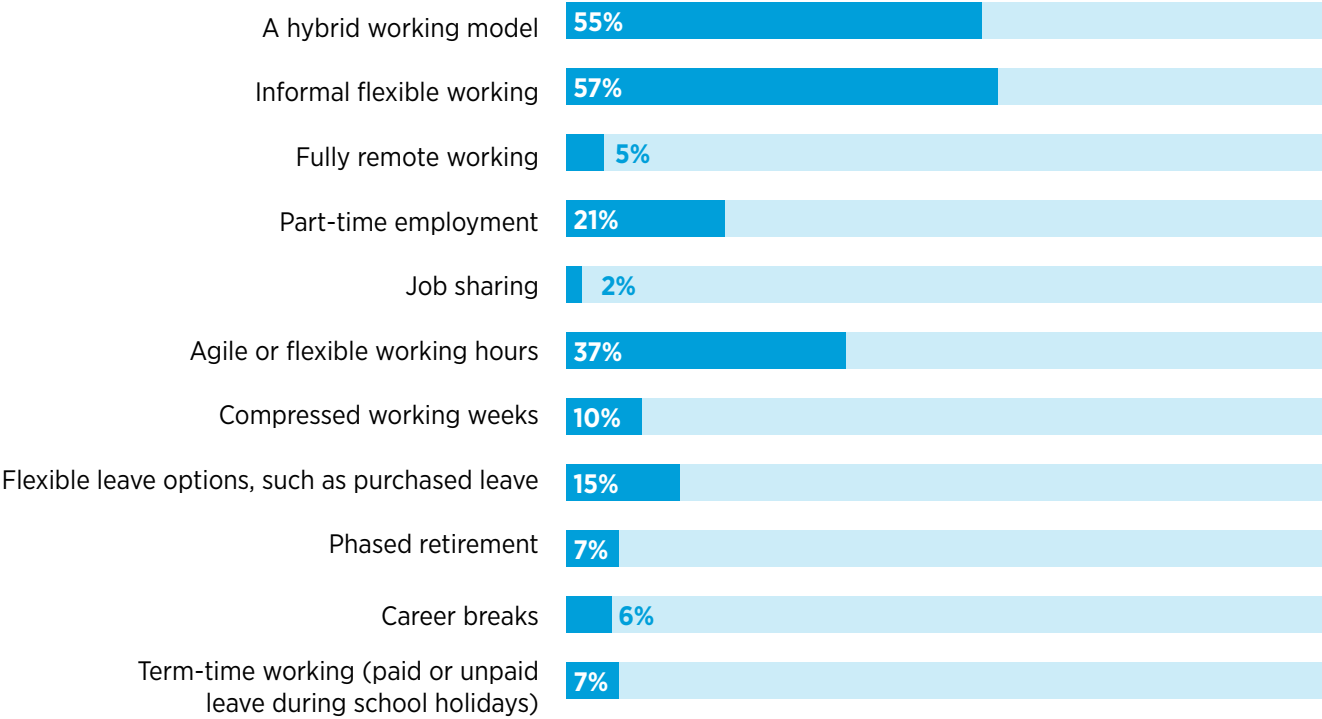
Roles vs benefits

Q: What benefits are available for the following positions? (multiple answers allowed.)

	Vehicle	Mobile phone	Health insurance	KiwiSaver contributions over 3%	Bonus	Vehicle allowance	Share options	Flexible working
Cadet/Junior	5%	60%	47%	60%	19%	11%	2%	37%
Leading Hand	28%	77%	44%	44%	25%	11%	5%	23%
Foreperson	69%	94%	37%	48%	28%	6%	8%	22%
Site Manager	86%	97%	40%	51%	43%	14%	5%	26%
Project Manager	72%	93%	33%	51%	44%	18%	4%	42%
Senior Project Manager	77%	97%	42%	51%	49%	20%	10%	48%
Project Director	68%	93%	48%	58%	63%	33%	20%	58%
Junior Quantity Surveyor	10%	90%	52%	48%	31%	12%	5%	36%
Intermediate Quantity Surveyor	17%	56%	32%	29%	26%	13%	2%	25%
Senior Quantity Surveyor	37%	73%	35%	37%	40%	20%	6%	40%
Junior Estimator	1%	20%	17%	13%	7%	3%	1%	8%
Intermediate Estimator	10%	29%	22%	18%	13%	6%	2%	13%
Senior Estimator	20%	34%	22%	21%	14%	10%	7%	20%
Commercial Manager	32%	38%	25%	25%	25%	13%	11%	19%
Site Engineer	20%	28%	18%	15%	10%	5%	2%	7%
Project Engineer	23%	31%	20%	18%	9%	7%	3%	9%
Health & Safety Manager	32%	41%	22%	23%	15%	7%	5%	21%
General Manager	40%	48%	26%	30%	34%	11%	13%	32%

