

Australia

Market changes

With the recent fall in oil prices a number of exploration and drilling programs have been scaled back, resulting in fewer hiring opportunities. However a number of smaller organisations have taken the chance to attract and recruit high-level engineers, something they've historically struggled to do.

Conditions in Western Australia, the engine room of Australia's oil and gas industry, have remained relatively robust. Whilst declining oil prices had put the future of some local projects in doubt, increased investment from overseas has given the green flag to a number of those projects that were previously shelved. The expectation of FID on several major projects this year is creating a positive outlook in the medium term and subsequently increased recruitment activity.

The gas market presents an exciting opportunity for the industry moving forward across Australia, both offshore and in coal seam gas activity. It is hoped the billions of dollars that will be invested into the new sector will generate huge profits for operators and their private investors.

Overall, with significant reductions in global exploration programs, operators are shifting their focus to techniques aimed at maximising field and operational efficiencies.

Positions in demand

Many projects will soon commence off the West Australian coast creating high demand for Subsea engineers. Structural and mechanical engineers at all levels are also in demand in Victoria as a major brownfield project is scheduled to start.

Production and maintenance staff, particularly experienced shutdown crew, are as always in demand. Opportunities for engineers specialising in geoscience and petroleum remain steady and are likely to increase in 2009.

Looking ahead, new vacancies will be created once feasibility studies for the (liquified natural gas) projects have finished and the projects move into detail design and construction.

Salary movements

The salaries, contract rates, bonus payments and relocation packages that this industry has been enjoying were not sustainable with the fall in oil prices, and have recently levelled. Contract rates are now between 10 to 15% lower than third quarter 2008 while bonus payments are considerably lower.

Those very senior, specialist roles on the other hand are still in a position to demand salaries at nearing peak levels.

Employers need to be conscious of how they manage employees in this down period, as staff movements are expected to exceed historical peaks once the markets return. (The number, scale and breadth of projects coming on line in Australasia over the next five years would suggest a considerable peak in demand, particularly from West Australia).

In essence those staff that feel undervalued today, will move when the market returns.

Changes to employer recruitment practices

Simply hiring a person because they are a good fit for the company and an investment for the future is no longer an option. With a greater selection of candidates, employers are being more demanding of applicants' skills, knowledge and industry awareness. As such, the recruitment process is taking much longer.

Employers also prefer to hire local staff to those seeking employment from overseas. Temporary assignments are increasing in popularity in order to pick up the workload during the current recruitment freeze.

Advice to candidates

With longevity of work a major issue, candidates should be both realistic and flexible with salary expectations. Consider smaller organisations that might offer lower salaries but offer security.

As new opportunities within new areas of technology come on line, candidates should look at their skill set and consider what is transferable. It is important to communicate this clearly in an application.

New Zealand

While New Zealand's new government, elected in October 2008, remains committed to renewable energy generation, they have made it clear that they will take a pragmatic approach to the utilisation of all natural resources, renewable or fossil fuels.

This has given the oil and gas industry a long-term confidence boost. Both domestic and international companies are now looking to invest in the country's permit licensing process in basins such as Taranaki, Northland, Canterbury and the Great South Basin.

Positions in demand

Well-funded and technically capable companies from New Zealand and overseas are exploring New Zealand's offshore basins and moving to the next big phase of exploration activity. This is creating demand for geophysicists.

The market expectation is of more opportunities becoming available in many areas that still remain relatively under explored.

Changes to employer recruitment practices

Companies are being both cautious and smarter with their recruitment practices as the market switches to a candidate-rich market. An issue of concern for employers is still attracting suitably qualified personnel to New Zealand, with remuneration levels being the main stumbling block.

Advice to candidates

Candidates should be aware that despite a slowing market, opportunities still exist. This is especially the case in production and operation positions. When applying for new opportunities candidates should be aware that counter offers abound in this market from their existing employer which will need to be balanced with their initial motivations to move.

Salaries for experienced managerial and technical candidates are still expected to increase in 2009 as these employees are the hardest to find and replace even in the current conditions.

