

THE RICS AND
MACDONALD & COMPANY

THE FULL FACTS

SALARY & BENEFITS SURVEY

2005



MACDONALD & COMPANY

The Property Recruitment Professionals

**The 2005 RICS and Macdonald & Company
Salary & Benefits Survey**

**RESEARCH FINDINGS
February 2005**

FOREWORD

This document contains findings of The 2005 RICS and Macdonald & Company Salary & Benefits Survey. We would like to thank all the participants who took time to complete the questionnaire.

Now in its sixth year, The Annual RICS and Macdonald & Company Salary & Benefits Survey is the most comprehensive survey undertaken for the sector. Continuing the success of the earlier Surveys, 3,470 UK and non-UK surveying professionals participated during January and early February 2005, an increase of around 650 on last year's Survey. Thanks this year must go to Property Week, Freeman's and Propex who all actively promoted involvement in the survey amongst their readership/members.

Aside from statistics on current salaries, recent salary increases, bonuses and employment package benefits, the results give an insight into wider issues that are important to professionals in their working lives.

Peter Moore
Macdonald & Company
40a Dover Street
Mayfair
London
W1S 4NW

T: 0207-629 7220
F: 0207-629 3990
E: property@macdonald.co.uk
W: www.macdonald.co.uk

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1. Summary of Findings

Current Salaries, Bonuses and Benefits

The average salary of professionals working in the property sector is £40,425, excluding bonuses and other benefits. This is up 10.8% on last year's Survey, when average earnings were £36,499.

To some extent, this figure may be influenced by the slightly different way of collecting data: this year's survey was completed entirely online, whereas last year's survey also used a self-completion questionnaire included in *Property Week*. Further, a more sensitive way of recording salaries was employed (actual figures written in rather than indicated within broad bands).

We would also note that, whilst the average age of participants is similar to last year (37), there tends to be slightly stronger representation of higher levels of job responsibility. This, combined with a slightly higher proportion employed in London and in some of the higher earning sectors (notably, Investment / Development), is likely to have contributed to the apparent increase in salary levels.

However, there are indications that the increase in average salary that is in evidence is not solely a result of differences in methodology and that it is a real finding: not only has the average salary increased, but the level of annual salary increases has also shown upward movement. The average increase in salary reported by respondents taking part this year was 5.5% (up 0.9% on 2004), even though there has been a slight decrease in the percentage of respondents reporting salary increases overall (72% in 2005 compared to 76% in 2004).

Approximately 8% of survey participants are accounted for by professionals who work mainly outside the UK. The average salary of those who work mainly outside the UK is £47,287, 19% higher than those working mainly in the UK (£39,881): this difference is narrower than seen last year (when the differential was 35%).

Within the UK, those mainly working in Greater London and the South-East still earn the most, in contrast to those in Northern Ireland, Wales, South West and North East, who typically earn the least.

Generally, respondents with greater responsibilities earn the highest salaries, although, among this sample as in previous years, Partners / Executives earn more than Principals / Owners: on average £67,574 versus £65,429. This disparity can largely be explained by

regional variations within the sample (a higher proportion of the Partners and Executives participating are concentrated in Greater London) and the size of organisation (Principals work for significantly smaller businesses).

Average Salary (excluding bonuses)
By Level of Responsibility and Geographic Location

	All £K pa	Assistant £K pa	Surveyor £K pa	Senior Surveyor £K pa	Associate /Manager £K pa	Partner/ Executive £K pa	Principal/ Owner £K pa
Base:	3371	263	648	774	954	431	146
London/South East	43.5	22.0	28.1	38.4	46.7	73.3	71.9
South West/Wales	33.9	18.0	25.6	31.7	39.1	57.3	43.3*
Midlands/E Anglia	38.9	17.6	28.0	34.8	38.6	63.6	64.5
N West/N East	36.9	19.1	25.0	32.8	39.5	58.4	61.2
Scotland	37.1	17.8*	24.8	34.5	39.3	68.2	86.6*
Average UK	39.9	19.9	26.8	35.6	42.4	67.3	67.2
Average Non UK	47.3	21.6*	26.6	40.4	50.9	69.9	51.7*

Base: All participants giving an answer (3371) (* Small sub group bases – read with caution)

As last year, those working in a Surveying Practice/PLC, Commercial/Industrial sector, and Central/Local Government account for the bulk of those who participated in the survey (29%, 24% and 15% respectively).

Those who are employed in Financial Services and Investment/Development enjoy the highest salaries, with the latter showing the largest increase over the past year.

Unsurprisingly, those respondents employed in Central / Local Government and Non-profit Making Organisations typically earn the least, with Government showing the smallest increase in the past year.

Average Salary (excluding bonuses)
By Sector

	£K pa (% change on 2004)
Financial services	54.4 (+11%)
Investment/Development	51.0 (+12%)
Commercial/Industrial	41.0 (+10%)
Education	37.8 (+ 8%)
Surveying Practice/PLC	36.9 (+ 9%)
Non-profit making	36.1 (+ 9%)
Central/Local Government	33.9 (+ 5%)
Average All	40.4 (+11%)

Base: All participants giving an answer (3399)

Although based upon relatively small sub-groups, those employed in Corporate Property Consultancy, Fund Management, Claims & Dispute Resolution, Property Finance and Commercial Development enjoy average earnings above those in other activities. Other high

earning categories include Facilities Management Consultant, Construction Contract Manager and Investment Brokerage. Least well paid are those employed in Rural Practice, Planning and SHE.

Average Annual Salary and Bonus By Prime Professional Activity

	Average Salary £K pa	Average Bonus £K pa	Total £K pa	Av. Salary Increase	Number of participants
All participants	40.4	6.5	46.9	5.5%	3399
Fund Management	60.3	30.4	90.7	8.8%	76
Investment Brokerage	49.9	27.8	77.7	9.9%	121
Corporate Property Consultancy	65.0	11.5	76.5	6.1%	72
Property Finance	56.0	18.6	74.6	7.2%	53
Commercial Development	55.2	18.9	74.1	7.3%	83
Residential Agent	47.5	14.8	62.2	4.2%	29
Claims & Dispute Resolution	57.5	4.0	61.4	4.5%	22
Facilities Management Consultant	52.9	6.0	58.9	4.3%	20
Industrial Agent	39.2	17.4	56.6	6.8%	27
Construction Contract Manager	50.4	3.7	54.1	6.5%	34
Residential Development	43.3	9.2	52.5	5.4%	73
Property Asset Management	46.5	5.7	52.2	5.2%	274
Project Management	45.6	4.3	49.9	4.1%	185
Minerals	42.9	6.1	49.0	7.1%	31
Regeneration	42.2	6.7	48.9	4.0%	49
Office Agent	38.1	8.6	46.7	5.8%	45
Rating	38.4	6.4	44.8	4.3%	40
Landlord & Tenant	36.6	7.3	43.8	5.4%	71
Facilities Management Service Provider	39.6	2.6	42.2	3.5%	58
General Practice	36.0	5.6	41.6	5.1%	218
Professional Quantity Surveying	38.7	2.7	41.5	5.9%	278
Estates Surveyor	38.3	3.1	41.4	4.2%	137
Valuation	34.1	6.4	40.5	5.5%	199
Facilities Management In-house	37.9	2.5	40.4	3.9%	111
Retail Agent	33.3	6.8	40.1	4.8%	30
Contractors Quantity Surveying	36.8	2.0	38.8	5.3%	122
Academic	34.9	1.0	36.0	3.7%	24
Environmental	33.8	1.9	35.7	3.3%	43
Building Surveying	33.2	2.4	35.6	5.9%	341
Geomatics	33.2	1.4	34.6	4.8%	50
Building Control	32.7	1.0	33.7	2.6%	27
SHE	31.7	1.9	33.5	4.7%	50
Planner	31.1	2.1	33.2	5.6%	145
Rural Practice	30.7	2.0	32.7	6.8%	134

Base: All employed (3399)

Table excludes those categories with the smallest sub-groups (less than 20 respondents), i.e. Fine Arts (1); Business Development (17); Research (19)

Differences by Gender and Age

Women represent 18% of survey participants (down 3% from last year) and the most commonly mentioned activities in which they are employed are: Planning (9%), Property Asset Management (8%), General Practice (8%), Valuation (7%) and Rural Practice (6%).

The most frequently mentioned prime professional activities in which men are employed are: Building Surveying (11%), Professional Quantity Surveying (9%), Property Asset Management (8%), General Practice (6%), Project Management (6%) and Valuation (6%).

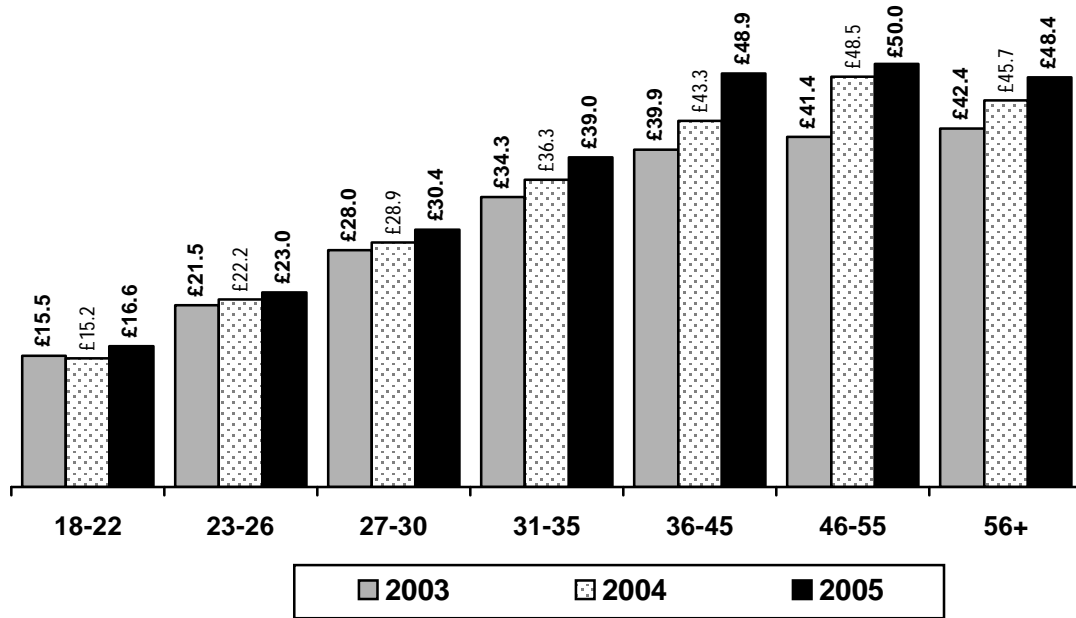
On average, women's salaries remain, much as last year, 29% less than their male counterparts: £30,384 versus £42,666. However, the difference between male and female salaries may largely be due to the younger profile of women participating in the survey (average age of 32, compared with 39 for men) and corresponding lower levels of experience in the sector (the average being 6.4 years among women versus 11.4 years among men). Women also tend to be employed in the lower paying areas, Planning and Rural Practice being two of the three lowest paid activities in the survey.

Women also report a slightly lower rate of salary increase: an average of 5.3%, compared with men, for whom salaries have gone up by 5.5%.

As may be expected, there is a close relationship between salary and age. Respondents aged 46-55 earn the highest average salaries (£49,999), with those aged 36-45 and 56+ slightly lower (£48,879 and £48,395 respectively). The youngest participants in the survey, those aged 18-22 years, earn the least: £16,643 on average (versus £15.2k reported a year ago).

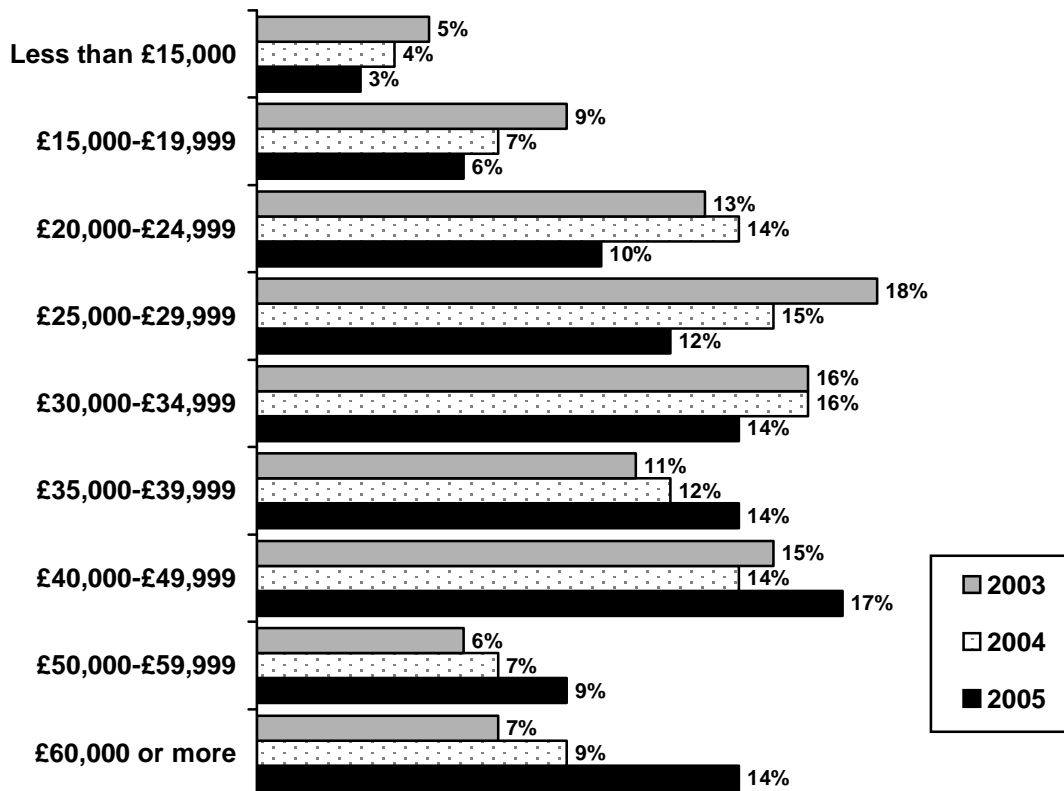
However, those at a relatively early stage in their career typically show the highest levels of reported salary increases: 7.4% for those in the 23-26 and 27-30 year old age ranges (only 4.0% for 18-22 year olds). Thereafter, rates of increase tend to decline (31-35: 5.8%, 36-45: 4.9%, 46-55: 3.9%, 56+: 2.9%).

Average Salary (Excluding bonuses) By Age (£K)



Base: All giving an answer (2005: 3371)

Spread of Current Salaries (Excluding bonuses)



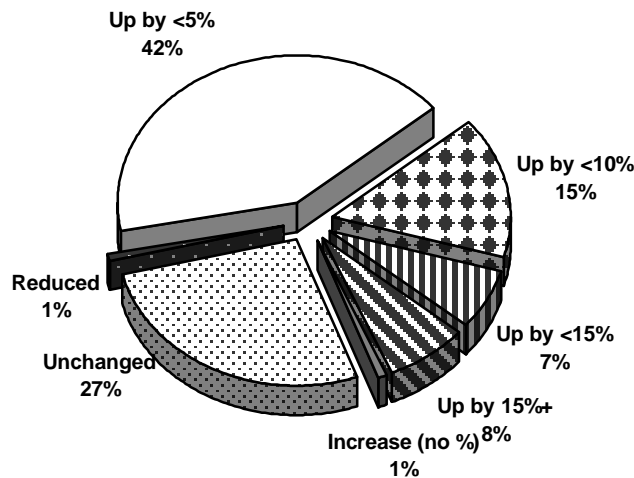
Base: All giving an answer (2003:3087, 2004:2782, 2005: 3371)

Salary Increases

Just under three quarters of participants (72%) had an increase in salary at their most recent pay review. This is down 4% from last year. However, on average, participants saw their salary increased by 5.5%, significantly up on the 4.6% seen last year.

Those enjoying the greatest increases tended to be in the higher earning professional activities: those employed in Investment Brokerage (average 9.9%) and Fund Management (8.8%). Receiving the smallest salary increases were those working in Building Control (2.6%) and Environmental (3.3%).

What Change Was Made To Your Salary At Your Last Review?



Base: All giving an answer (3375)

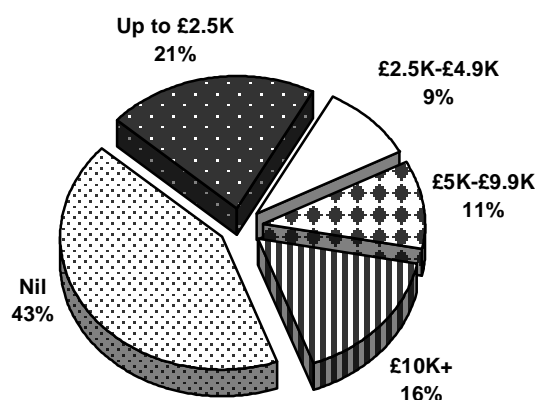
Bonuses

Whilst many of the survey participants did not receive any bonuses during the last 12 months (42%), survey participants overall received an average of £6,502 in bonuses (this is substantially higher than last year, in part because actual figures were recorded, rather than simply indicated within bands).