Flexible work practices on offer today

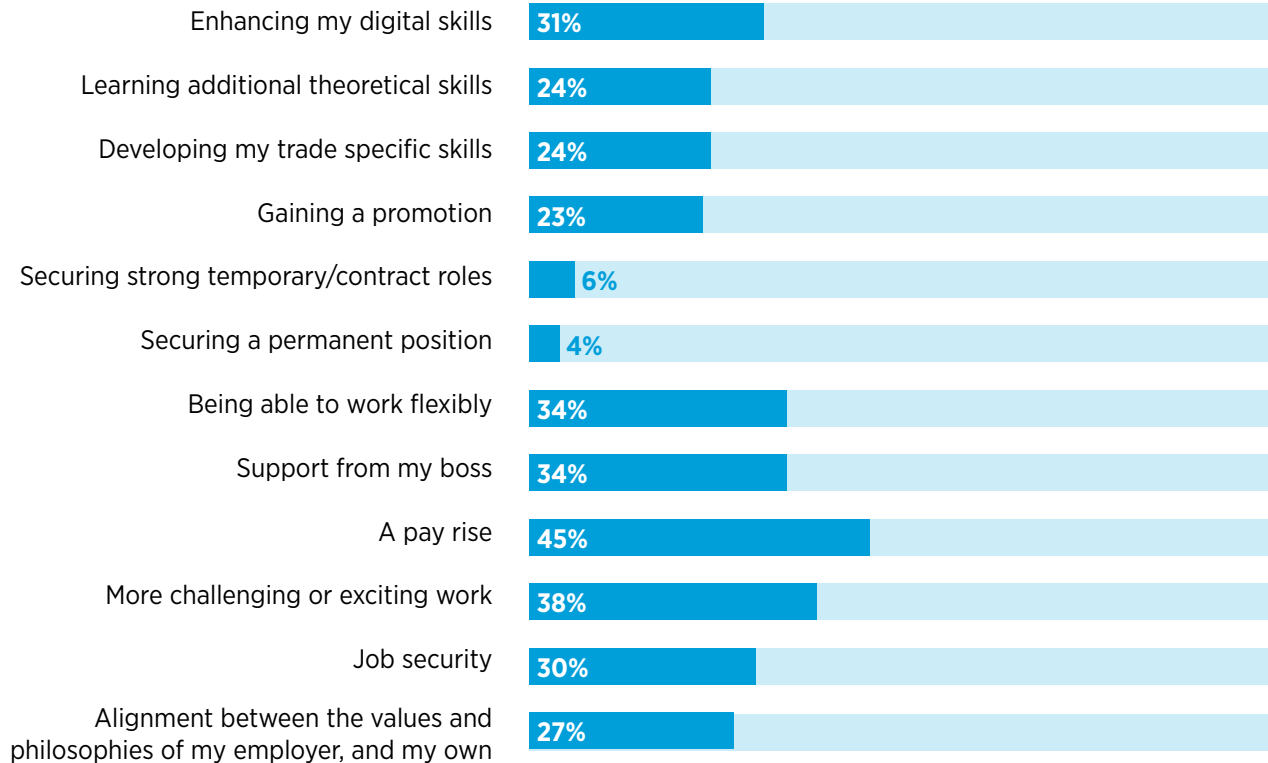
Q. If your workplace allows for flexible work practices, which of the following are on offer? (multiple responses allowed).



