

RESULTS OF CHARTERED SECRETARIES AUSTRALIA LTD SURVEY 2003

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Mahlab Recruitment undertook a survey in conjunction with Chartered Secretaries Australia Ltd to assess the working practices of the modern Company Secretary. The information provided shows that there are a number of interesting trends forming in terms of the working practices and remuneration of Company Secretaries across Australia.

Background

One of the pleasing aspects of the survey was it provided a cross section of responses in terms of companies Australia-wide. As expected, the survey was most widely responded to in the south-eastern states, although we received a significant response from Queensland and Western Australia, thus mirroring the healthy state of the corporate market in those regions. The total breakdown of responses by state and type of corporation sector was as follows:-

State	Percentage
NSW	40%
VIC	23%
QLD	18%
WA	14%
SA	2%

Sector	Percentage
Government	1%
Association	4%
Publicly unlisted	20%
Publicly listed	29%
Privately owned	33%
Other	12%*

(* includes NFP, subsidiaries of foreign companies, partnerships)

Of the publicly listed companies

70%	Have a market capitalisation of less than AUS\$1 billion
7%	Have a market capitalisation of AUS \$1-4 billion
9%	Have a market capitalisation of AUS \$4-10 billion
15%	Have a market capitalisation of over AUS \$10 billion

What is the profile of a Company Secretary?

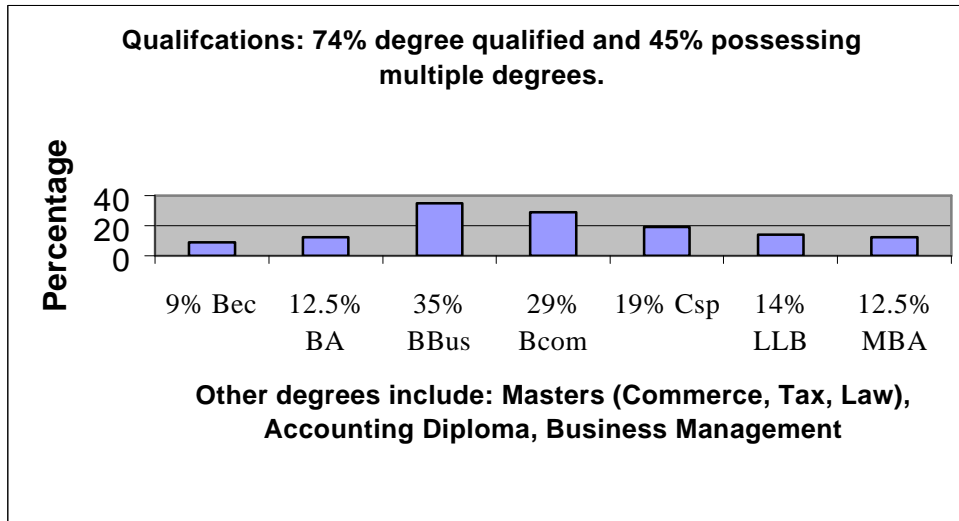
One of the interesting questions highlighted by the survey is what sort of people make up the standard picture of a Company Secretary within an organisation. In truth this is a very difficult question to answer. The survey confirms that there is not a distinct conventional path to becoming a Company Secretary.

What the data has shown is that the vast majority of company secretaries are highly qualified individuals who have pursued continuous professional development. For example, in total :

74% of Company Secretaries are degree qualified
45% of Company Secretaries possess multiple degrees

The logo for Mahlab, featuring the word "Mahlab" in a large, white, sans-serif font, oriented vertically on a dark blue rectangular background.