As with salaries, bonuses were once more greater among those respondents employed overseas: £9,639 among those who mainly work outside the UK compared to £6,248 among those who mainly work in the UK.

Bonuses are also significantly higher among higher salaried sectors: those working in Fund Management and Investment Brokerage reported average bonus figures in excess of £25k. Similarly, those working mainly in Greater London and the South-East also enjoy higher bonuses than those in other UK regions.

What Was The Value Of Your Bonus Over The Last 12 Months?



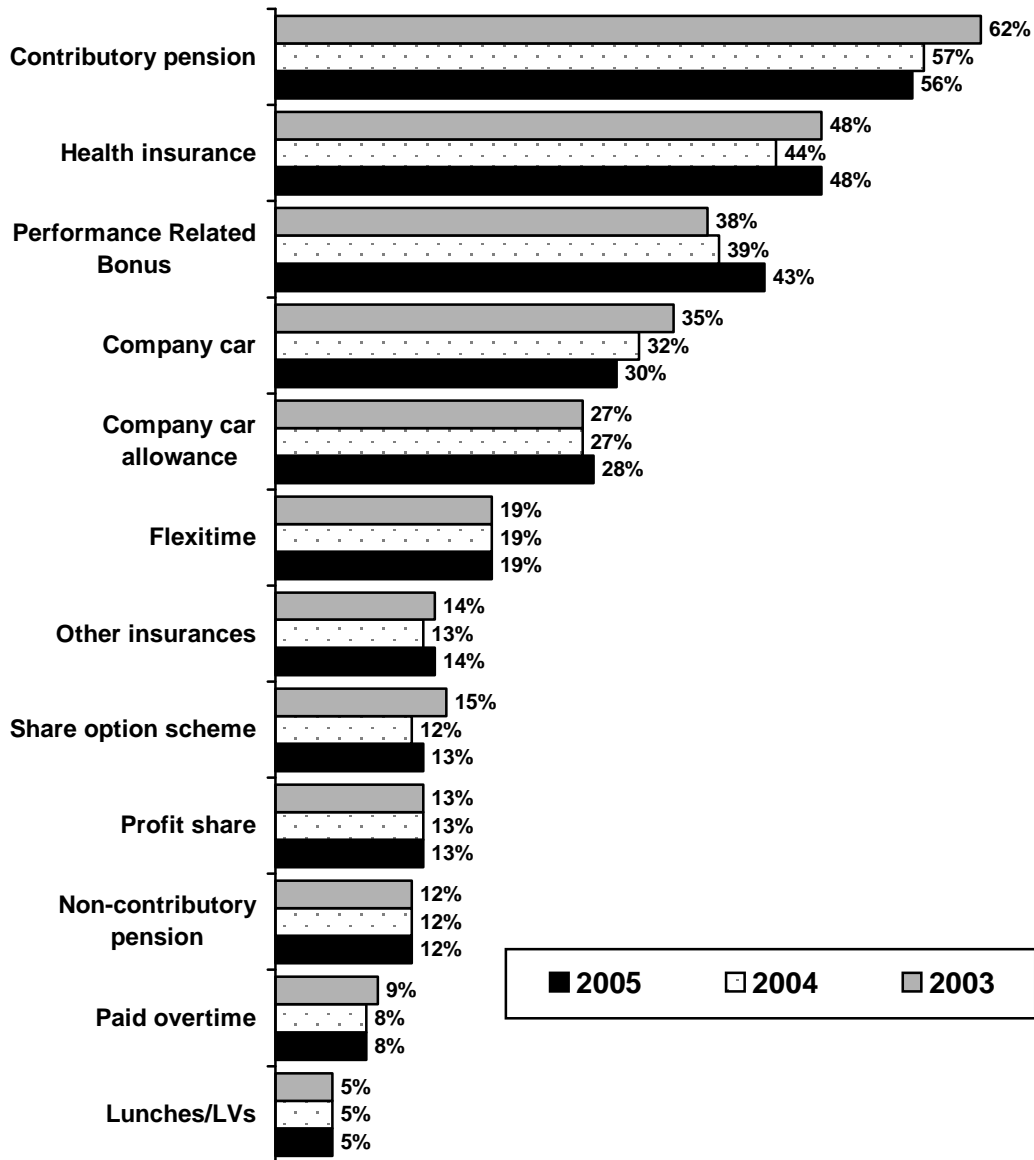
Base: All responding (3267)

Benefits

More or less unchanged from last year, the majority receive some form of additional benefit as part of their package (91% vs. 93% last year). The most frequently mentioned benefits are: a contributory pension (56%; down 1% from last year), health insurance (48%; up 4% from last year), performance related bonus (43%; up 4% from last year) and a company car (30%; down 2% on last year). These four are also the most frequently mentioned as being 'new' among those having received a 'new benefit' as part of their employment package during the last year.

Although the general pattern is similar to that revealed in the 2004 Survey, there has been a recovery in the proportion citing health insurance as a benefit, back to the 2003 level, and the incidence of performance related bonuses is at its highest level yet seen (up 11% on the 32% displayed in the 2000 survey). There are also signs of a slowdown in the declining level of provision of company cars, which had fallen from 50% in 2000 to 30% in 2005.

Benefits included in employment package



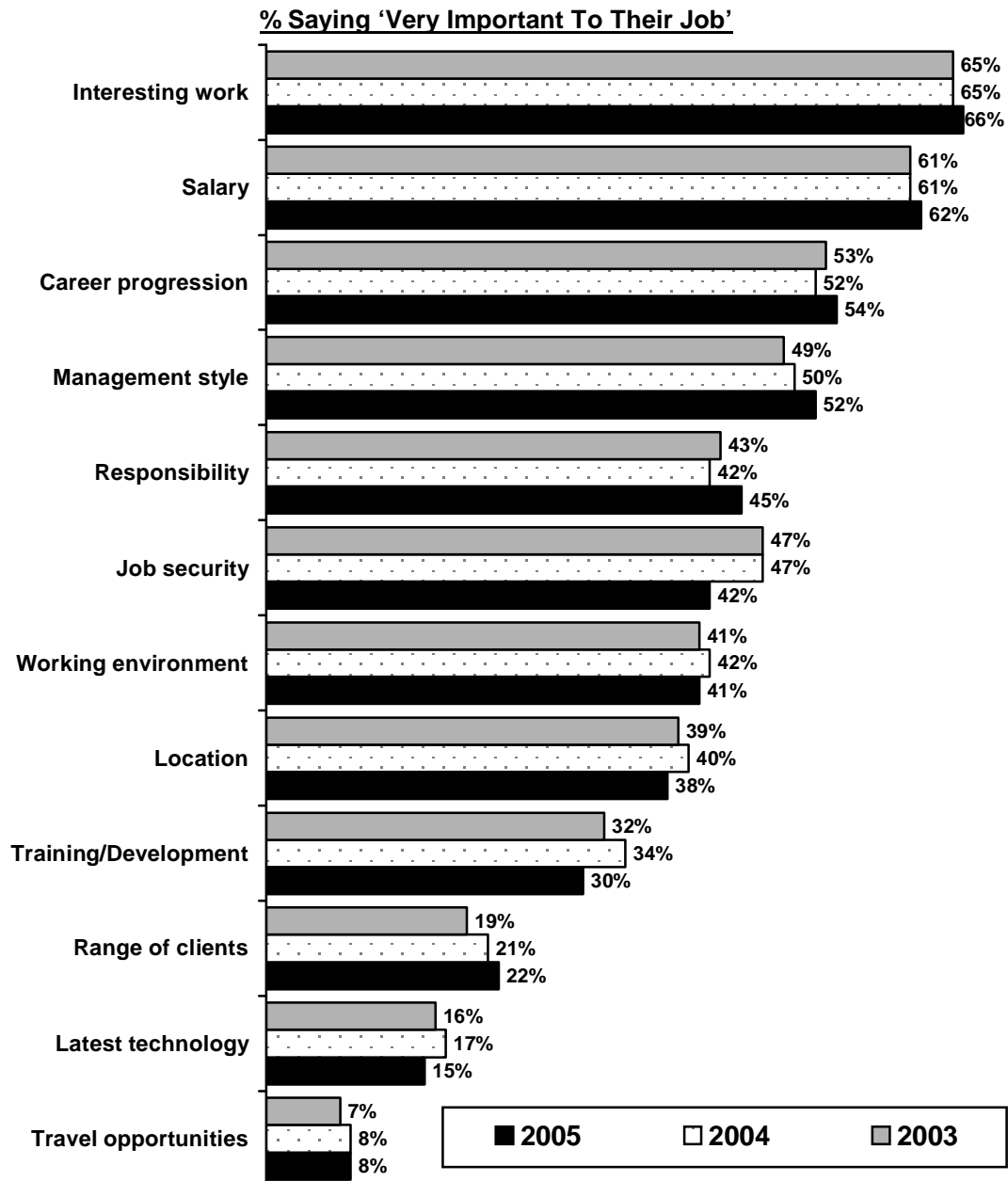
Base: All participants (2003:3113, 2004:2686, 2005: 3399)

Issues Important in Role and Attitudes toward Employment

51% of respondents say they were first attracted to the Property Profession because of an *interest in property*, 29% *due to chance* and 22% because of a *contact in the industry*. Only 13% say they were attracted by the *potential financial rewards*.

Nevertheless, by far the most important aspects of their job now are *having a range of interesting work* (66% very important) and *salary* (62% very important). The majority also place particular importance on *career progression* (54%) and *management style* (52%). Perhaps a sign of a strengthening market, slightly less emphasis is placed than over the past couple of years on *job security*, with *responsibility* now more important.

However, the issues which are most important to men and women differ. Whilst men place *salary* and a *range of interesting work* equally at the top of their priorities, women place greater emphasis on having a *range of interesting work*, with *management style* their second priority. They also place more emphasis on *working environment* and *training/development*.



Base: All participants (2003:3113, 2004:2825, 2005: 3470)

Reasons for Changing Job

Reflecting the fact that salary is one of the two most important drivers in attitudes towards employment, when respondents were asked 'If you were to leave your present employer, what would your reasons be?', the most frequently mentioned reason was *better salary* (67%). Only 37%, however, would leave for a better benefits package; more important are *better career prospects* (55%).

Other key reasons for leaving an employer include *management style* (32%), *change of career* (23%) and *relocation* (19%). *Retirement, redundancy* and *to work in a different country* were felt to be the least likely influencing factors (given by 9%, 10% and 18% respectively).

Younger audiences (and, in particular, those aged 23-30) are more attracted by issues around remuneration - *better salary, career prospects* and *benefits package* - than their older counterparts, and are the most likely to mention *relocation* or *to work in a different country*. Whilst remuneration issues continue to be the most important among middle aged audiences (aged 36-55), other issues, such as *management style* and *change of career* grow in relative importance, whilst, among those aged 56+, *retirement* is by far the most likely reason for leaving their present employer (56%). Concerns over *redundancy* are also most likely to affect the over-45s.

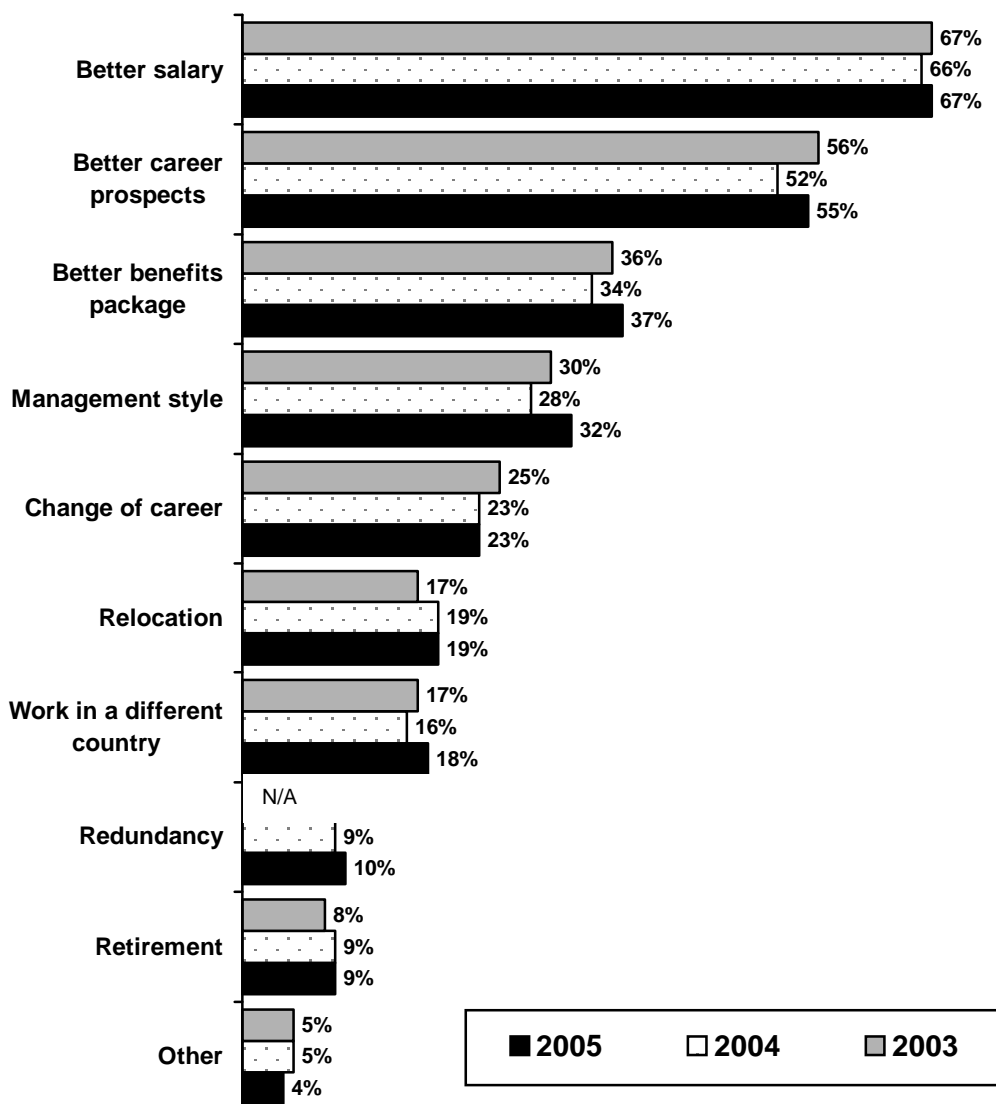
For those outside the UK, although the most important reasons for leaving their current employment are consistent with the norm (*better salary* and *career prospects*), *working in a different country* is also an important motivational factor (38% compared to only 16% of UK based property professionals).

However, whilst salary and career prospects are important, there are also issues about work-life balance. Respondents say that they currently work, on average, 43.4 hours per week, but 44% say that shorter hours would increase their job satisfaction.

Unsurprisingly, employees who are earning higher salaries tend to work longer hours (those on the lowest salaries work a 39.8 hour week, compared to 49.4 hours for those on the highest salaries). This pattern is also reflected in levels of responsibility (although, as noted before, the pattern changes at the highest levels, where Partners / Executives are working longer hours than Principals / Owners).

As seen previously, respondents employed in the Investment / Development sector are working the longest hours (46.2 hours on average) and those in Government are working the shortest (39.1).

Reasons For Leaving Present Employer



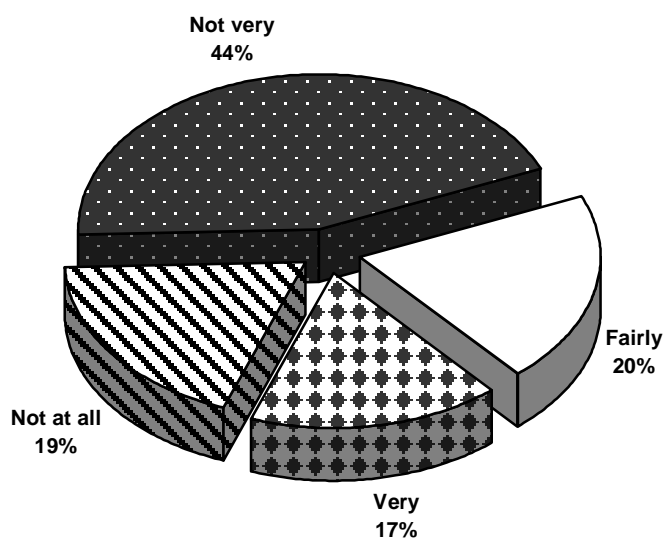
Base: All giving an answer (2003:3113, 2004: 2815, 2005: 3399)

When asked 'How likely are you to change employers within the next 12 months?', 63% said they were not very or not at all likely (down 4% from last year). 17% said that they were very likely to change employers – up from 12% last year, perhaps suggesting growing confidence.