EMPLOYEE CAREER OUTLOOK

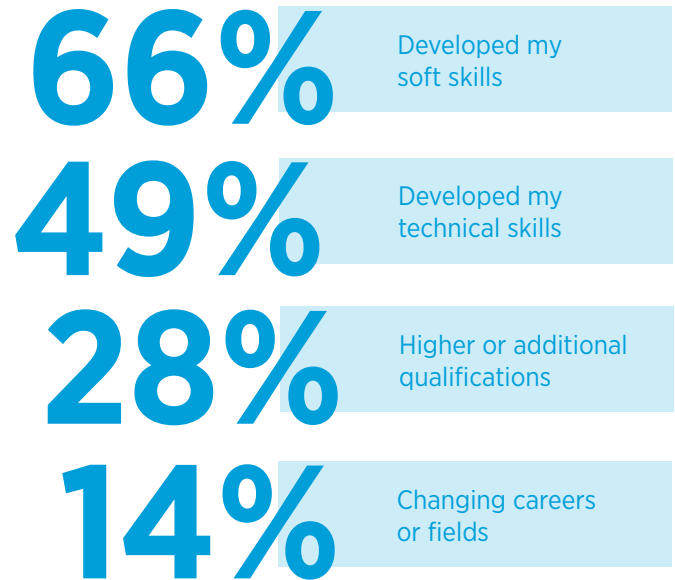
What's most important to employees in the year ahead?

Q. Thinking of your career, what is important in the year ahead? (multiple responses allowed).



Professionals have upskilled to improve job prospects

Q. In the past year, have you undertaken any of the following to improve your job prospects? (multiple responses allowed).



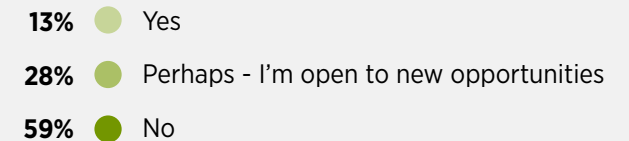
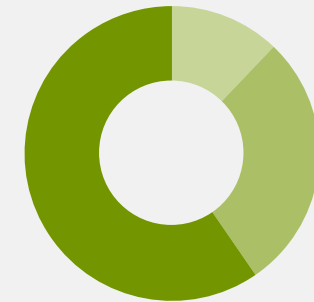
Employee reasons for seeking a new role

Q. If you are looking for a new job in the next 12 months, why? (multiple responses allowed).



Almost half are open to, or looking for a new role

Q. Are you currently looking for a new job in the next 12 months?



SALARY VS LOCATION

SALARY TABLES

	Northland	Auckland	Waikato/ Bay of Plenty	Taranaki/ Manuwatu	Wellington	East Coast	Tasman	Canterbury	Southland	West Coast	Otago
Cadet/Junior	\$50,000	\$55,000	\$50,000	\$50,000	\$55,000	\$50,000	\$50,000	\$55,000	\$50,000	\$50,000	\$50,000
Leading Hand	\$65,000	\$70,000	\$65,000	\$65,000	\$70,000	\$65,000	\$65,000	\$70,000	\$65,000	\$65,000	\$65,000
Foreperson	\$90,000	\$90,000	\$85,000	\$85,000	\$85,000	\$90,000	\$90,000	\$90,000	\$85,000	\$85,000	\$90,000
Site Manager	\$100,000	\$120,000	\$100,000	\$105,000	\$110,000	\$100,000	\$110,000	\$110,000	\$110,000	\$100,000	\$120,000
Project Manager	\$125,000	\$140,000	\$125,000	\$120,000	\$140,000	\$125,000	\$130,000	\$140,000	\$130,000	\$120,000	\$140,000
Senior Project Manager	\$140,000	\$160,000	\$145,000	\$140,000	\$150,000	\$140,000	\$150,000	\$150,000	\$140,000	\$140,000	\$160,000
Project Director	\$170,000	\$185,000	\$160,000	\$170,000	\$180,000	\$160,000	\$160,000	\$170,000	\$160,000	\$155,000	\$170,000
Junior Quantity Surveyor	\$65,000	\$70,000	\$70,000	\$70,000	\$75,000	\$65,000	\$70,000	\$70,000	\$65,000	\$65,000	\$70,000
Intermediate Quantity Surveyor	\$90,000	\$95,000	\$90,000	\$90,000	\$95,000	\$90,000	\$85,000	\$85,000	\$75,000	\$75,000	\$85,000
Senior Quantity Surveyor	\$120,000	\$140,000	\$120,000	\$130,000	\$140,000	\$130,000	\$120,000	\$130,000	\$110,000	\$110,000	\$140,000
Junior Estimator	\$65,000	\$70,000	\$65,000	\$65,000	\$65,000	\$70,000	\$70,000	\$70,000	\$65,000	\$65,000	\$70,000
Intermediate Estimator	\$90,000	\$95,000	\$80,000	\$90,000	\$95,000	\$90,000	\$85,000	\$85,000	\$75,000	\$75,000	\$85,000
Senior Estimator	\$130,000	\$150,000	\$125,000	\$135,000	\$145,000	\$150,000	\$130,000	\$130,000	\$120,000	\$110,000	\$140,000
Commercial Manager	\$160,000	\$180,000	\$165,000	\$175,000	\$185,000	\$170,000	\$160,000	\$160,000	\$140,000	\$140,000	\$170,000
Site Engineer	\$100,000	\$105,000	\$95,000	\$105,000	\$105,000	\$100,000	\$80,000	\$90,000	\$85,000	\$85,000	\$90,000
Project Engineer	\$110,000	\$125,000	\$110,000	\$110,000	\$115,000	\$110,000	\$90,000	\$110,000	\$100,000	\$100,000	\$110,000
Health & Safety Manager	\$125,000	\$125,000	\$120,000	\$110,000	\$120,000	\$110,000	\$110,000	\$110,000	\$100,000	\$90,000	\$120,000
General Manager	\$195,000	\$220,000	\$180,000	\$200,000	\$220,000	\$200,000	\$180,000	\$180,000	\$170,000	\$170,000	\$180,000

