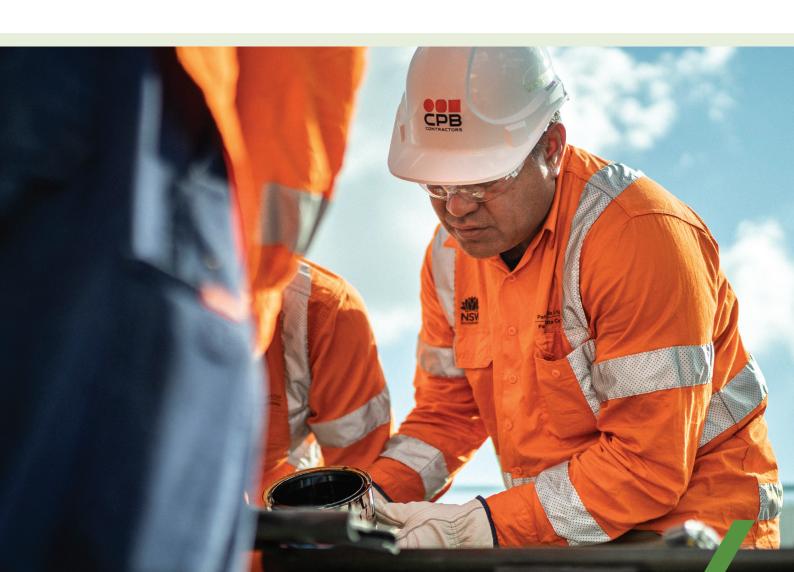




## Rail Remuneration Insights Report

**MAY 2021** 

ara.net.au



## Welcome

Welcome to the Australasian Railway Association's (ARA) first Rail Remuneration Insights Report.

It is no secret that the rail industry faces a growing skills shortage. Our 2018 skills capability study found those shortages already existed, but would soon be compounded by an ageing workforce, growing demand and the need for the industry to evolve to changing technologies. Just a few years on, the start of new projects and the impact of border restrictions associated with the pandemic have only exacerbated those challenges.

As the industry looks forward to further growth over the next decade, organisations will need to compete to attract the best talent to drive their success. Drawing from a significant dataset provided by 40 ARA member organisations, this report provides a high level snapshot of the key findings of our recent rail industry remuneration survey.

We will be releasing this report twice yearly to inform the industry's efforts to support skills development for the long term. ARA members who take part in the remuneration survey will access more detailed insights through our REMSMART portal, developed by BDO specifically for the rail industry.

To find out how to be involved in the next survey, contact ARA Director Corporate Services *Emma Woods* at <a href="mailto:ewoods@ara.net">ewoods@ara.net</a>.au.

## **Caroline Wilkie**Chief Executive Officer





## Australian rail market overview

The Australian rail industry generates \$29.8 billion in economic activity each year and supports 165,000 direct and indirect jobs.

The industry has fostered a loyal workforce, with many people forging long and rewarding careers in rail. Those longer tenures have led to a higher average age of people working in rail, sitting at 46 years compared to the early to mid-40s more broadly.

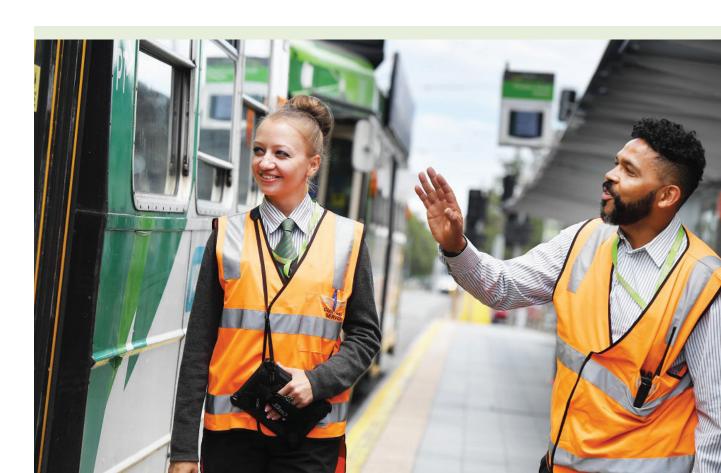
In 2020, the rail industry faced the twin challenges of a significant range of projects and new constraints associated with the impact on the COVID-19 pandemic.