Perhaps not surprisingly, a change of employer tends to be associated more with younger surveyors (especially those aged 18-22), those at lower levels of responsibility and those on lower salaries. Female respondents also expressed a greater likelihood to change than their male counterparts (23% and 15% respectively 'very likely' to change).

Those involved in Facilities Management, whether in-house, service providers or consultants, appear to be most likely to change employers (42% 'very likely').

How likely are you to change employers within the next 12 months?



Base: All participants (3470)

Economic Activity in the next 12 months

Almost half the property professionals who responded to the survey (46%) anticipate that the economic activity in their chosen professional activity will remain unchanged in the next twelve months. 46% anticipate an increase and only 7% a decrease (both up 1% on last year). This maintains the confidence demonstrated last year (in 2002 and 2003, only 27% expected an increase in economic activity in the following 12 months whilst 14% in 2002 and 22% in 2003 predicted a decrease).

Those professional activities where an increase is most commonly anticipated are: *Facilities Management Consultant* (67%), *Corporate Property Consultancy* (62%) and *Building Control* (59%). Most pessimistic are those in *Residential Development* (only 28% foresee an increase in activity and 23% a decrease).

It is also worth noting that those working outside the UK are more likely to anticipate an increase in economic activity in the next 12 months than their UK counterparts (61% and 45% respectively).

	% anticipate increase in economic activity
All participants	46%
Facilities Management Consultant	67%
Corporate Property Consultancy	62%
Building Control	59%
Fund Management	57%
Office Agent	56%
Commercial Development	56%
Geomatics	56%
Project Management	56%
Property Finance	54%
Rating	53%
Facilities Management Service Provider	52%
Industrial Agent	52%
Construction Contract Manager	51%
Contractors Quantity Surveying	51%
Environmental	50%
SHE	50%
Professional Quantity Surveying	49%
Facilities Management in house	49%
Rural Practice	49%
Planner	47%
Property Asset Management	46%
Residential Agent	45%
Regeneration	45%
Building Surveying	44%
General Practice	42%
Claims & Dispute Resolution	41%
Minerals	39%
Investment Brokerage	37%
Landlord & Tenant	36%
Estates Surveyor	35%
Valuation	34%
Retail Agent	33%
Academic	30%
Residential Development	28%

Base: All participants (3470)

Table excludes those categories with the smallest sub-groups (less than 20 respondents), i.e. Fine Arts (1); Business Development (17); Research (19)

2. Method & Sample Profile

2.1 Overview

The Annual RICS and Macdonald & Company Salary & Benefits Survey is in its sixth year and is the most comprehensive survey undertaken for the sector. The majority of the survey took place on-line via the RICS and Macdonald & Company web-sites, a self completion postal questionnaire was included in *Property Week* for the month of January 2005. Freeman's and Propex actively promoted completion of the questionnaire amongst their readers and members using emails and web promotion. The RICS used emails to the membership to stimulate response as did Macdonald & Company who contacted all registered candidates and clients. The results have been collated and analysed by David Burton Associates.

Besides statistics on current salaries, recent salary increases, bonuses and employment package benefits, the results give insight into wider issues that are important to professionals in their role and their attitudes toward employment.

Continuing the success of the earlier Surveys, 3,470 UK and non-UK surveying professionals participated in January and early February 2005, an increase of around 650 on last year's Survey.

Respondents are broadly representative of the profession with regard to the business sectors and geo-demographic spread. 90% of participants are employed on a permanent basis, compared with 5% who are freelance and 3% who describe their current role as temporary.

Over half (59%) are accounted for among those that describe their prime professional activity as: Building Surveying (10%), Professional Quantity Surveying (8%), Property Asset Management (8%), Valuation (6%), General Practice (6%), Project Management (5%), Contractors Quantity Surveying (4%), Rural Practice (4%), Estates Surveyor (4%) and Planner (4%).

Over two-thirds of participants (68%) are at Senior Surveyor level or higher (compared to 63% in 2004), Staff (19%) and Assistants (8%) account for most of the remainder. At the highest level, almost one in five describe themselves as Principals, Owners, Partners or Executives (17% compared to 14% in 2004).

Regarding the nature of the organisations for which respondents work (base = employed respondents 3,399), the most frequently mentioned are: Surveying Practice/PLC (29%), Commercial/Industrial (24%), and Central/Local Government (15%). The remainder (32%)

include those working in Investment/Development (9%), Financial Services (4%), Non-profit Making Organisations (3%), and Education (2%).

Well over a third of participants mainly work in London and the South-East (42%), with the remainder principally working elsewhere in the UK (51%). 8% work outside the UK (compared with 11% in 2004).

The majority of participants are men – 82%. The average age of the respondents is 37.4 years (showing very little change over the last couple of years: 37.8 in 2004 and 37.2 in 2003), with 10.5 years' experience in the sector (again very similar to previous years: 2004: 11.1; 2003: 10.9).

The profile of women taking part in the survey is younger than that of the men, their average age being 31.7 years (compared to 38.7 among males) with 6.4 years' experience (compared to 11.4 years among males).

Nearly half of all participants are employed within organisations with 500+ employees (44% compared to 41% in 2004) versus 18% who are within smaller firms with 20 or fewer people.

2.2 Charts

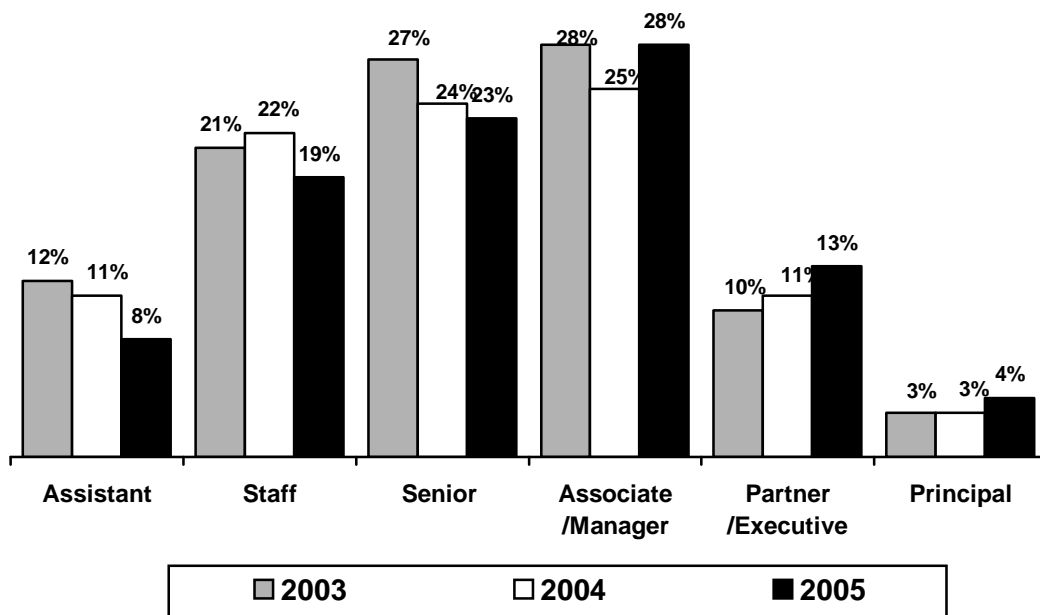
(a) Sample Profile: Prime Professional Activity

	2003	2004	2005
	No. of Participants	No. of Participants	No. of Participants
Building Surveying	440	368	347
Professional Quantity Surveying	398	335	280
Property Asset Management	257	266	274
General Practice	n/a	84	224
Valuation	258	251	206
Project Management	216	117	189
Planner	53*	78*	154
Estates surveyor	n/a	n/a	141
Rural Practice	140	146	134
Contractors Quantity Surveying	190	150	122
Investment Brokerage	28	33	121
Facilities Management In-house	63	47	118
Commercial Development	82	76	85
Fund Management	29	36	76
Corporate Property Consultancy	74	70	74
Residential Development	48	47	74
Landlord & Tenant	121	132	72
Facilities Management Service Provider	23	31	61
Property Finance	21	26	54
SHE	n/a	n/a	54
Geomatics	44	37	50
Regeneration	8	44	49
Environmental	34	12	46
Office Agent	44	53	45
Rating	46	47	40
Construction Contract Manager	37	27	37
Minerals	17	34	31
Retail Agent	26	35	30
Residential Agent	22	18	29
Academic	18	22	27
Industrial Agent	28	33	27
Building Control	n/a	n/a	27
Claims and Dispute Resolution	37	33	22
Facilities Management Consultant	13	13	21
Research	22	16	19
Business Development	n/a	n/a	17
Fine Arts	7	1	1

Numbers shown include those giving an answer within defined categories

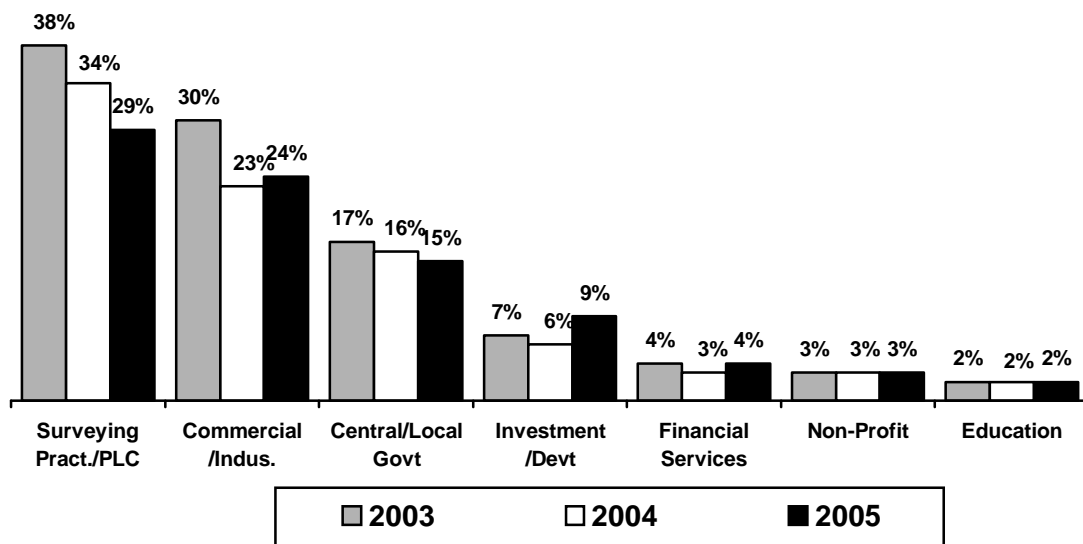
(NB. Some changes have been made to categories between years, accounting for some n/a. * Planner described as Town & Country Planner in previous surveys.)

(b) Sample Profile: Level of Responsibility



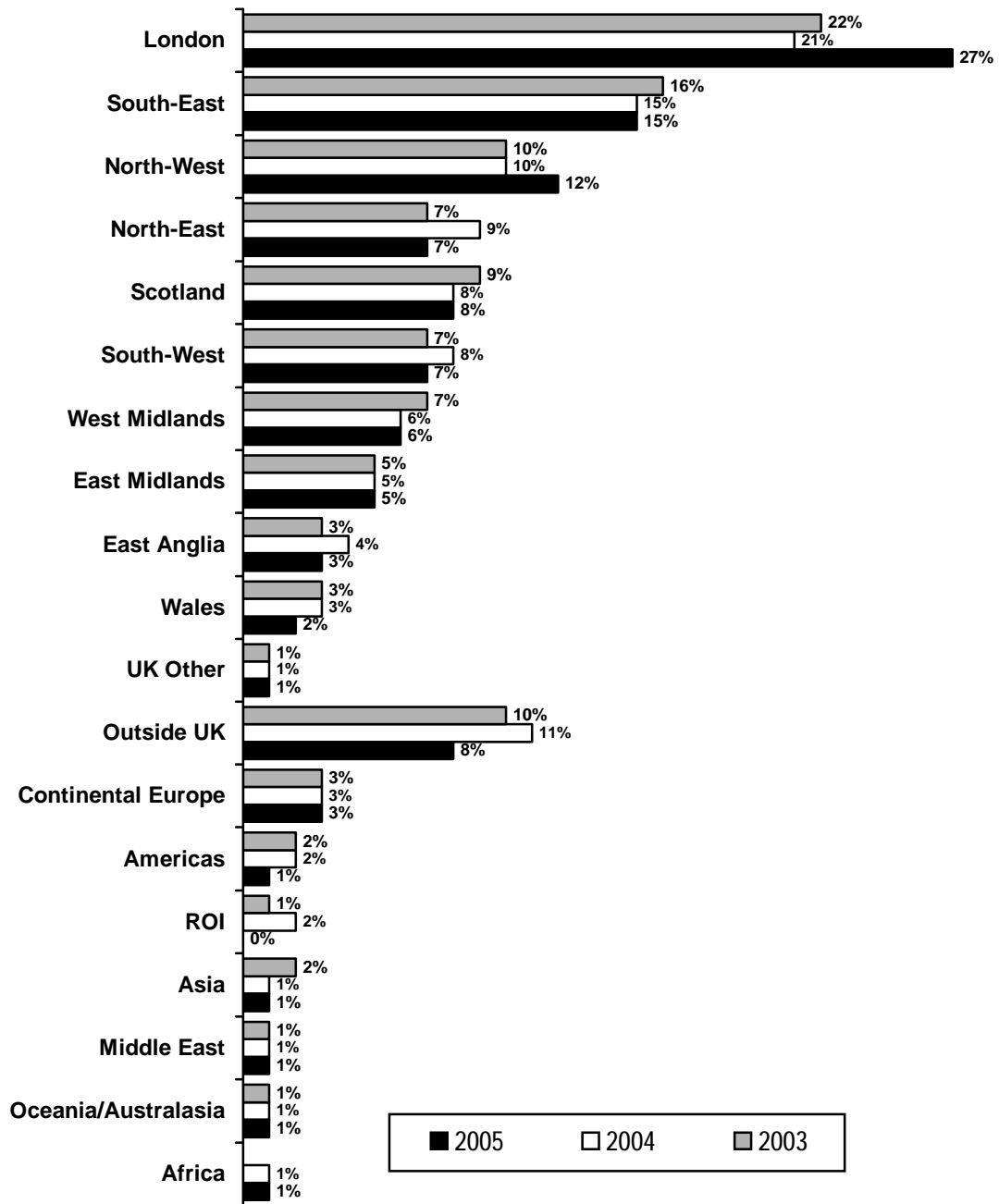
Base: All giving an answer (2003:2992, 2004:2820, 2005: 3399)

(c) Sample Profile: Sector



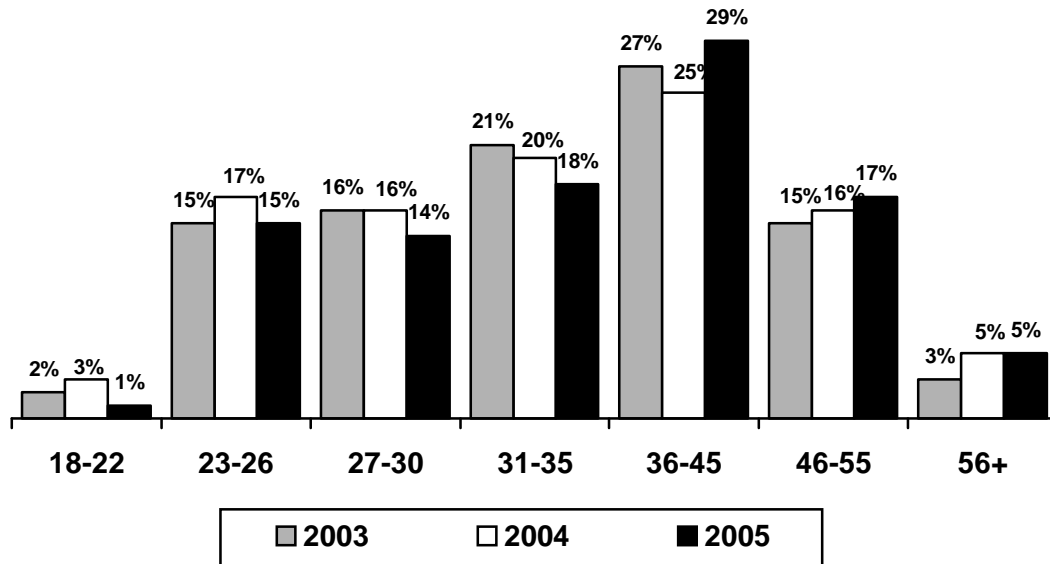
Base: All giving an answer (2003:2992, 2004:2820, 2005: 3399)