* Salaries represent base salary only

SALARY VS CONSTRUCTION TYPE

	Commercial	Industrial	Infrastructure	Residential
Cadet/Junior	\$50,000	\$50,000	\$50,000	\$50,000
Leading Hand	\$70,000	\$70,000	\$70,000	\$75,000
Foreperson	\$90,000	\$75,000	\$80,000	\$80,000
Site Manager	\$110,000	\$105,000	\$105,000	\$100,000
Project Manager	\$140,000	\$115,000	\$120,000	\$120,000
Senior Project Manager	\$160,000	\$145,000	\$140,000	\$140,000
Project Director	\$180,000	\$180,000	\$170,000	\$165,000
Junior Quantity Surveyor	\$70,000	\$65,000	\$70,000	\$70,000
Intermediate Quantity Surveyor	\$95,000	\$95,000	\$85,000	\$95,000
Senior Quantity Surveyor	\$140,000	\$130,000	\$130,000	\$130,000
Junior Estimator	\$70,000	\$65,000	\$70,000	\$70,000
Intermediate Estimator	\$95,000	\$95,000	\$90,000	\$95,000
Senior Estimator	\$150,000	\$135,000	\$135,000	\$150,000
Commercial Manager	\$180,000	\$165,000	\$160,000	\$170,000
Site Engineer	\$105,000	\$110,000	\$85,000	\$100,000
Project Engineer	\$120,000	\$115,000	\$95,000	\$120,000
Health & Safety Manager	\$120,000	\$115,000	\$120,000	\$110,000
General Manager	\$200,000	\$190,000	\$185,000	\$185,000

* Salaries represent base salary only

SALARY VS PROJECT SIZE

	Under \$5M	\$5M to \$15M	\$15M to \$50M	\$50M +
Cadet/Junior	\$45,000	\$50,000	\$55,000	\$55,000
Leading Hand	\$60,000	\$70,000	\$70,000	\$70,000
Foreperson	\$75,000	\$80,000	\$95,000	\$95,000
Site Manager	\$85,000	\$100,000	\$115,000	\$115,000
Project Manager	\$100,000	\$125,000	\$135,000	\$145,000
Senior Project Manager	\$125,000	\$145,000	\$160,000	\$160,000
Project Director	\$145,000	\$170,000	\$180,000	\$180,000
Junior Quantity Surveyor	\$60,000	\$65,000	\$65,000	\$65,000
Intermediate Quantity Surveyor	\$75,000	\$85,000	\$85,000	\$100,000
Senior Quantity Surveyor	\$100,000	\$130,000	\$150,000	\$160,000
Junior Estimator	\$55,000	\$70,000	\$70,000	\$70,000
Intermediate Estimator	\$65,000	\$95,000	\$115,000	\$115,000
Senior Estimator	\$130,000	\$140,000	\$165,000	\$170,000
Commercial Manager	\$125,000	\$145,000	\$175,000	\$215,000
Site Engineer	\$85,000	\$105,000	\$110,000	\$115,000
Project Engineer	\$100,000	\$115,000	\$125,000	\$130,000
Health & Safety Manager	\$85,000	\$100,000	\$115,000	\$125,000
General Manager	\$180,000	\$220,000	\$260,000	\$270,000

* Salaries represent base salary only

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