Rail operators moved quickly to continue meeting community needs during the pandemic, keeping passenger and freight services operating and ensuring essential maintenance and construction continued. They delivered on this need even as state and international border restrictions limited their ability to attract the skills required to meet current and future demand.

These changes have underlined the importance of attracting and retaining the right people to meet the industry's changing requirements.

With \$155 billion in rail investment planned over the next 15 years, the attraction of key talent to the rail industry is a critical issue that will only grow in importance as new projects come online.

This insights report seeks to highlight the issues that will inform the industry's efforts to meet that need.



## Industry priorities

There are four key issues that will shape the future of rail.



## Sustainability

Rail generates fewer emissions and supports the development of safe and sustainable cities and towns. It will be an essential part of busting congestion and taking cars and trucks off the road to support Australia's path to net zero emissions.



## **Technology**

Technology and innovation is driving the next generation of rail. Data, analytics and automation are now key skill sets for people working in in the industry. Greater technology adoption will improve efficiency and safety, while enhancing the customer experience for those using the rail network.



Labour and skills issues

The industry continues to face skills shortages in key roles across the rail supply chain. Labour is in demand but supply has been limited by a range of factors including pandemic travel restrictions limiting access to international talent, persistent national skills shortages and lack of industry development.





**Industry development** 

The industry will need to attract and retain new talent to meet future demand. The ARA is actively engaging with government and the tertiary sector to build stronger pathways for people seeking a career in the rail industry.

## Rail remuneration survey demographics

Our inaugural rail remuneration survey was conducted in early 2021. The following snapshot provides an overview of the organisations that took part and the data we received.



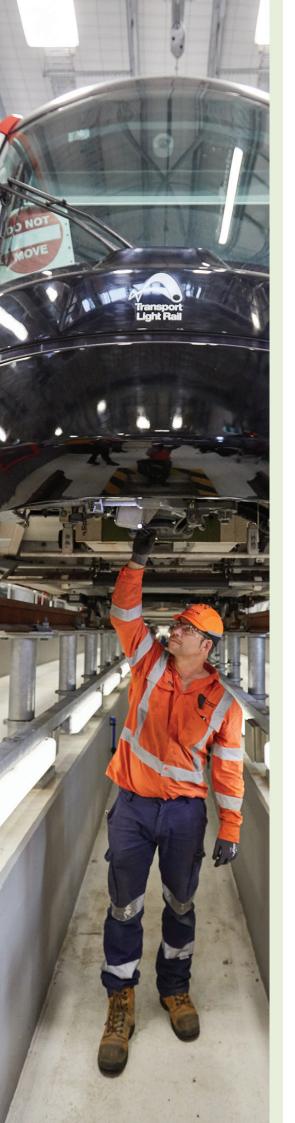




## **Breakdown by location**

Western Australia	28%	South Australia	3%
New South Wales	20%	Queensland	22%
Victoria	25%	Tasmania/ACT	2%





## Attracting talent

There are a number of challenges the rail industry must confront to meet future demand. The following provides a summary of the challenges identified by the rail remuneration survey.

## Age

Rail has a higher than average age bracket across its workforce, with fewer people joining the industry than those that are retiring. Unless proactively addressed, this could distort the balance of skills and capabilities needed to meet existing demand and support growth and productivity improvements in the future.

The survey found more than half of the rail industry's talent can be found in the top two age brackets, highlighting the importance of welcoming new people to the industry to meet long term demand.