(d) Sample Profile: Region



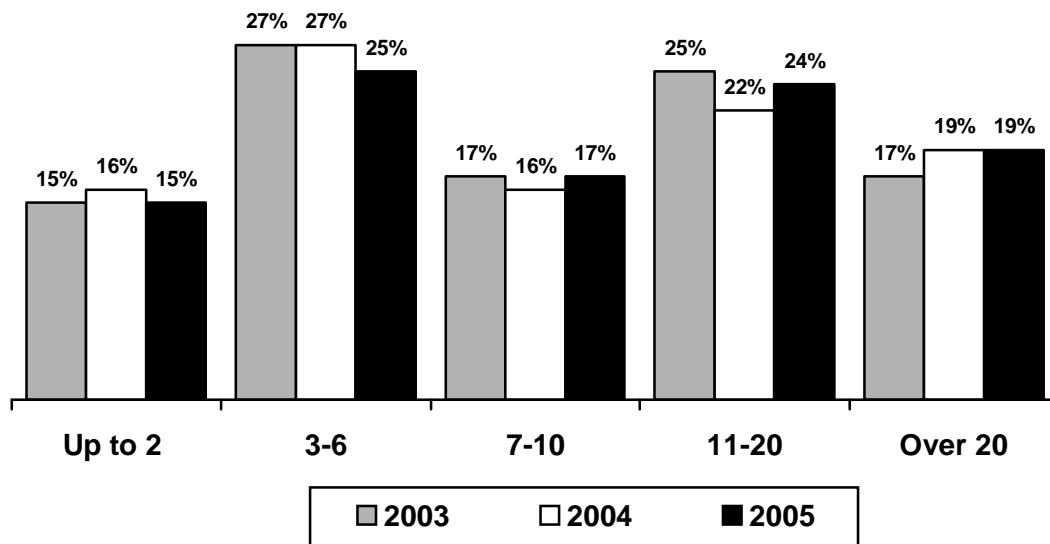
Base: All giving an answer (2003:3113, 2004:2818, 2005:3470)

(e) Sample Profile: Age



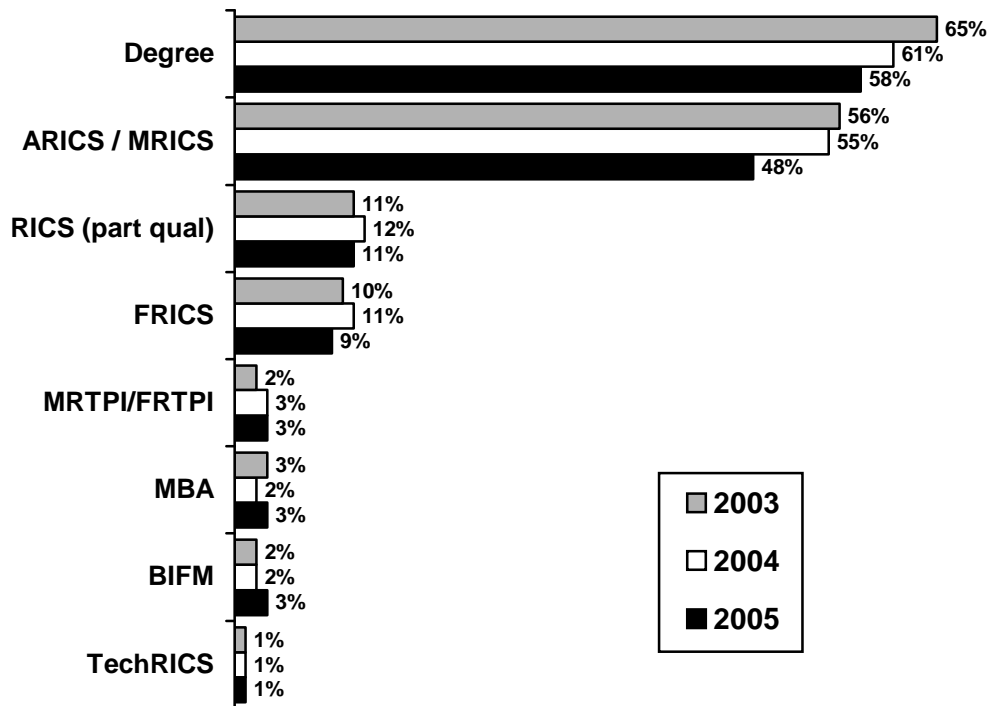
Base: All giving an answer (2003:3113, 2004:2818, 2005:3470)

(f) Sample Profile: Years' Experience



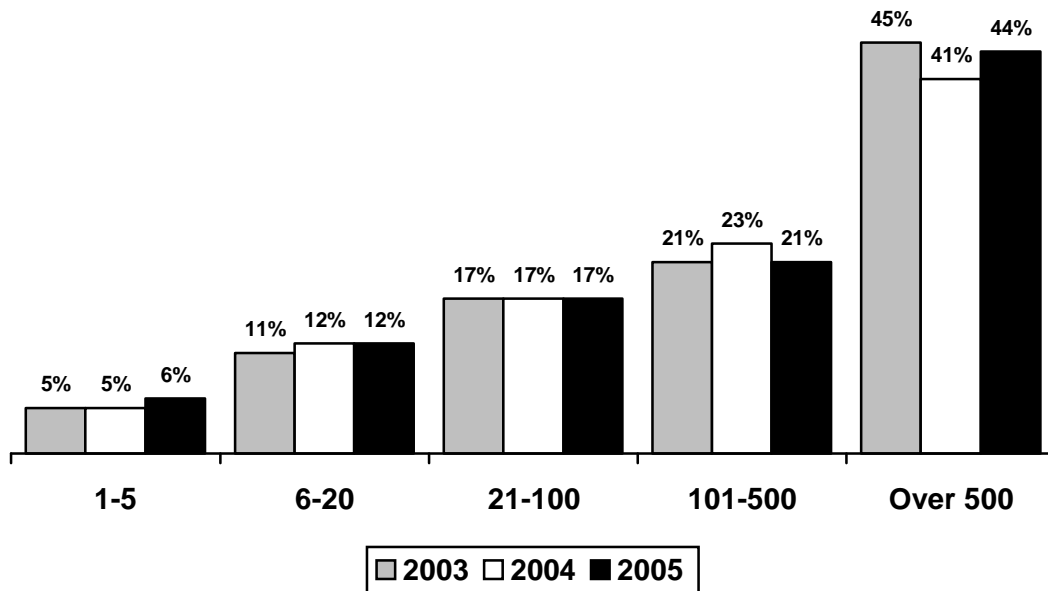
Base: All giving an answer (2001:3914, 2002:3162, 2003:3113)

(g) Sample Profile: Qualifications Held (Most mentioned)



Base: All participants (2003:3113, 2004:2817, 2005:3470)

(h) Sample Profile: Size of Organisation (Num. Of Employees)



Base: All giving an answer (2003:3113, 2004:2817, 2005:3399)

3. Current Salary (Excluding Bonuses)

3.1 Overview

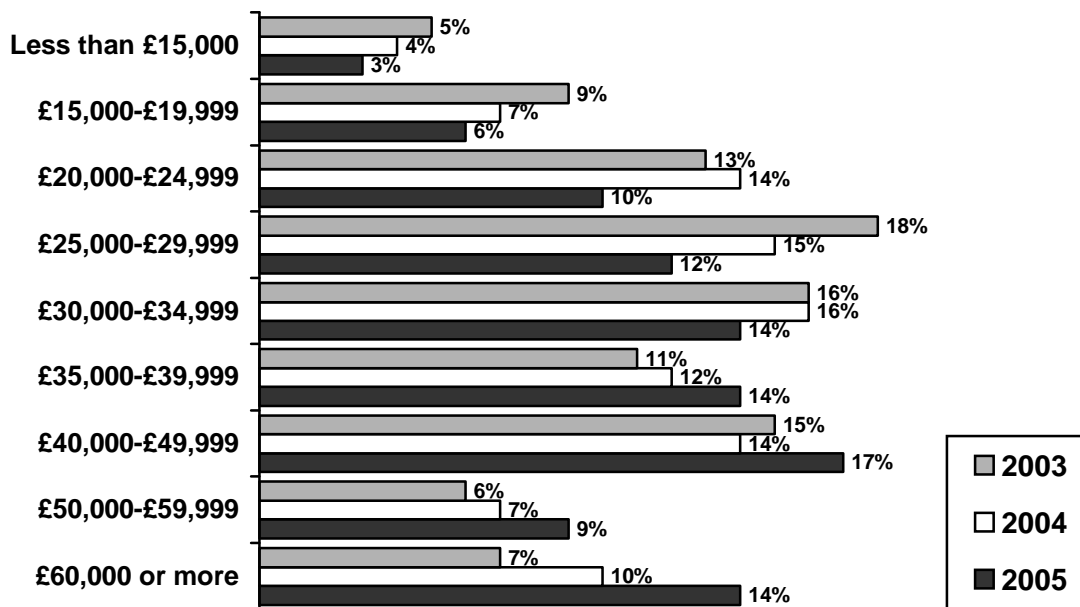
The average salary of professionals working in the property sector is £40,425, excluding bonuses and other benefits. This is up 10.8% on last year's survey, when average earnings were £36,567.

8% of survey participants are surveying professionals who work mainly outside the UK. The average salary among this group is £47,287, 19% higher than those working mainly in the UK (£39,881): this difference is narrower than seen last year (when the differential was 35%).

Overall, salaries are higher than for the 2004 Survey in every group (an increase unlikely to be solely dependant on changes in methodology and data gathering processes and supported by figures surrounding salary increases on pages 29 -34) and the figures provided reflect the breadth of the professionals taking part. Only 19% now report earnings (excluding bonuses) of less than £25K, while 42% earn between £25-40K and well over a third (39%) now earn £40K+ (3% £100K or more).

3.2 Charts

(a) Current Salary (Excluding Bonuses)



Base: All giving an answer (2003:3087, 2004:2782, 2005:3371)

Average Salary: Prime Professional Activity (ordered according to highest salary 2005)

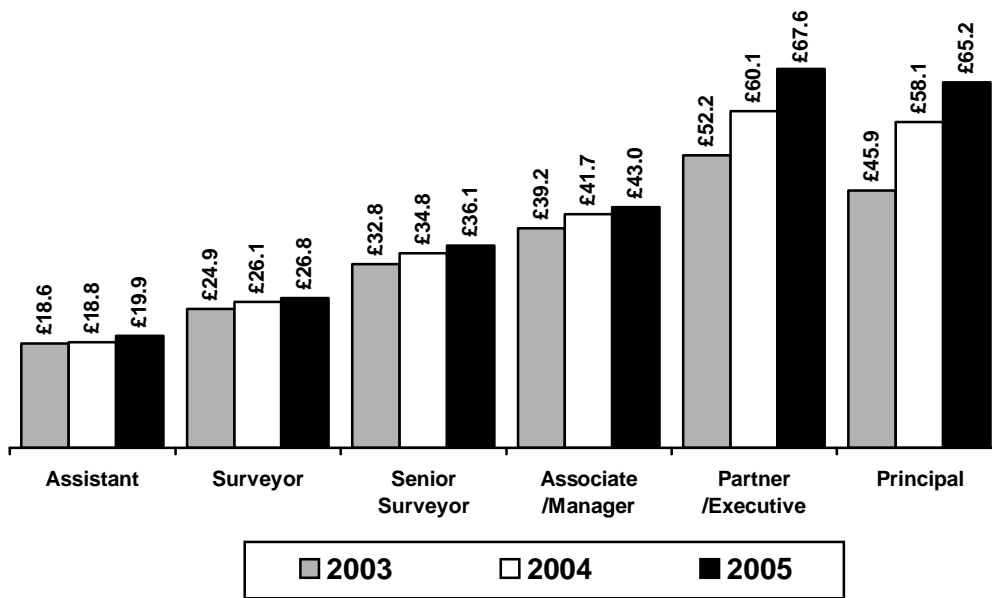
	2003	2004	2005
	Average Salary £ pa	Average Salary £ pa	Average Salary £ pa
All participants	33,804	36,567	40,425
Corporate Property Consultancy	40,266*	49,795*	65,022*
Fund Management	44,131*	60,661*	60,288*
Claims & Dispute Resolution	44,596*	45,793*	57,468*
Property Finance	52,960*	55,750*	55,992*
Commercial Development	43,886*	48,418*	55,191*
Facilities Management Consultant	42,175*	48,908*	52,916*
Construction Contract Manager	41,909*	41,265*	50,382*
Investment Brokerage	37,500*	57,212*	49,934
Residential Agent	32,067*	29,939*	47,466*
Property Asset Management	38,493	41,234	46,460
Project Management	41,668	45,709	45,610
Residential Development	33,750*	43,173*	43,273*
Minerals	30,898*	41,906*	42,868*
Regeneration	38,263*	37,456*	42,202*
Facilities Management Service Provider	40,579*	42,242*	39,617
Industrial Agent	27,802*	29,142*	39,215*
Professional Quantity Surveying	31,479	33,494	38,744
Rating	32,555*	37,361*	38,369*
Estates Surveyor	n/a	n/a	38,328
Facilities Management In-house	35,871*	42,278*	37,907
Contractors Quantity Surveying	33,820	34,139	36,798
Landlord & Tenant	31,500	33,351	36,557*
General Practice	n/a	33,831*	36,013
Academic	34,603*	29,955*	34,944*
Valuation	31,970	34,253	34,135
Environmental	25,231*	35,939*	33,780*
Retail Agent	27,808*	34,394*	33,251*
Building Surveying	28,887	29,486	33,242
Geomatics	35,089*	29,074*	33,194*
Building Control	n/a	n/a	32,736*
SHE	n/a	n/a	31,663*
Planner	40,723*	38,658*	31,061
Rural Practice	27,702	27,742	30,678
Office Agent	27,943*	27,883*	28,132*

Base: All giving an answer (2003:3087, 2004:2782, 2005:3371)

(* small sub-samples:<100)

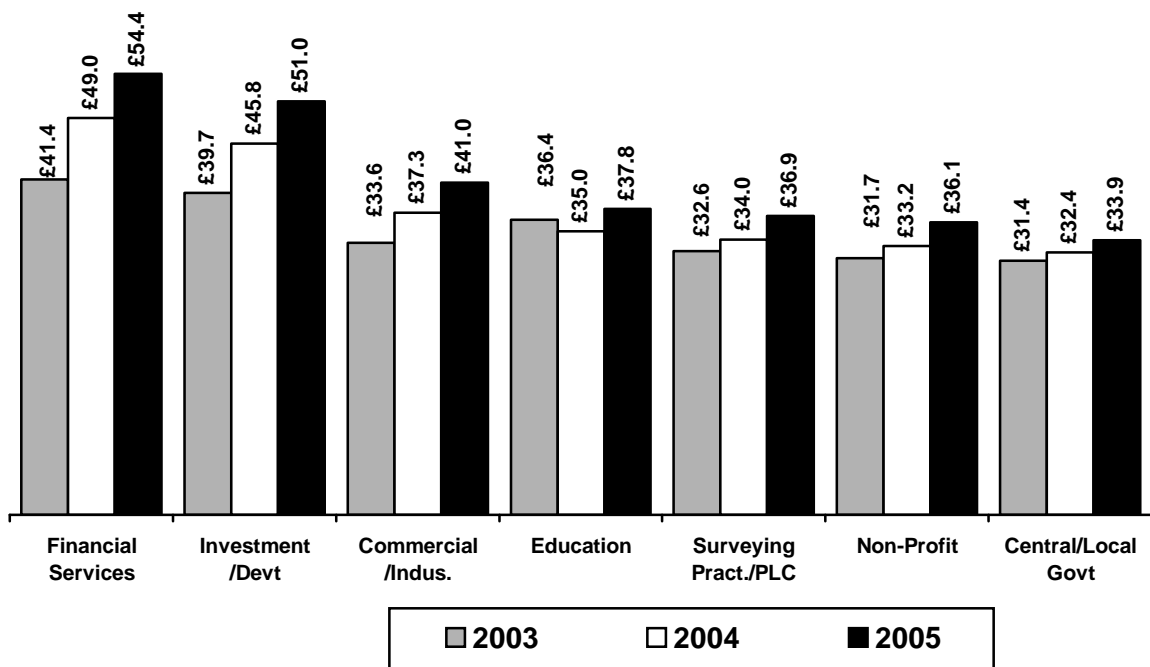
Table excludes those categories with the smallest sub-groups (less than 20 respondents), i.e. Fine Arts (1); Business Development (17); Research (19)