Qualifications



Professional Designation

The survey also revealed that continuing professional development was an integral part of progressing in the field with

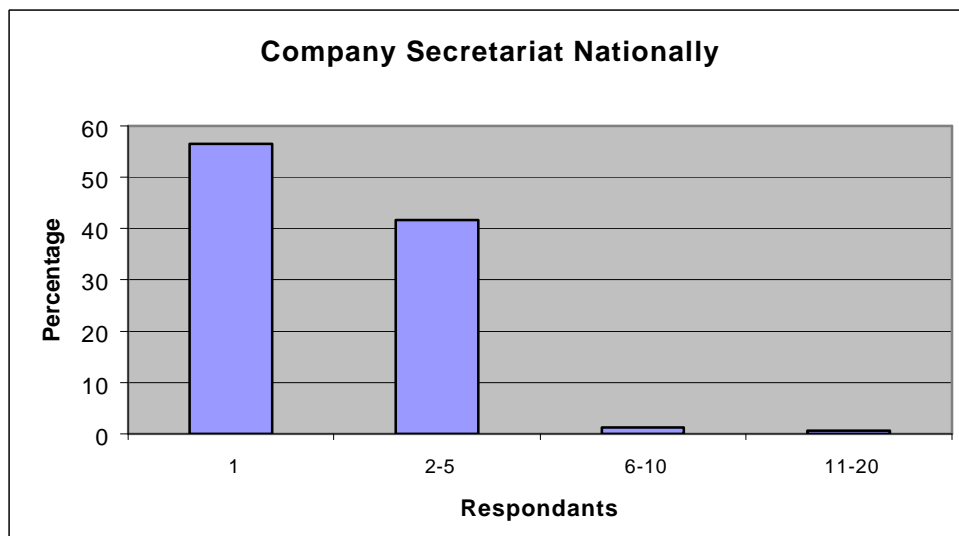
51% are FCIS qualified

11% of respondents are not ACIS or FCIS designated

Work Practices

The survey also revealed that in mirroring the growth of corporate legal teams, there has been a steady increase in the size of company secretariats across Australia, whilst for the majority of respondents, where still employed in a solo capacity, there has been a steady increase of departments with between 2 and 5 individuals working in a mix of highly specialised roles.

Size of the Secretariat Nationally



1 57% of respondents

2 - 5 42% of respondents

6 - 10 1% of respondents

11 - 20 1% of respondents

Scope of the Role

When asked in more detail about the size and structure of the companies the survey respondents worked within, we found that the vast majority were responsible for a number of companies, many of which are spread across a number of jurisdictions. For example:

22% are responsible for one company
26% are responsible for international subsidiary companies

Numbers of DOMESTIC subsidiary companies responsible for:

Percentage	Companies
39%	responsible for 1-5 companies
19%	responsible for 6-10 companies
19%	responsible for 11-20 companies
15%	responsible for 21-50 companies
4%	responsible for 51-100 companies
2%	responsible for 101-200 companies
1%	responsible for 200+ companies

Numbers of INTERNATIONAL subsidiary companies responsible for:

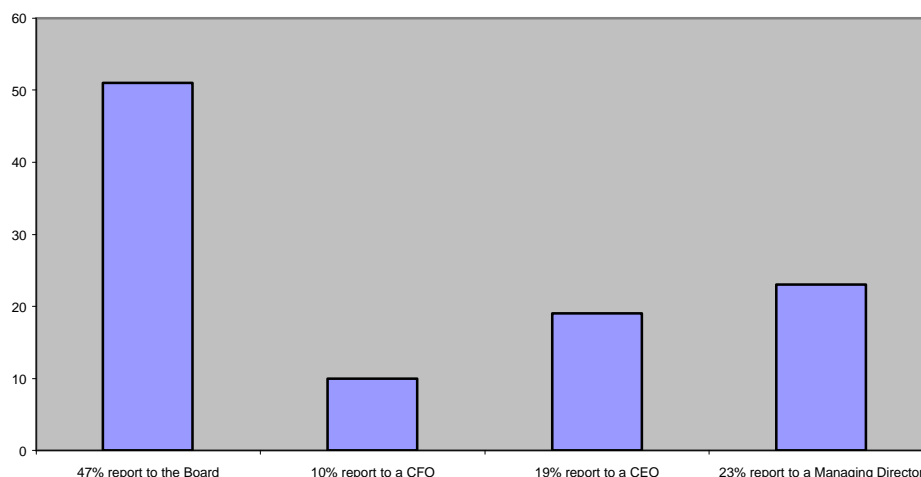
Percentage	Companies
67%	responsible for 1-5 companies
12%	responsible for 6-10 companies
12%	responsible for 11-20 companies
5%	responsible for 20+ companies
2%	responsible for 50+ companies
2%	responsible for 100+ companies