Baby Boomers (55+)	19%	Gen Y (25-39)	41%
Gen X (40-54)	35%	Gen Z (Below 25)	5%

## Skills shortage

There are a number of key roles facing skills shortages in the rail industry. In many cases, these roles are in demand across sectors including construction and mining, making it harder to secure the best talent. Rail in Australia is facing a squeeze with the following roles:

- Signal technicians
- Train controllers
- Trainers

- Experienced drivers
- Maintenance staff
- Engineers



## Attracting talent

## **Diverse workforce**

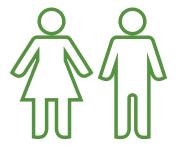
A total of 93 per cent of organisations provided gender breakdowns for their staff as part of the survey. Females represent about 21 per cent of the industry, which is very similar to the mining sector at 20 per cent.

The ARA releases a Gender Diversity Report every two years to track the industry's progress across Australia and New Zealand. The ARA's latest report, released in 2019, surveyed 42 ARA member organisations and found that women made up 27 per cent of the rail workforce, with just over one in five manager roles held by females.

While both surveys confirm the industry is currently performing below national averages, many organisations are taking proactive steps to improve diversity across all aspects of their operations.

Females	21%
Males	79%

\*From the organisations who provided gender (93% of organisations) females represent around 21 per cent of the industry, which is very similar to the mining sector at 20 per cent.



Data represents gender breakdown of participating organisations only.



## Key findings

The rail remuneration survey identified key trends and insights impacting the attraction and retention of talent in the rail industry. These key findings have been derived from the survey data to inform rail organisations' workforce development strategies.

## How we analysed the data

The survey asked participating organisations to share information about the roles they employ in the rail industry. These roles were then categorised in two ways.

Job functions were identified to group together similar or related roles from across the industry. This was completed following a review of the skill sets each role required, or the discipline they worked within. As a result of this analysis, 16 job functions were identified to capture the roles recorded as part of the survey.

Bands were identified to asses the level of seniority or responsibility of each role identified as part of the survey. This included a review of the management or technical requirements of each role to assess its scope. Four bands were identified to capture the roles recorded in the survey:

- operational executives
- section/unit heads or professionals
- technical experts
- advanced operational staff

## Job function

The survey asked participating organisations to share information about the roles they employ in the rail industry.

The job functions identified were:

- administration
- communications & relations
- engineering and trades
- facilities support
- finance
- health, safety, emergency and quality
- human resources
- IT telecommunication and analytics
- lega
- logistics & supply chain
- operations
- ports
- project management
- risk management
- sales & marketing
- strategy and development

The project management function pays the highest amount at both the section/unit head and technical expert level. The highest paid operational executives work in the shared services function, while advanced operational roles are paid the most within the rail function.

Train controllers and signalling roles are paid above average base salaries when compared to other roles in the same band. Rail specific engineering roles are also highly paid as a result of skills shortages for specialist roles.



## Key findings

## Gender

Males were paid an average of 10 per cent more across three of the four bands in the survey. Base salaries were relatively consistent for operational executives.

Male	79%
Female	21%

## Location

Four of the states represented in the survey pay the highest base salary in one of the four bands.

However, WA offers the highest total fixed remuneration for three of the four bands, most likely due to the greater use of additional allowances or benefits in the state.

NSW	20%
VIC	25%
QLD	22%
WA	28%
TAS/ACT	2%
SA	3%

## Sector

Contractors are paying management and professional roles higher base salaries than the other sectors, while freight operators are offering higher total fixed remuneration across three of the four bands measured in the survey.

This may be due to the freight sector employing more people in the regions, where additional location allowances are offered to employees.

Passenger	23%
Freight	11%
Contractor	33%
Manufacturer/Supplier	22%

Data based on the four main job functions identified in the rail survey, by band.



## Key findings

## **Generational groupings**

The average age for the roles surveyed was 46 years. The average age of female managers in rail is 42 and the average age of male managers is 46, suggesting women are getting promoted into management roles earlier.

This is consistent with trends identified in the mining industry.