OIL & GAS | PROJECT DEVELOPMENT

Design / Engineering	Design Engineer	Senior Design Engineer	Design Drafter	Senior Design Drafter	Design Manager
	Typical Salary	Typical Salary	Typical Salary	Typical Salary	Typical Salary
Australia (Remuneration Package Range)	100,000 - 140,000	140,000 - 180,000	80,000 - 110,000	110,000 - 140,000	140,000 - 170,000
New Zealand (Remuneration Package Range)	75,000 - 80,000	90,000 - 100,000	60,000 - 70,000	70,000 - 80,000	90,000 - 105,000

Design / Engineering	Principal/ Lead Engineer	Engineering Manager
	Typical Salary	Typical Salary
Australia (Remuneration Package Range)	180,000 - 220,000	200,000 - 240,000
New Zealand (Remuneration Package Range)	115,000 - 150,000	150,000 - 210,000

Project Delivery / Controls	Planner	Planning Manager	Contracts Administrator	Contracts Manager	Project Controls Manager
	Typical Salary	Typical Salary	Typical Salary	Typical Salary	Typical Salary
Australia (Remuneration Package Range)	130,000 - 160,000	160,000 - 200,000	100,000 - 120,000	150,000 - 180,000	160,000 - 200,000
New Zealand (Remuneration Package Range)	70,000 - 90,000	90,000 - 130,000	55,000 - 75,000	100,000 - 140,000	100,000 - 140,000

Project Delivery / Controls	Commissioning Engineer	Commissioning Manager	HSE Officer	HSE Manager	QA/QC Manager
	Typical Salary	Typical Salary	Typical Salary	Typical Salary	Typical Salary
Australia (Remuneration Package Range)	120,000 - 140,000	160,000 - 200,000	80,000 - 140,000	160,000 - 190,000	140,000 - 170,000
New Zealand (Remuneration Package Range)	70,000 - 110,000	110,000 - 150,000	70,000 - 90,000	100,000 - 160,000	85,000 - 120,000

Project Delivery / Controls	Project Engineer	Superintendent	Construction Manager	Project Manager
	Typical Salary	Typical Salary	Typical Salary	Typical Salary
Australia (Remuneration Package Range)	130,000 - 170,000	140,000 - 180,000	170,000 - 240,000	190,000 - 280,000
New Zealand (Remuneration Package Range)	80,000 - 100,000	80,000 - 90,000	100,000 - 130,000	110,000 - 170,000

OIL & GAS | OPERATIONS & MAINTENANCE

Operations & Maintenance	Discipline Engineer	Maintenance Planner	Maintenance Supervisor	Production Superintendent	Production Manager
	Typical Salary	Typical Salary	Typical Salary	Typical Salary	Typical Salary
Australia (Remuneration Package Range)	130,000 - 200,000	110,000 - 140,000	120,000 - 160,000	120,000 - 160,000	140,000 - 180,000
New Zealand (Remuneration Package Range)	120,000 - 180,000	75,000 - 100,000	80,000 - 100,000	120,000 - 160,000	140,000 - 180,000

□ Discipline Engineer - Discipline (E&I/Mech/Process/Corrosion/Materials/Reliability)

Operations & Maintenance	Discipline Tech	OIM	Ops Support Engineer	Ops Superintendent	Ops Manager
	Typical Salary	Typical Salary	Typical Salary	Typical Salary	Typical Salary
Australia (Remuneration Package Range)	85,000 - 120,000	190,000 - 240,000	100,000 - 150,000	150,000 - 180,000	200,000 - 260,000
New Zealand (Remuneration Package Range)	60,000 - 80,000	190,000 - 240,000	100,000 - 130,000	110,000 - 150,000	180,000 - 250,000

□ Discipline Tech - Discipline (E&I/Mech/Process/Corrosion/Materials/Reliability)

Exploration & Drilling	Petroleum Engineer	Geologist	Geophysicist	Exploration Manager	Drilling Manager
	Typical Salary	Typical Salary	Typical Salary	Typical Salary	Typical Salary
Australia (Remuneration Package Range)	170,000 - 220,000	120,000 - 180,000	130,000 - 180,000	200,000 - 280,000	230,000 - 300,000
New Zealand (Remuneration Package Range)	170,000 - 220,000	120,000 - 170,000	130,000 - 170,000	200,000 - 280,000	230,000 - 300,000

Exploration & Drilling	Development Engineer	Drilling Superintendent	Rig Manager	Completions Engineer
	Typical Salary	Typical Salary	Typical Salary	Typical Salary
Australia (Remuneration Package Range)	180,000 - 225,000	220,000 - 260,000	220,000 - 280,000	160,000 - 210,000
New Zealand (Remuneration Package Range)	180,000 - 210,000	220,000 - 260,000	N/A	160,000 - 210,000

Exploration & Drilling	LWD / MWD Engineer	Technical Assistant
	Typical Salary	Typical Salary
Australia (Remuneration Package Range)	100,000 - 120,000	80,000 - 110,000
New Zealand (Remuneration Package Range)	70,000 - 100,000	70,000 - 90,000