Reporting

The reporting lines of those holding the Company Secretary role provides evidence of the high level at which they are operating within their companies.

One of the first questions we get asked when we are liaising with a candidate for a senior recruitment will be "Who does the role report to?". It is important to most senior candidates that they are working very closely with key members of the management team and are privy to the strategic and commercial objectives of the company, and that they are participating and contributing at a high level.

Reporting Lines



47% report to the Board	51
10% report to a CFO	10
19% report to a CEO	19
23% report to a Managing Director	23

Interestingly, the survey revealed that those holding a dual role spend only about 27% of their time performing company secretarial duties, including attending Board Meetings and Committees, drafting agendas and minutes of meetings and advising on director's duties, with the administrative responsibilities of the role being undertaken by specialised members of their department.

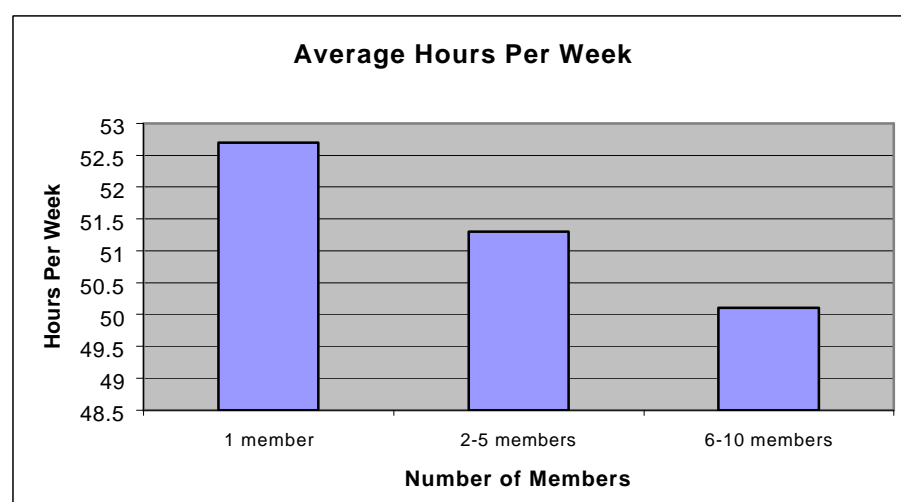
The company secretarial role can be a very large role, particularly in a publicly listed company. Given that one of the attractions of holding a dual role for senior lawyers is the close liaison with senior management and the Board, responsibilities which relate to this are naturally retained and the rest of the responsibilities are completed by others within the department, albeit managed by the General Counsel & Company Secretary.

Hours of Work

In relation to working practices, we found the size of the secretariat does not necessarily affect the hours worked by professionals in those departments. This suggests there is an ever increasing spreading of responsibility and specialism, particularly with individuals taking responsibility for subsidiary companies on both a domestic and an international basis.

When considering the relationship between size of secretariat and hours worked, the results are also quite similar.

Average Hours	Hours
1 member of secretariat average hours per week	53
2-5 members of secretariat average hours per week	51
6-10 members of secretariat average hours per week	50



What is also evident from the survey is that, like other professions, there is a focus on flexible working arrangements in the profession with more than 28 % of those surveyed working from home. However, only 4% of respondents advised that they worked part-time.