(b) Average Salary (£Kpa): Level of Responsibility



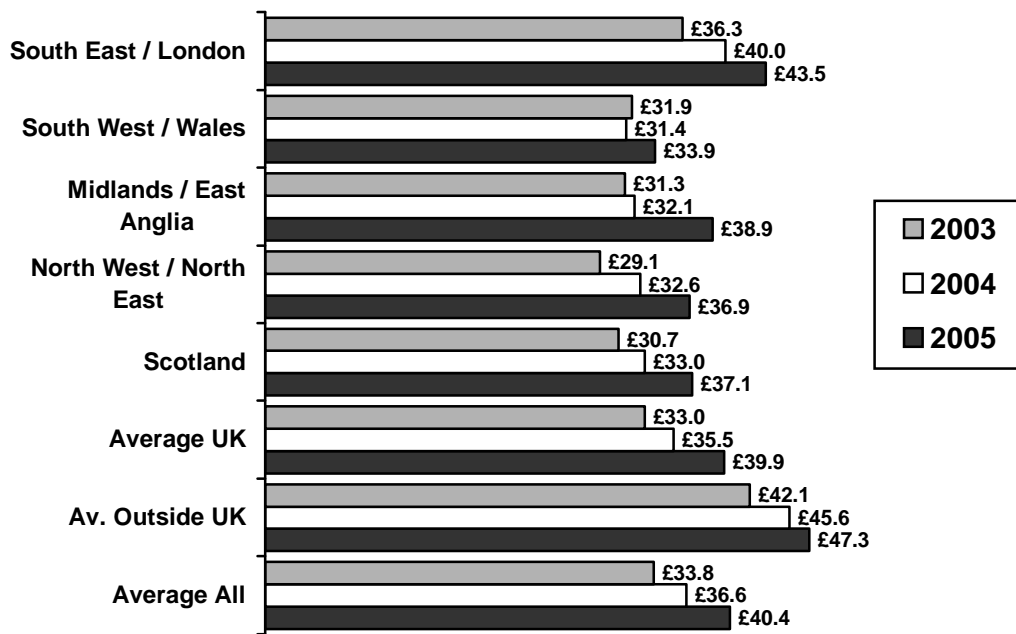
Base: All giving an answer (2003:3087, 2004:2782, 2005:3371)

(c) Average Salary (£Kpa): Sector



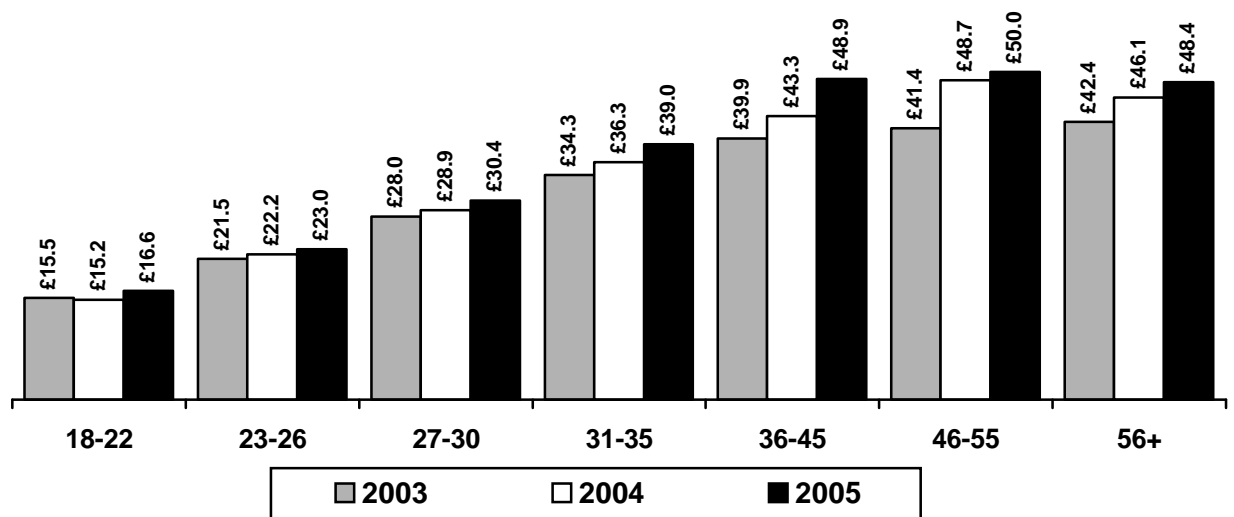
Base: All giving an answer (2003:3087, 2004:2782, 2005:3371)

(d) Average Salary (£Kpa): Region



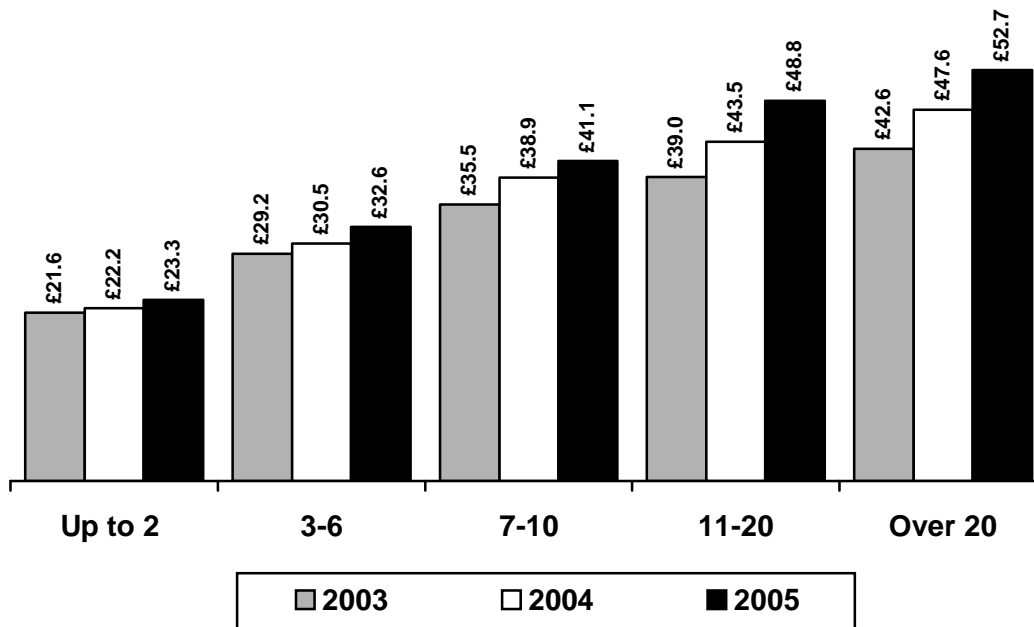
Base: All giving an answer (2003:3087, 2004:2782, 2005:3371)

(e) Average Salary (£Kpa): Age



Base: All giving an answer (2003:3087, 2004:2782, 2005:3371)

(f) Average Salary (£Kpa): Years' Experience



Base: All giving an answer (2003:3087, 2004:2782, 2005:3371)

4. Change to Salary at Last Review

4.1 Overview

Whilst 72% of participants had an increase in salary at their most recent pay review (a decline on 76% last year, 78% in 2003 and 82% in 2002), the average overall salary increase reported has improved (by 0.9%) to 5.5%.

Those enjoying the greatest increases this year (more than 6%) include those employed in Investment Brokerage (9.9% increase), Fund Management (8.8%), Commercial Development (7.3%), Property Finance (7.2%), Minerals (7.1%), Industrial Agent (6.8%), Rural Practice (6.8%), Construction Contract Manager (6.5%) and Corporate Property Consultancy (6.1%).

Receiving the smallest salary increases (less than 4% on average) are those working in Building Control (2.6%), Environmental (3.3%), Facilities Management Service Provider (3.5%), Academic (3.7%) and Facilities Management In-house (3.9%).

In a reversal of the pattern we have seen in previous years, those working overseas experienced a higher salary increase than those working domestically. The increase in the UK was 5.5% (4.8% last year), compared to 5.7% amongst participants elsewhere in the world (3.5% last year). Those in Northern Ireland (7.8%), the Republic of Ireland (7.5%), Oceania/Australia (7.3%) and Middle East (7.1%) saw the highest increases overall, while the lowest increases were in Asia (3.5%) and the Americas (3.8%).

In terms of job responsibility, Partners / Executives received the largest pay increases (6.3%) and those with the highest salaries also received the greatest pay increases (those earning at least £60,000 received an average 6.7% pay increase compared to pay increases of 5.4% for those earning £40,000-£59,999 and 4.3% for those earning less than £20,000).

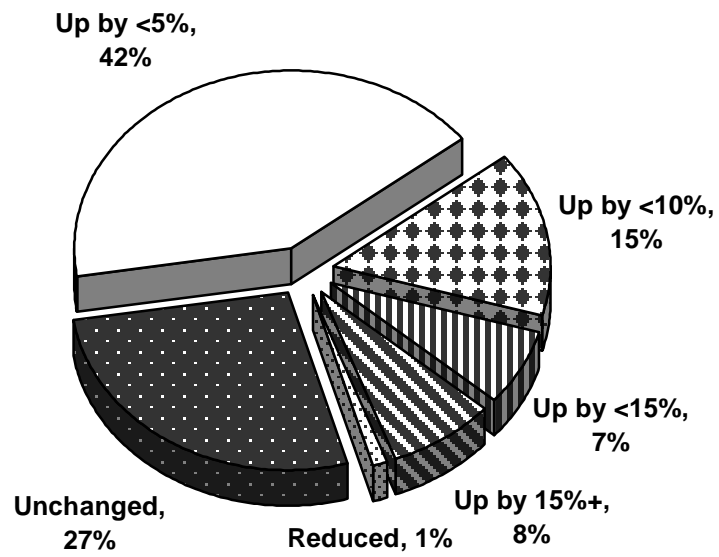
Employers in Financial Services gave the highest salary increases (6.7%), while Central / Local Government gave the lowest (3.3%).

Salary increases among males were slightly higher than for females in the industry. Males received an average 5.5% increase (4.7% last year) and females received 5.3% (4.3% last year). However, since last year, the gap between the two is slightly narrower.

By age, those aged 27-30 received the highest salary increases (7.4%) while those aged 56+ received the lowest (2.9%). Not only is the salary increase for those aged 56+ the lowest, but, uniquely, it has also declined since 2004 when the increase was 3%.

4.2 Charts

(a) Change to Salary at Last Review



Base: All giving an answer (2005: 3375)

(b) Average Increase: Prime Professional Activity (ordered according to highest increase 2005)

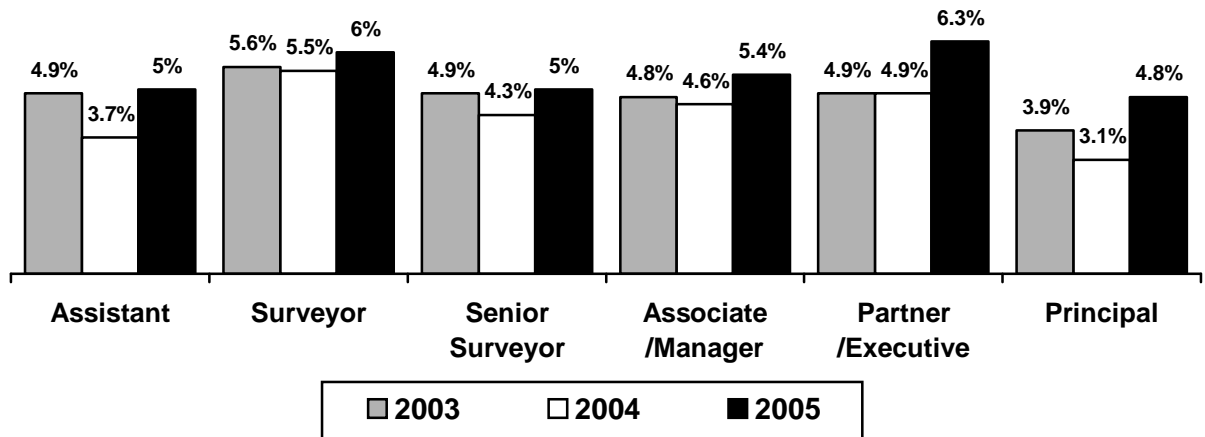
	2003	2004	2005
	Average Increase	Average Increase	Average Increase
	p.a	p.a	p.a
All participants	5%	4.6%	5.5%
Investment Brokerage	6.9%*	6.2%*	9.9%
Fund Management	6%*	6.3%*	8.8%*
Commercial Development	4.6%*	5.8%*	7.3%*
Property Finance	4.3%*	5.3%*	7.2%*
Minerals	4.4%*	5.2%*	7.1%*
Industrial Agent	5%*	5.2%*	6.8%*
Rural Practice	6.7%	5.2%	6.8%
Construction Contract Manager	4%*	5.2%*	6.5%*
Corporate Property Consultancy	3.9%*	5.2%*	6.1%*
Professional Quantity Surveying	5.4%	5.2%	5.9%
Building Surveying	5.2%	5.2%	5.9%
Office Agent	7.2%*	5.9%*	5.8%*
Planner	4.0%*	4.1%*	5.6%
Valuation	5.4%	5.2%	5.5%
Landlord & Tenant	5.4%	5.2%	5.4%*
Residential Development	6%*	5.8%*	5.4%*
Contractors Quantity Surveying	5.4%	5.2%	5.3%
Property Asset Management	4.4%	5.2%	5.2%
General Practice	n/a	5.2%*	5.1%
Geomatics	3.6%*	5.2%*	4.8%*
Retail Agent	6.2%*	5.8%*	4.8%*
SHE	n/a	n/a	4.7%*
Claims & Dispute Resolution	5.3%*	5.2%*	4.5%*
Facilities Management Consultant	4%*	5.2%*	4.3%*
Rating	4.2%*	5.2%*	4.3%*
Estates Surveyor	n/a	n/a	4.2%
Residential Agent	4.9%*	5.2%*	4.2%*
Project Management	4.3%	5.2%	4.1%
Regeneration	5.4%*	5.2%*	4.0%*
Facilities Management In-house	2.9%*	5.2%*	3.9%
Academic	2.8%*	5.2%*	3.7%*
Facilities Management Service Provider	4%*	5.2%*	3.5%*
Environmental	4.5%*	5.2%*	3.3%*
Building Control	n/a	n/a	2.6%*

Base: All giving an answer (2003:3087, 2004:2782, 2005:3375)

(* small sub-samples:<100)

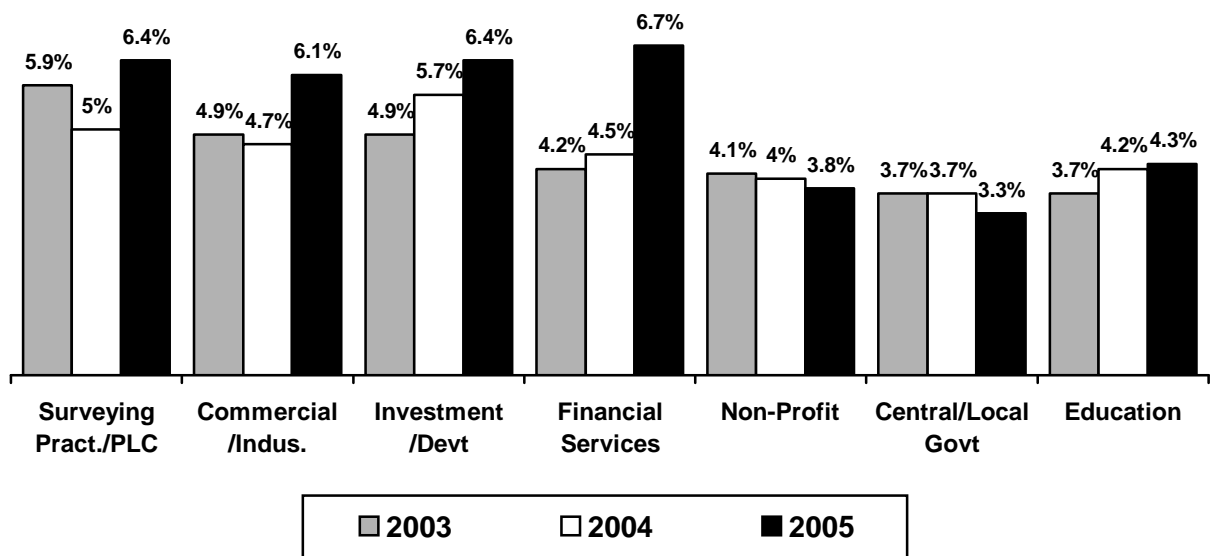
Table excludes those categories with the smallest sub-groups (less than 20 respondents), i.e. Fine Arts (1); Business Development (17); Research (19)

