

Salary survey

PAY FREEZE STARTS TO THAW

Lingering market uncertainty and Arab Spring keep wages relatively flat, but UK and Asia earnings rise with demand for skilled workers, Macdonald & Company figures show

Asia: wages and bonuses up

Asia remains the powerhouse of the global property market (agency in Asia, p75). Economic growth continues and wages are being driven up as a result.

Demand for skills is high but, combined with local experience and language ability, it has yet to fully stretch to the wholesale import of expat expertise.

Despite this, expats have been and are being hired, and in response to the impressive spend in infrastructure-related developments, there is a heavy increase in demand for the engineering and technical skills. We expect the average wage to increase to around £62,000 with nearly 70% of the workforce receiving some form of bonus. This will be £7,000 more than in the UK.

Will Glover, head of Asia



Middle East and north Africa: expats out of favour

The Arab Spring has had a significant effect on confidence, levels of business activity and hiring in the region. It has resulted in stiff competition for vacancies. Strict nationalisation policies in the Gulf countries also mean that expats are currently out of favour.

Salaries in the region in 2011 are expected to remain at realistic levels, in line with or slightly below last year's £76,800 average.

However, skilled asset managers and property managers are in demand and we expect that, in time, there will be regeneration in Egypt and Libya, as foreign investment flows back into those countries.

Ben Waddilove, head of Middle East



Africa: low pay prevails

Africa is the lowest-paid of all the regions and this is unlikely to change soon. Remuneration has remained relatively flat in the past six months or so, but there has been a noticeable increase in bonus sizes.

I predict this trend will continue into 2011/12, as some large employers have even been forced into reduced working hours and salaries. The average wage is likely to remain at £33,000, with slightly fewer workers receiving a bonus this year.

Julie Teague, head of Africa



Jeremy Pearson returned to Hong Kong four months ago to take up his post as director of corporate occupier and investor services, Asia-Pacific, at Cushman & Wakefield (box, bottom right). After 12 years in the UK, he says the move was "a simple choice" (box, below).

Figures from a survey of 13,000 property people by recruitment company Macdonald & Company, show that last year the average salary among real estate workers in Asia was more than \$95,500 (£59,900), compared with £50,000 in the UK. That does not include bonuses, which, in 2010, were on average more than two times higher in Asia than they were in the UK.

Furthermore, tax in China is just 15%. "There is no VAT, no national insurance, no capital gains tax, no local authority tax and

no tax on beer," says Will Glover, Macdonald & Company's head of Asia.

The real estate market in Asia – and China specifically – is crying out for Brits with experience. The market has enjoyed burgeoning growth during the past decade. UBS says construction accounted for 13% of China's GDP last year.

But, as Glover points out, the vast country is becoming increasingly desperate for "people with a bit of grey hair" to advise on that growth.

"There are multi-billion-dollar organisations out here – but 20 years ago they would have been rice farmers. So they are learning very, very quickly – and yes, there is a relative skills shortage."

Jeremy Sheldon, international director at Jones Lang LaSalle says there is particularly

strong growth among international firms. Since Sheldon's arrival, back in 1990, "organisations like Goldman Sachs, which had 20,000-30,000 sq ft, have grown to 400,000 sq ft. People are making more expensive decisions".

These decisions require more experience, and better qualifications – and for many discerning clients, a certificate from the likes of the RICS is particularly in demand. Often, firms prefer people with good experience from the UK.

"They are willing to take a bet on the fact that, if people understand property well, after a short period of time they will be able to understand the market itself," says Sam Harvey-Jones, senior director at CB Richard Ellis.

Of course, it is not always plain sailing in China. Although the real estate market has matured over the last 10 years, labour laws have not been quite as quick to catch up with the west. So, when economic turmoil struck, firms had no qualms about cutting costs. One international service provider imposed a flat 15% salary reduction, another imposed a mandatory unpaid week's holiday. Others simply made redundancies. "Everything is done very quickly," warns Glover.

But don't be put off. As Harvey-Jones puts it: "There are times when it is harder to do business here, but ultimately it is more rewarding. For people who have a bit of get up and go, it's definitely a place where you can make a name for yourself." ■

Emma Haslett is web reporter at Management Today

Europe: 'PIGS' weigh heavily on wages

Europe consists of very differing economies. We expect remuneration and rewards to have dropped significantly in countries such as Portugal, Italy, Greece and Spain (PIGS), as the euro debt crisis impacts heavily on their businesses.

Germany, however, has grown and we expect to see a strong rise in the pay and rewards of key professional sectors in this country.

We expect fewer professionals to receive a bonus this year overall, perhaps below 50%. We predict the average salary will remain static, at around £65,000.

Peter Moore, managing director



UK: marginal increases

The UK has experienced challenging market conditions in the past eight months. Hotspots have emerged and there is increased demand for asset and facilities managers, valuers and analysts.

Conditions outside London and the south-east remain as tough as they were back in 2008/09.

Despite this, London's growth in new job opportunities means that we predict that the average wage will increase slightly this year to around £55,000. We predict that the number of professionals receiving a bonus this year will also increase slightly.

Peter Moore, managing director