Salaries

The survey showed that the ranges of packages earned by those working in both publicly listed and non-publicly listed companies are very wide. This is due to the fact there is a wide disparity of responsibilities faced by those working in the company secretary area. An individual's positioning within a range depends on a number of factors, including background and experience, size of the organisation and its company secretariat, industry sector and level of management responsibility within the role.

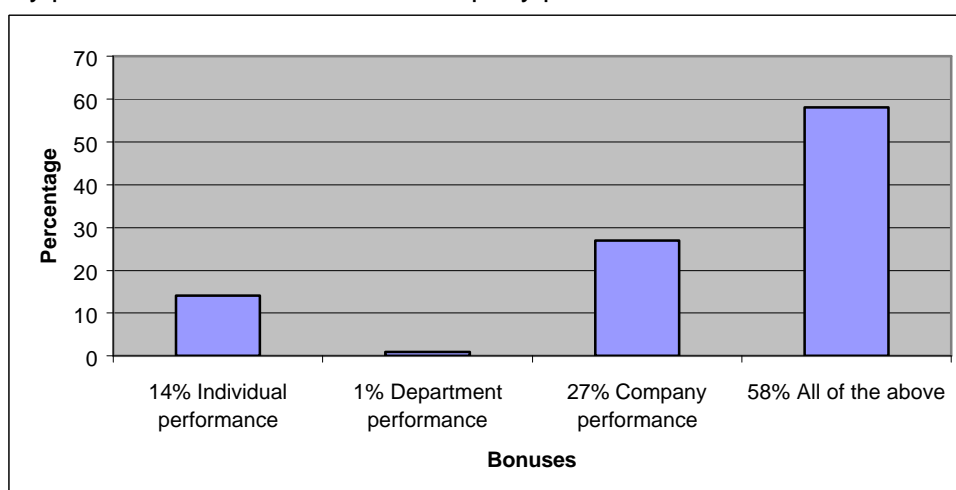
Those at the early stage of their career who are perhaps working for smaller companies generally sit at the lower end of the ranges. If you are an experienced Company Secretary or even Assistant Company Secretary with a great deal of management responsibility, working in either a publicly listed or non-publicly listed Australian company, then you would sit at the upper end of the range. However, we are also aware that the Company Secretaries who are responsible for the management of the secretariats of multi-national corporations are earning well in excess of the ranges.

State	Publicly listed range	Publicly listed average	Other range	Other average
NSW	\$86,000 - \$320,000	\$165,162	\$55,000 - \$320,000	\$143,000
VIC	\$82,500 - \$332,750	\$168,938	\$80,000 - \$300,000	\$168,500
QLD	\$55,000 - \$310,000	\$190,429	\$80,000 - \$415,000	\$156,000
WA	\$55,000 - \$310,000	\$191,500	\$45,000 - \$300,000	\$162,000

Publicly listed – market capitalisation band	Average
Market capitalisation of less than AUS \$1 billion	\$164,000
Market capitalisation of between AUS \$1-4 billion	\$233,000
Market capitalisation of between AUS \$4-10 billion	\$175,500
Market capitalisation of over AUS \$10 billion	\$172,000

Bonuses

In relation to additional benefits, the survey found that 67% of survey respondents worked for companies that offered performance-based bonuses. The vast majority of bonuses were paid on a combination of meeting personal key performance indicators and company performance.



It is evident that in the past year there has been a decrease in bonus payments due to some companies feeling the impact of the downturn in the global economy. However, the majority of survey respondents advised that the personnel performance component of their bonus structure was still paid.

The bonus survey results for the Company Secretary profession mirrors the bonus results for corporate lawyers, as revealed by Mahlab Recruitment's Survey 2002. 67% of corporate lawyers surveyed received performance bonuses, with 70% of these being calculated on a combination of both individual and company performance.