Baby Boomers	19%
GEN X	35%
GEN Y	41%
GEN Z	5%

## **Premium roles**

There are a number of key roles in the rail industry that can attract a premium due to skills shortages and their importance to project delivery. These roles are paid between 7% -12% more to ensure high performing staff in crucial roles are incentivised when needed.

Signal technicians	
Train controllers	
Trainers	
Experienced drivers	
Maintenance Staff	
Engineers	

## **Short Term Incentive Pay**

Organisations also look at variables to incentivise employees.

Of the 40 organisations participating in the survey, 41% paid employees a bonus or short term incentive (STI).

% of Base Salary	REMSMART band levels
16%	Operational executives
12%	Professional/Section Head
11%	Technical Expert
10%	Operational

## Benefits questionnaire

An employee benefits questionnaire was conducted to provide an overview of the benefits rail organisations provide to their employees. Of the 40 organisations that completed the rail remuneration survey, 34 took part in the benefits questionnaire. Below are some of the key findings from the employee benefits questionnaire.

62%

use the Total Fixed Remuneration (TFR) pay element to benchmark how competitive they are 90%

allow for superannuation to be salary sacrificed

55%

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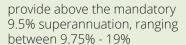
have leave loading policies

AII

organisations provide flexible working arrangements, including flexible hours, split shifts, compressed week and part time 50%

allow employees to buy additional leave

40%



People in older generation groupings or senior management were more likely to receive higher superannuation rates.

65%



provide support for the transition to retirement, including financial planning, additional entitlements and flexible working arrangements (reduced hours or part time) 75%



provide employee rewards, the two most common being for service and performance. The form in which a reward is given includes in-house benefits and gift cards



## Participating organisations

Thank you to the organisations taking part in our first Rail Industry Remuneration Survey.

**ACT Government** 

Passenger

Alstom Transport Australia Pty Ltd

Manufacturers / Suppliers

Arc Infrastructure

Freight

**Arcadis** 

Contractors

Arup

Contractors

Aurecon Australasia Pty Ltd

Contractors

**Austbreck** 

Manufacturers / Suppliers

Australian Rail Technology

Manufacturers / Suppliers

Australian Rail Track
Corporation Ltd

Freight

CAF Rail Australia Pty Ltd

Manufacturers / Suppliers

Comsteel

Manufacturers / Suppliers

**CPB Contractors Pty Limited** 

Contractors

Department of Planning, Transport and

Infrastructure SA (DPTI)

Passenger

**Faiveley Transport** 

Manufacturers / Suppliers

**Fortescue Metals Group** 

Freight

Gemco Rail Pty Ltd

Manufacturers / Suppliers

**GHD Pty Ltd** 

Contractors

Jacobs Group

Contractors

John Holland Pty Ltd

Rail Division

Contractors

**Keolis Downer Pty Ltd** 

Passenger

Knorr-Bremse Australia

Manufacturers / Suppliers

Loram Pty Ltd

Manufacturers / Suppliers

Martinus Rail

Contractors

Metro Trains Australia

Passenger

**Network Rail Consulting** 

Contractors

**NSW Trains** 

Passenger

Public Transport Authority of Western Australia

Passenger

**Queensland Rail Limited** 

Passenger

**Rio Tinto** 

Freight

**Siemens Mobility** 

Manufacturers / Suppliers

SNC-Lavalin Atkins Rail & Transit Pty Limited

Contractors

Strategic Connections Group Pty Ltd

Contractors

Strukton Rail Australia

Pty Ltd

Manufacturers / Suppliers

**Sydney Trains** 

Passenger

TBH

Contractors

Transdev Australasia Pty Ltd

Passenger

**Transport NSW** 

Passenger

**UGL** Limited

Manufacturers / Suppliers

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Voestalpine Railway Systems Australia Pty Ltd

Manufacturers / Suppliers

Wabtec

Manufacturers / Suppliers



# About the REMSMART portal

Taking part in the rail remuneration survey unlocks access to the REMSMART rail remuneration portal, allowing you to benchmark your own organisation against others in the industry.