(c) Average Increase: Level of Responsibility



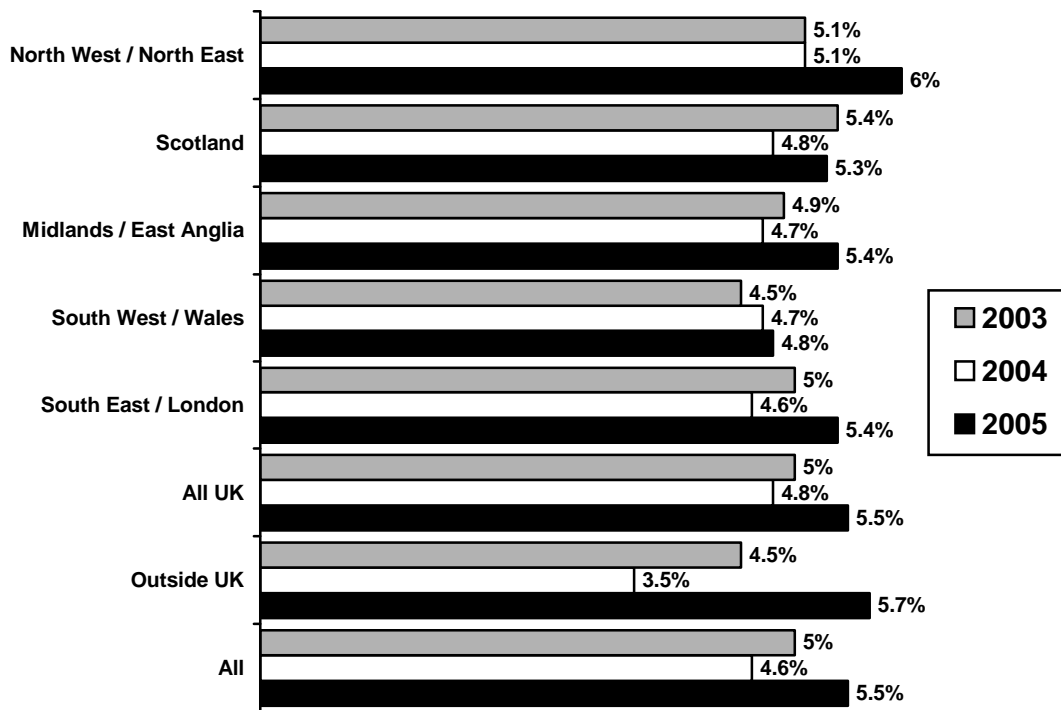
Base: All giving an answer (2003:3087, 2004:2782, 2005:3375)

(d) Average Increase: Sector



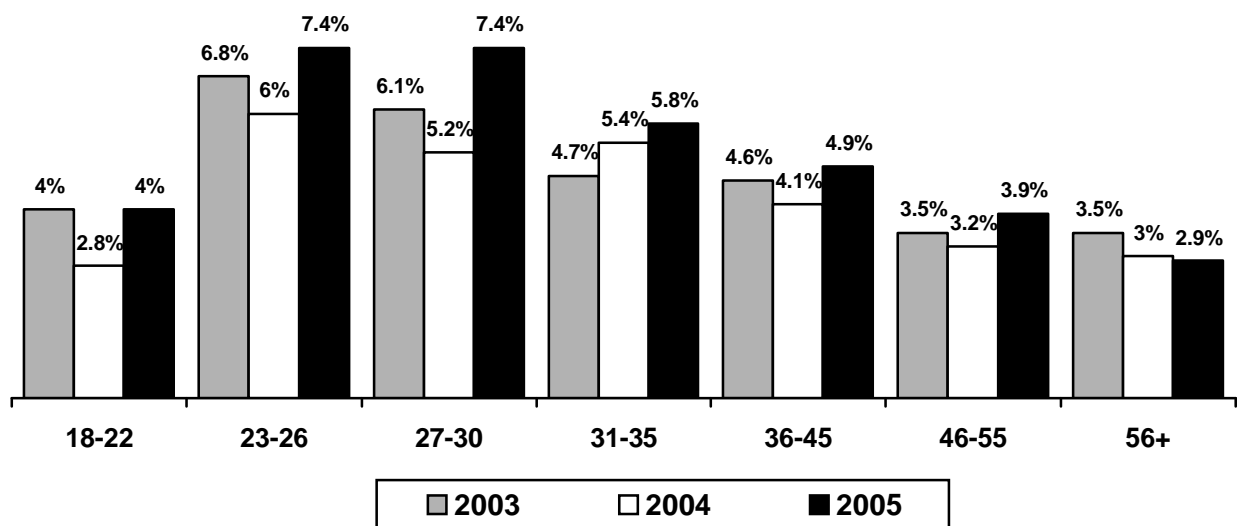
Base: All giving an answer (2003:3087, 2004:2782, 2005:3375)

(e) Average Increase: Region



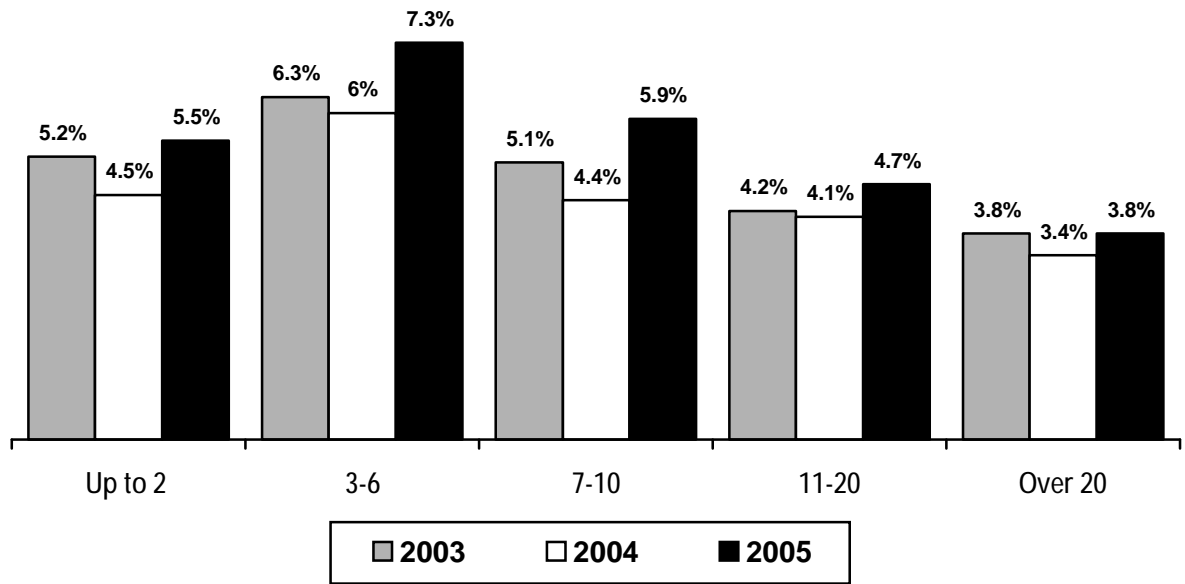
Base: All giving an answer (2003:3087, 2004:2782, 2005:3375)

(f) Average Increase: Age



Base: All giving an answer (2003:3087, 2004:2782, 2005:3375)

(g) Average Increase: Years' Experience



Base: All giving an answer (2003:3087, 2004:2782, 2005:3375)

5. Bonuses Received (Over Last 12 Months)

5.1 Overview

56% of respondents received a bonus over the last twelve months (in line with last year) and the average value of bonuses was £6,502 overall, an improvement of over 100% on last year (£2,509 average bonus in 2004). To an extent, the higher bonus is a result of the data gathering methodology (for the first time respondents were actually asked to write in their bonus rather than put it in a bracket).

Among those who mainly work in the UK, the average bonus was £6,248 compared to a much higher £9,639 received by those working outside the UK: the highest bonuses were received by participants in Continental Europe (£18,392), but those in Greater London also received high bonuses (£9,443). The lowest bonuses were received in Northern Ireland (£1,272).

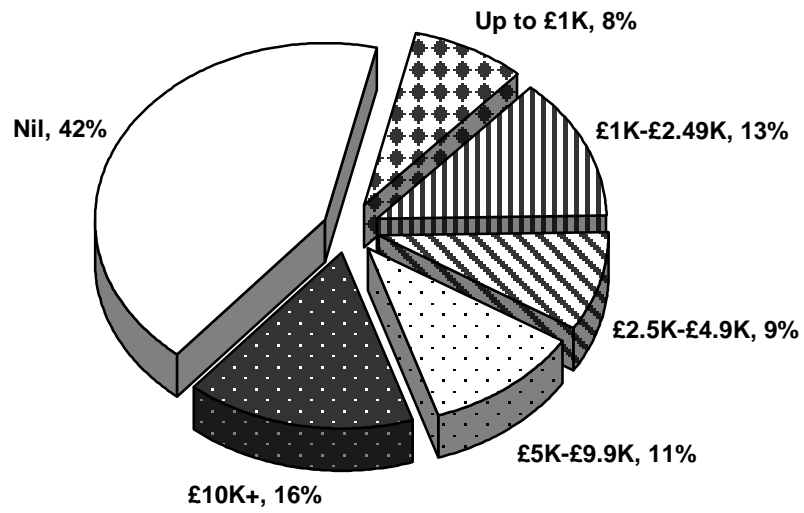
Bonuses are significantly higher (more than £10,000) among those involved in Fund Management (£30,408), Investment Brokerage (£27,786), Commercial Development (£18,879), Property Finance (£18,565), Industrial Agent (£17,433), Residential Agent (£14,768) and Corporate Property Consultancy (£11,488). The lowest bonuses (less than £1,500) can be seen among Building Control (£1,004), Academic (£1,009) and Geomatics (£1,436).

Although males and females received similar salary increases, males received significantly higher bonuses than females in the property sector this year. Males received an average £7,346, while females were allocated £2,699. This puts the average total male package (salary plus bonus) at over £50k, while females earned just over £33k. To some extent, this is a reflection of the different profiles by gender, reported earlier.

The highest bonuses were received within the age group 36-45 (£9,918) and the lowest among ages 18-22 (£455). Generally, bonus levels increase with experience (the lowest bonuses received among those with the lowest levels of experience) and also with salary. Those earning the highest salaries also received the highest bonuses (salary less than £20,000: average bonus £1,191; salary more than £60,000: average bonus £25,693).

5.2 Charts

(a) Bonuses Received (Over Last 12 Months)



Base: All giving an answer (2005:3267)

(b) **Average Bonus: Prime Professional Activity** (Ordered by average bonus 2005)

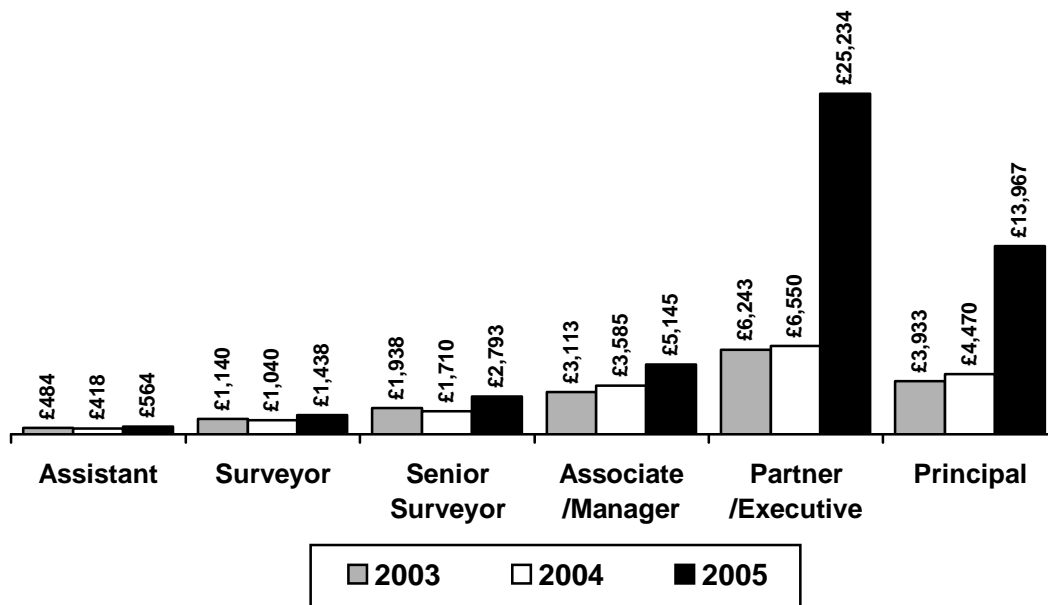
	2003	2004	2005
	Average Bonus £ pa	Average Bonus £ pa	Average Bonus £ pa
All participants	2,431	2,509	6,502
Fund Management	5,707*	8,667*	30,408*
Investment Brokerage	6,402*	8,121*	27,786
Commercial Development	4,710*	4,558*	18,879*
Property Finance	6,429*	7,183*	18,565*
Industrial Agent	2,643*	3,008*	17,433*
Residential Agent	3,852*	3,014*	14,768*
Corporate Property Consultancy	3,449*	4,329*	11,488*
Residential Development	2,969*	4,383*	9,235*
Office Agent	4,313*	3,028*	8,611*
Landlord & Tenant	2,446	1,998	7,271*
Retail Agent	3,952*	3,914*	6,821*
Regeneration	3,188*	1,108*	6,705*
Rating	3,147*	2,170*	6,409*
Valuation	3,802	4,021	6,414
Minerals	2,044*	1,816*	6,117*
Facilities Management Consultant	3,500*	2,808*	6,013*
Property Asset Management	2,648	2,429	5,715
General Practice	n/a	2048*	5,590
Project Management	2,798	2,453	4,287
Claims & Dispute Resolution	3,338*	2,364*	3,959*
Construction Contracts Manager	2,811*	2,833*	3,674*
Estates Surveyor	n/a	n/a	3,120
Professional Quantity Surveying	1,440	1,457	2,737
Facilities Management Service Provider	2,750*	2,968*	2,591*
Facilities Management In-house	1,833*	3,048*	2,488
Building Surveying	1,332	1,391	2,371
Planner	3,882*	2,352*	2,130
Rural Practice	1,980	1,197	2,027
Contractors Quantity Surveying	1,950	1,705	1,982
Environmental	625*	1,708*	1,924*
SHE	n/a	n/a	1,874*
Geomatics	2,057*	1,784*	1,436*
Academic	0*	125*	1,009*
Building Control	n/a	n/a	1,004*

Base: All giving an answer (2003:3087, 2004:2782, 2005:3267)

(* small sub-samples: < 100)

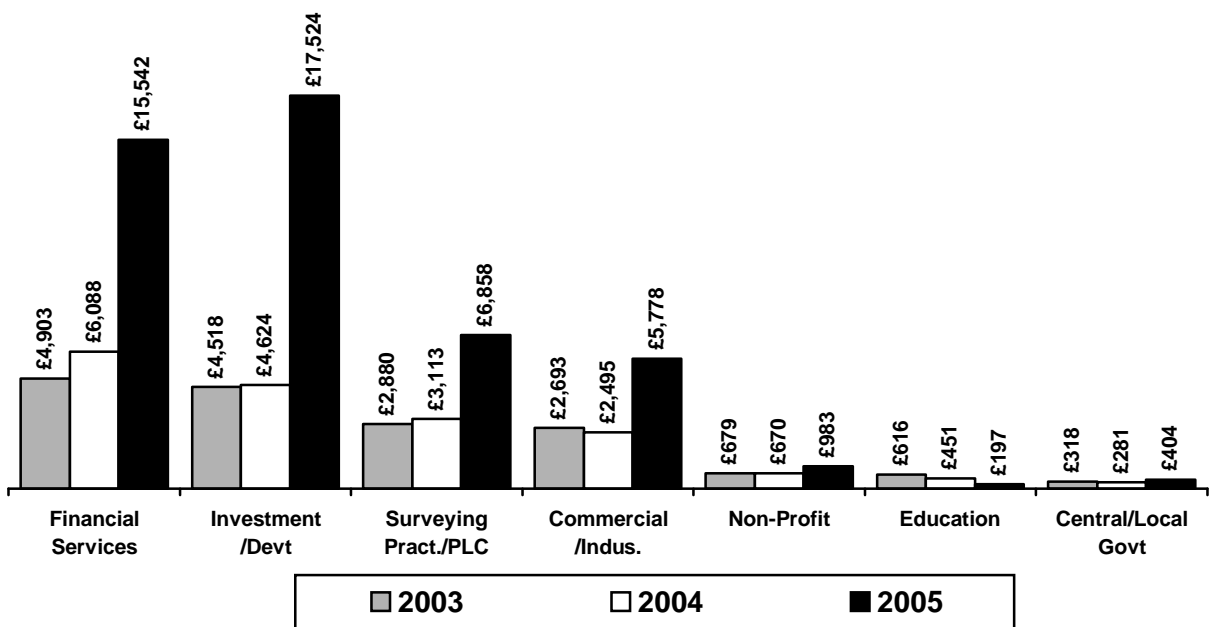
Table excludes those categories with the smallest sub-groups (less than 20 respondents), i.e. Fine Arts (1); Business Development (17); Research (19)