Benefits

The survey also revealed that as well as the bonus component to make up a salary package there was also a range of benefit packages that made up the packages of those working in the Company Secretary profession. These include:-

Benefit	Percentage
Share plans/options	32%
Discretionary bonus	25%
Additional leave without pay	10%
Additional superannuation	18%
Mobile phone	72%
Home telephone	24%
Vehicle	55%
Private health insurance	8%
Secondments – local	0%
Secondments – international	1%
Management training	40%
Flexible work arrangements	27%
Gym memberships	3%
Interstate travel	26%
International travel	21%
After hours travel allowance	1%
Subsidised meals	6%
Stress management	3%
Income protection insurance	24%
Professional memberships	71%
Further study – full fees	20%
Further study – part fees	9%
Paid study leave	13%
Unpaid study leave	1%
Laptop	34%
Home computer connection	19%
Paid maternity/paternity leave	7%

Review Period

An interesting aspect of the survey pertained to the annual salary review. While in most professions, an annual salary review is the normal, we found that for company secretaries this was not the case. A significant number of individuals had not received an increase for over 12 months. Most of those in this category stated the general uncertainty in the global economy as the cause of the delay.

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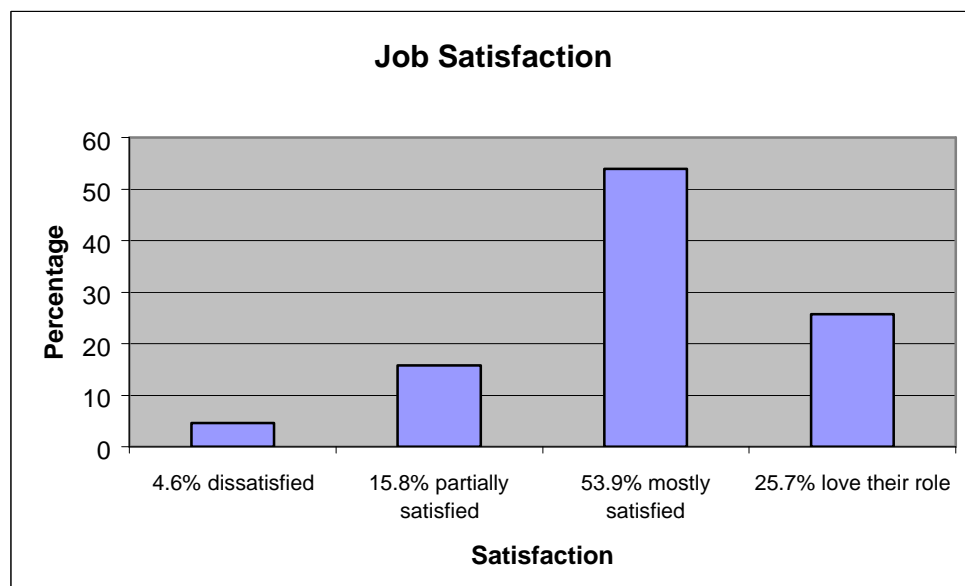
These reviews were conducted:

Review Period	Percentage
Since July 2002	49%
Between Jan – June 2002	33%
Between July – Dec 2001	6%
Between Jan – June 2001	4%
Long ago than this	8%

66% of respondents are satisfied with the outcome of their salary review. 34% of respondents are not satisfied with the outcome of their salary review.

Career Satisfaction

The theme that came through the survey was that the vast majority of company secretarial professionals found their job rewarding in terms of content and felt they were remunerated accordingly. Three-quarters of those professionals surveyed were satisfied with their current career and were not looking to move.



If you would like to discuss the findings of the report in more detail or would like specific information on the market for company secretaries generally please contact in Melbourne, Neil Williams – Senior Consultant, Mahlab Recruitment, on 03 9629 2111 or email neil.williams@mahlab.com.au and in Sydney, John Egerton, Manager – Corporate on (02) 9241 1199 or email john.egerton@mahlab.com.au.