Participants can use this powerful tool to inform their recruitment strategies and make sure they attract and retain the best talent available.

Benefits of using the portal:

Compare your remuneration data to the market to test your competitiveness

Benchmark specific roles to inform your recruitment strategies

Filter rail roles by location, gender or sector to help you deliver targeted and competitive salaries in key markets

Filter by job function or grade to inform your remuneration strategies across your organisation

## How to take part

ARA members who are E Class or above can access the REMSMART portal for free if they take part in our regular rail remuneration survey. The next survey will take place in August and updates on how to get involved will be included in the ARA's Weekly Update newsletter.

You can take part in the next survey in three easy steps:

Take part in the survey and share your organisation's remuneration data, confidentially and securely.

Data will be validated by BDO and de-identified before being uploaded to the portal

- 2. Log in to REMSMART and access de-identified remuneration data, analytics and reports specific to the rail industry
- Make the most of twice-yearly data updates and regular trend reports to stay informed of the latest developments

Participants in the second survey are expected to gain access to the REMSMART portal in October.

For more information or to express your interest in taking part, contact Charmaine Reay at Charmaine.Reay@bdo.com.au

## Roles included in the portal

The following list outlines the roles currently included in the REMSMART portal.

### Administration

- Administration Assistant
- Administration Clerk
- Administration Manager
- Office Manager
- Personal Assistant Entry
- Personal Assistant to Executive
- Receptionist
- Senior Personal Assistant
- Site Administrator

### **Communications & Relations**

- Experienced Corporate Affairs Advisor
- Head of / GM Corporate Affairs
- Manager Corporate Affairs
- Principal Corporate Affairs Advisor
- Senior Corporate Affairs Advisor
- Communication Advisor
- Communication Coordinator
- Communication Manager
- Desktop Publisher
- Digital Engagement Advisor
- Digital Engagement Coordinator
- Experienced Government Relations Advisor •
- Head of / GM Government Relations
- Manager of Government Relations
- Principal Government Relations Advisor
- Senior Government Relations Advisor
- Experienced Investor Relations Advisor
- Investor Relations Manager
- Principal Investor Relations Advisor
- Senior Investor Relations Advisor
- Community Officer
- **Experienced Community Advisor**
- Head of Community
- Manager of Community Affairs
- Principal Community Advisor
- Senior Community Advisor

## **Engineering and Trades**

- Civil Engineering Manger
- Civil Superintendent
- Entry Civil Engineer
- Experienced Civil Engineer
- Graduate Civil Engineer
- Head of / GM Civil Engineering
- Principal Civil Engineer
- Senior Civil Engineer
- Cost Control Manager
- Entry Cost Controller
- **Experienced Cost Controller**
- Lead Cost Controller
- Senior Cost Controller
- Design Engineering Manager
- Design Engineering Superintendent
- Entry Design Engineer
- Experienced Design Engineer
- Head of / GM Design Engineering
- Principal Design Engineer
- Senior Design Engineer
- Electrical Engineering Manager
- Electrical Engineering Superintendent
- Entry Electrical Engineer
- Experienced Electrical Engineer
- Graduate Electrical Engineer
- Head of / GM Electrical Engineer
- Principal Electrical Engineer
- Senior Electrical Engineer
- **Engineering Manager**
- Entry Environment Advisor
- **Environment Manager**
- **Environment Superintendent**
- Experienced Environment Advisor
- **Experienced Environment Scientist**
- Graduate Environment Advisor
- Head of /GM Environment
- Principal Environmental Advisor
- Senior Environmental Advisor