(c) Average Bonus: Level of Responsibility



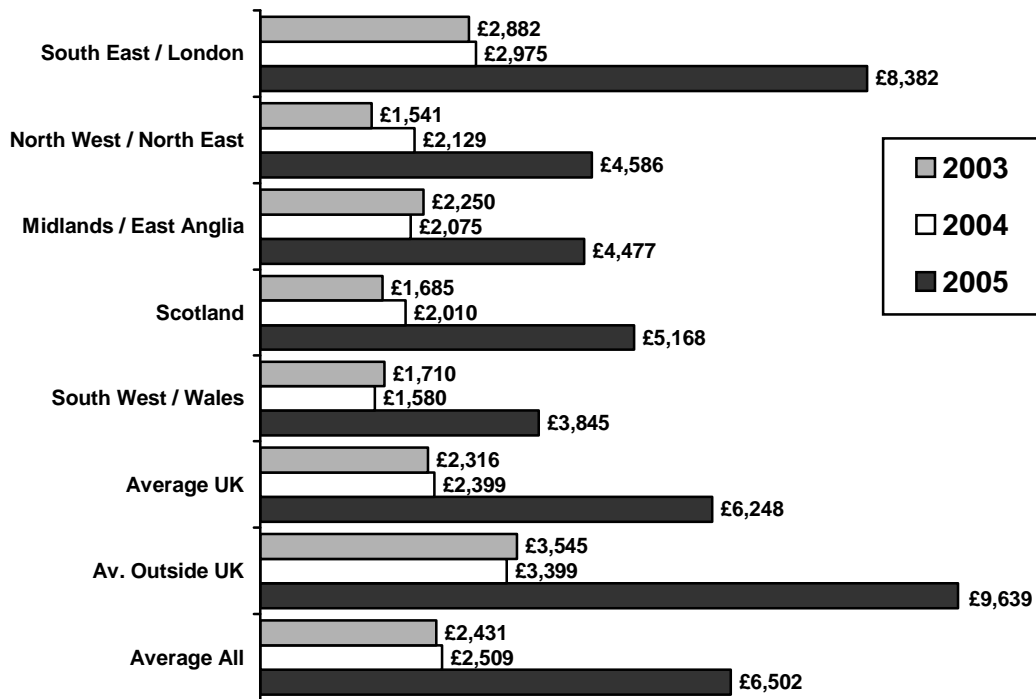
Base: All giving an answer (2003:3087, 2004:2782, 2005:3267)

(d) Average Bonus: Sector



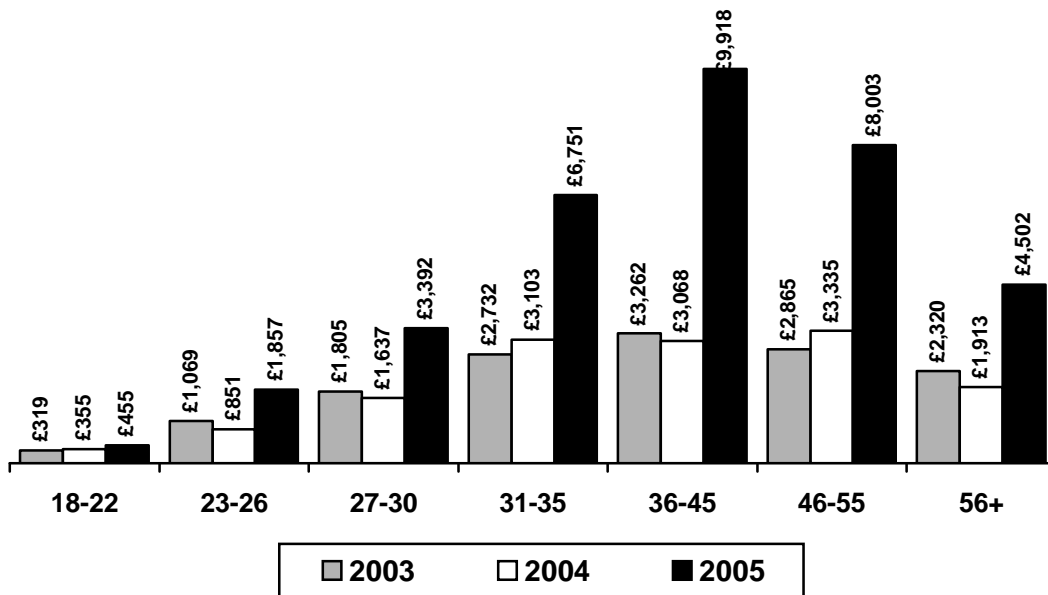
Base: All giving an answer (2003:3087, 2004:2782, 2005:3267)

(e) Average Bonus: Region



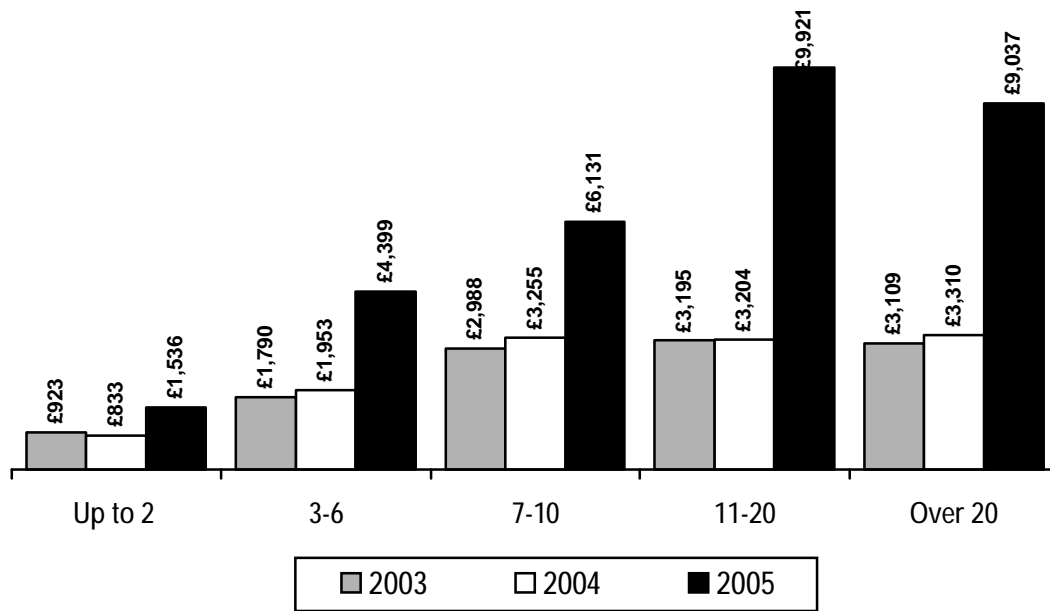
Base: All giving an answer (2003:3087, 2004:2782, 2005:3267)

(f) Average Bonus: Age



Base: All giving an answer (2003:3087, 2004:2782, 2005:3367)

(g) Average Bonus: Years' Experience



Base: All giving an answer (2003:3087, 2004:2782, 2005:3367)

6. Benefits Included in Employment Package

6.1 Overview

More or less unchanged on last year's results, the majority (91%) receive some form of additional benefits as part of their package (92% last year). Most frequently mentioned of these (received by over one third) are: Contributory pension (56%, down 1% from last year), Health Insurance (48%, up 4% from last year) and Performance Related Bonus (43%, up 4% from last year). These three are also most frequently mentioned as being a 'new benefit' included as part of their employment package only during the last year.

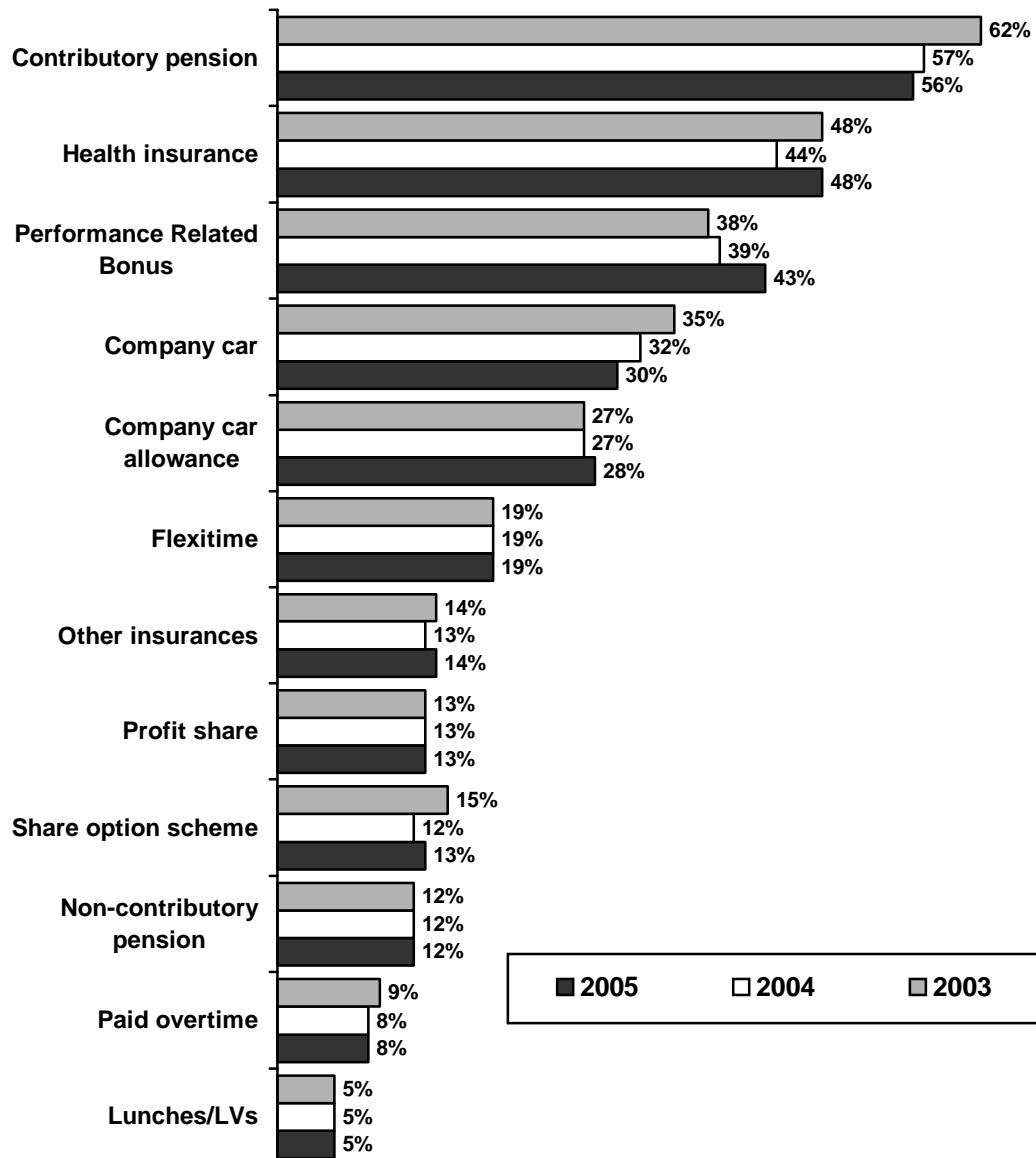
Continuing the trend seen last year, the company car has once again fallen back, although the decline has slowed. In 2002, 44% received a company car; in 2003, the proportion dropped to 35% then to 32% in 2004. The total with a company car is now just 30%. This appears to continue being replaced by a company car allowance (up from 20% in 2002 to 28% in 2005).

The proportion of those receiving 'new benefits' this year remains at 31% (as last year).

Males are more likely to receive benefits than females (except for Flexitime which females are slightly more likely to receive). In particular there is a >10% difference between males and females in the likelihood that they will receive a Company car (Males 33%, females 18%) and Health Insurance (50%: 40%).

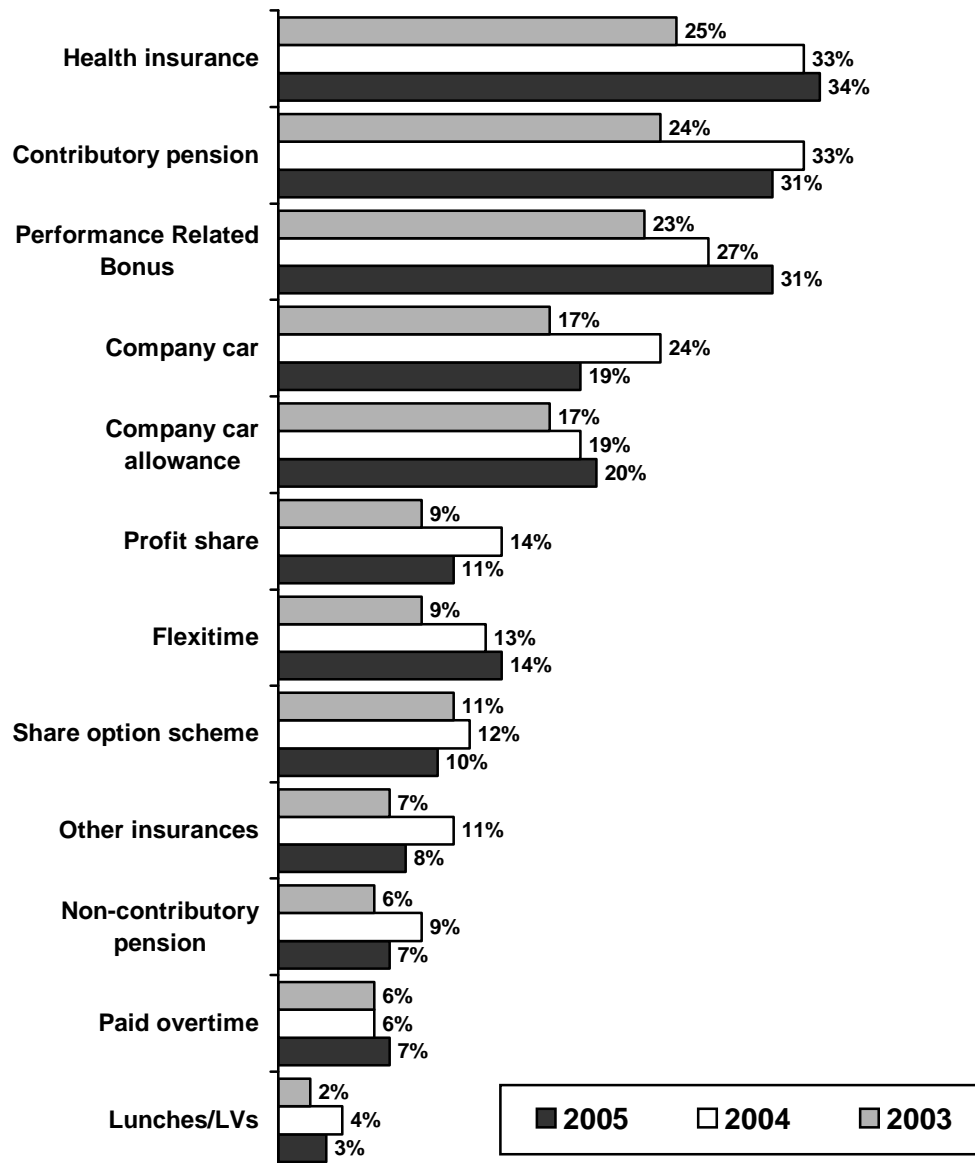
6.2 Charts

(a) Benefits Included in Employment Package



Base: All participants answering (2003:3113, 2004:2686, 2005:3399)

(b) New Benefits Received (Over Last 12 Months)



Base: All saying have received a new benefit within the last year (2003:796, 2004:839, 2005:1059)

7. Areas Important in Current Roles

7.1 Overview

Regarding attitudes to their job and current employer, the issues which are the most important to property professionals are *having a range of interesting work* (66% very important, up 1% from last year) and *salary* (62% very important, also up 1% from last year).

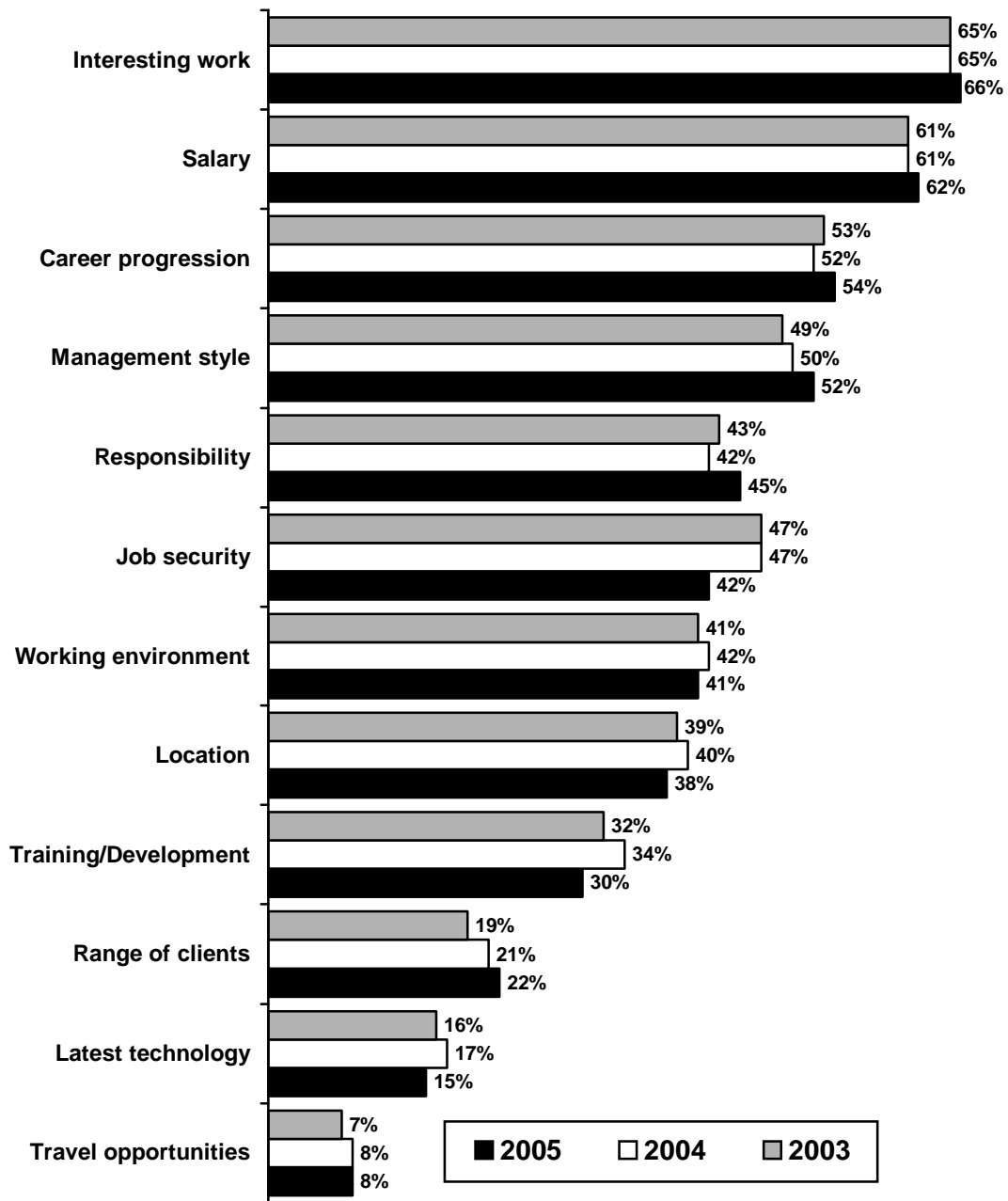
Career progression (54% very important, up 2%), *management style* (52%, up 2%), *responsibility* (45%), *job security* (42%), and *working environment* (41%) are also important, although to a lesser extent.

Once again, the least important aspect is *opportunities for travel*: only 8% say it is very important.

The issues which are most important to the women who participated in the survey differ to those which are most important to the men. Whilst *interesting work* is of primary importance to both genders (64% very important male; 72% female), the second priority for men is *salary* (62% vs. 59% women) and the second priority for women is *management style* (63% vs. 49% men).

In fact, women are significantly more likely than men to consider the following 'very important' (>10% difference between genders): *training / development* (27% male vs. 45% female), *working environment* (39% male vs. 54% female) and *management style* (49% male vs. 63% female).

% Saying Very Important To Their Job



Base: All participants (2003:3113, 2004:2825, 2005:3470)

7.2 Working hours

The average number of hours that participating property professionals work is 43.4. The longest hours (45+) are worked among the following: Construction Contracts Manager (51.6), Commercial Development (47.9), Fund Management (46.8), Investment Brokerage (46.6), Property Finance (46.6), Claims & Dispute Resolution (46.4), Residential Agent (46.4), Contractors Quantity Surveying (45.9), Facilities Management Consultancy (45.9), Office Agent (45.9), Corporate Property Consultancy (45.7), Industrial Agent (45) and Project Management (45).

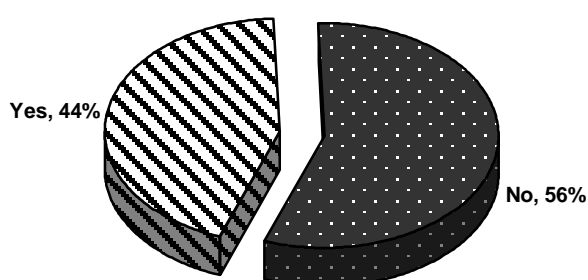
The shortest hours (less than 40) are worked by Research (38.8), Academic (38.9), Planner (39.2) and Estates Surveyor (39.6).

Males tend to work more hours than females (44.2 vs. 39.9) and participants outside the UK also tend to work longer hours (47.4 vs. 43.1).

Unsurprisingly, the number of hours worked appears correlated to salary and those with the highest salaries work the longest hours. Those earning less than £20,000 work an average 39.8 hours compared to an average 49.4 hours worked by those earning more than £60,000. Partners / Executives work the longest hours (longer than Owners) at an average 48.9 hours.

For almost half the participants, shorter hours would increase their job satisfaction, but most are happy with the hours that they work. Only in the following areas would the majority experience increased job satisfaction with a decrease in hours: Commercial Development, Property Finance, Claims and Dispute Resolution, Contractors Quantity Surveying, Industrial Agent, Minerals and Professional Quantity Surveying (all work an average 43 hours+).

Would shorter hours increase your job satisfaction?



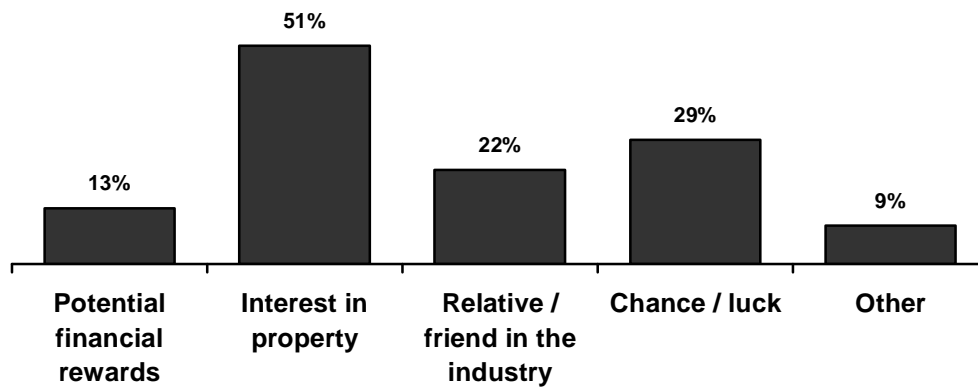
Base: All participants (2005:3470)

7.3 Attractions of the property profession

Just over half the respondents (51%) joined the property profession due to an *interest in property*. This is particularly true of younger participants (63% of those aged 18-30); older property professionals tended to end up in the property profession due to chance (40% of those aged 56+ entered the profession due to *chance* vs. 29% due to an *interest in property*).

Despite the importance of salary in continuing company loyalty, only 13% joined the property industry because of the *potential financial rewards*.

What first attracted you to the property profession?



Base: All participants (2005:3470)

8. Likely Reasons for Leaving Present Employer

8.1 Overview

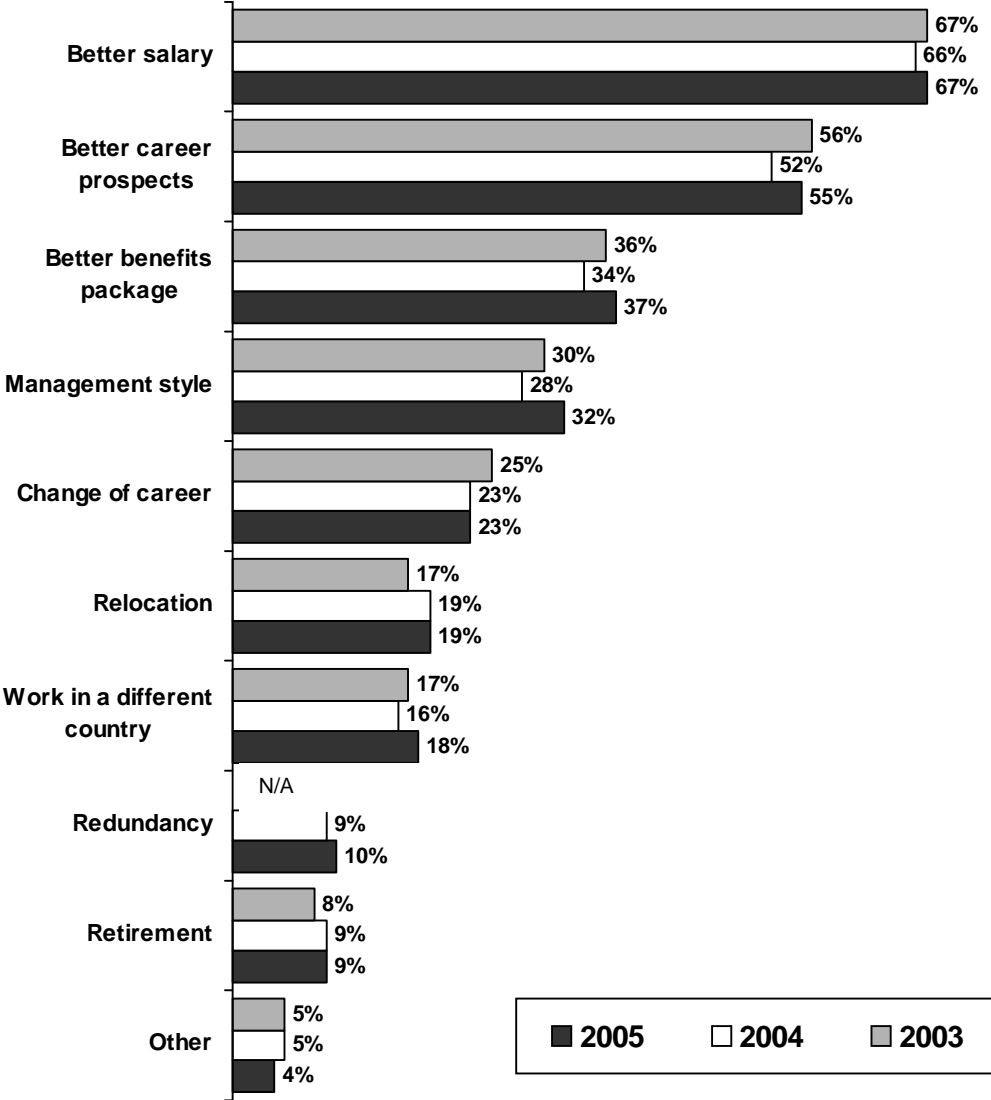
When asked 'If you were to leave your present employer, what would your reasons be?', the most frequently mentioned reasons were *better salary* (67%, up 1% from last year), *better career prospects* (55%, up 3% on last year) and *better benefits package* (37%, up 3%).

Almost one third mentioned *management style* (32%; unsurprisingly, more important to female respondents), almost one quarter say *change of career* (23%), and less than one in five thought *relocation* (19%) or *working in a different country* (18%) would be an option for them.

Younger audiences (and in particular those aged 18-35) are more attracted by issues around remuneration - *better salary* and *career prospects* - than their older counterparts. While around three-quarters of participants aged up to 35 would consider *salary* an important motivation in a change of job, this drops to 38% among those aged over 56.

Whilst remuneration issues continue to be the most important of the issues suggested among middle aged audiences (aged 36-55), other issues, such as *management style* and *better benefits package* grow in relative importance. Among those aged 56+, *retirement* emerges as by far the most likely reason for leaving one's present employer (among 56%).

Reasons For Leaving Present Employer - % Saying



Base: All giving an answer (2003:3113, 2004:2815, 2005:3399)

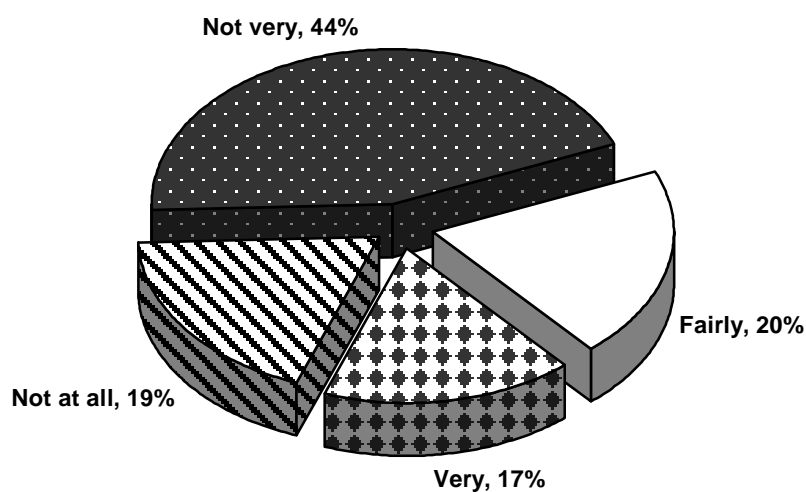
8.2 Likelihood to change employers in the next 12 months

When asked 'How likely are you to change employers within the next 12 months?', 63% said they were not very or not at all likely (down 4% from last year) and 17% said that they were very likely to change employers in the next year (compared to only 12% last year). This may be a factor of increased confidence following the upturn in the economy (as freezes on hiring are no longer the norm).

The likelihood of participants changing their employer decreases with age: 34% of those aged 18-22 are very likely to change employers in the next year, compared to only 16% of those aged 56+.

Women were also more likely to change employers within the next 12 months (23% very likely vs. 15% of men) as were participants outside the UK: 21% very likely to change employers versus 16% of their UK counterparts.

How likely are you to change employers within the next 12 months?



Base: All participants (2005:3470)

9. Anticipated changes in Economic Activity over the next 12 months

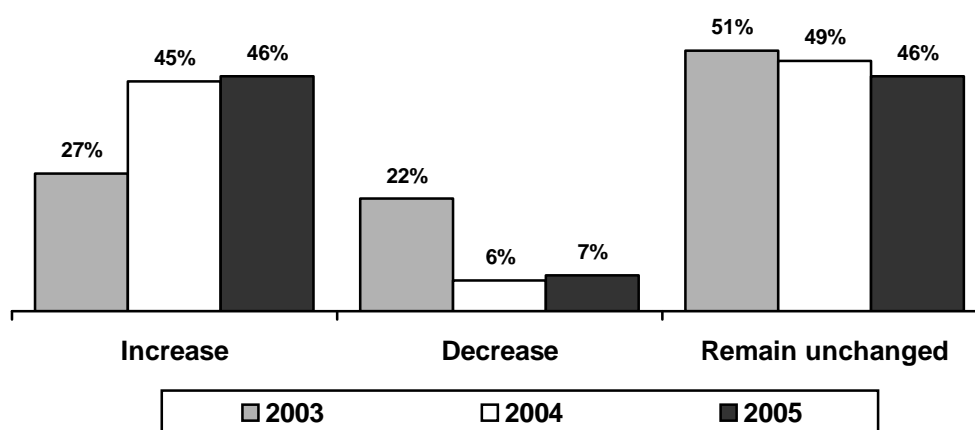
Almost half the property professionals (46%, 1% up on last year) anticipate that the economic activity in their chosen professional activity will increase over the next 12 months. Another 46% expect that it will remain the same and only 7% anticipate a decrease.

This is encouraging for property professionals: in 2002 and 2003, only 27% expected an increase in economic activity, in 2004 this increased to 45% and the high level has been maintained this year.

Those professional activities where an increase is most commonly anticipated (over 60%) are: *Facilities Management Consultant* (67%), *Corporate Property Consultancy* (62%) and *Building Control* (59%). An increase is least commonly expected (less than one third) among *Retail Agent* (33%), *Academic* (30%) and *Residential Development* (28%).

There were also regional differences in opinion: there is a particular increase in optimism outside the UK, where 61% expect an increase in economic activity (50% last year), compared to 45% in the UK (44% last year). Optimism was highest in the Middle East (81%), Americas (71%), Republic of Ireland (67%) and Northern Ireland (61%). Optimism was most limited in Wales (34%).

Anticipated changes in Economic Activity over the next 12 months



Base: All participants (2003:3113, 2004:2825, 2005:3470)

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If you would like further information regarding this survey please contact one of our offices;

LONDON

40a Dover Street, Mayfair London W1S 4NW

T: +44 (0) 20 7629 7220 F: +44 (0) 20 7629 3990

property@macdonald.co.uk

MANCHESTER

Sunlight House, Quay Street Manchester M3 3JZ

T: +44 (0) 161 834 4040 F: +44 (0) 161 839 7727

property@macdonald.co.uk

SCOTLAND

152 Morrison Street, The Exchange, Edinburgh EH3 8EB

T: +44 (0) 131 200 6027 F: +44 (0) 31 200 6200

property@macdonald.co.uk

BIRMINGHAM

2nd Floor, 3 Brindleyplace, Birmingham B1 2JB

T: +44 (0) 121 698 8551 F: +44 (0) 121 698 8600

property@macdonald.co.uk

BRISTOL

Board Quay House, Prince Street, Bristol BS1 4DJ

T: +44 (0) 117 905 8730 F: +44 (0) 117 905 8830

property@macdonald.co.uk

FRANCE

12-14 Rond Point des, Champs Elysees

75008 Paris France

T: +00 33 (0) 1 53 53 1673 F: +00 33 (0) 1 53 53 1673

property@macdonald.co.uk

www.macdonald.co.uk