- Estimating Manager
- Experienced Estimator
- Junior Estimator
- Lead Estimator
- Senior Estimator
- Entry Mechanical Engineer
- Experienced Mechanical Engineer
- Graduate Mechanical Engineer
- Head of /GM Mechanical Engineer
- Mechanical Engineering Manager
- Mechanical Engineering Superintendent
- Principal Mechanical Engineer
- Senior Mechanical Engineer
- Entry Process Engineer
- Experienced Process Engineer
- Graduate Process Engineer
- Head of/ GM Process Engineering
- Principal Process Engineer
- Process Engineering Manager
- Process Engineering Superintendent
- Senior Process Engineer
- Entry Project Planner
- Experienced Project Planner
- Principal Project Planner
- Project Control Lead
- Project Control Manager
- Senior Project Planner
- Entry Project Engineer
- Experienced Project Engineer
- Principal Project Engineer
- Project Engineer Manager
- Senior Project Engineer
- Entry Sustainability Advisor
- Experienced Sustainability Advisor
- Head of / GM Sustainability
- Manager Sustainability
- Principal Sustainability Advisor
- Senior Sustainability Advisor
- Apprentice Yr 1
- Apprentice Yr 2
- Apprentice Yr 3
- Apprentice Yr 4
- Auto Electrician
- Boiler Technician
- Carpenter
- El Technician
- Electrician
- Equipment Service Person
- Gas Fitter
- HD Fitter
- Mechanical Fitter
- Plumber

- Refrigeration Technician
- Scaffolder
- Trade Assistant (TA)
- Trade Leading Hand
- Trade Trainee
- Tyre Fitter
- Welder

## **Facilities Support**

- Bus Driver
- Cleaner
- Handyman
- Security Officer

### **Finance**

- Accounts Assistant
- Accounts Payable/ Receivable Clerk
- Accounts Team Leader
- Entry Accountant
- Experienced Accountant
- Finance Manager
- Finance Superintendent
- Graduate Accountant
- Principal Accountant
- Senior Accountant
- Senior Accounts Clerk
- Audit Assistant
- Audit Manager
- Experienced Auditor
- Senior Auditor
- Commercial Manager
- Financial Controller
- GM Commercial
- GM Finance
- Treasury Manager
- Experienced Financial Analyst
- Head of Financial Planning
- Management Accountant
- Manager Financial Planning
- Senior Financial Analyst
- Senior Management Accountant
- Experienced Tax Accountant
- Principal Tax Accountant
- Senior Tax Accountant
- Tax Manager

## Health Safety Emergency and Quality

- Emergency Services and Security Coordinator
- Emergency Services and Security Officer
- Entry Health and Safety Advisor
- Experienced Health and Safety Advisor
- Graduate Health and Safety Advisor
- Head of Health Safety & Environment
- Head of Health and Safety/GM Health and Safety
- Health and Safety Manager
- Health and Safety Superintendent
- Injury Management Coordinator
- Occupational Health Coordinator
- Occupational Health Nurse
- Principal Health and Safety Advisor
- Safety Advisor
- Senior Health and Safety Advisor
- Senior Occupational Health Nurse
- Senior Safety Advisor
- Experienced Quality Advisor
- Inspector
- Quality Manager
- Quality Officer
- Quality Superintendent
- Quality Technician 1
- Quality Technician 3
- Senior Quality Advisor
- Technical Writer

### **Human Resources**

- Employee Relations Manager
- Employee Relations Superintendent
- Experienced Employee Relations Advisor
- Graduate Employee Relations Advisor
- Principal Employee Relations Advisor
- Senior Employee Relations Advisor
- Experienced Human Resources Advisor
- Graduate Human Resources Advisor
- Head of / GM Human Resources
- Human Resources Administrator
- Human Resources Manager
- Human Resources Manager & ER
- Human Resources Officer
- Human Resources Superintendent
- Principal Human Resources Advisor
- Senior Human Resources Advisor
- Human Resources Information Systems Analyst
- Human Resources Information Systems Manager

- Experienced Organisational Development Advisor
- Graduate Organisational Development Advisor
- Organisational Development Manager
- Organisational Development Superintendent
- Principal Organisational Development Advisor
- Senior Organisational Development Advisor
- Recruitment Manager
- Recruitment Officer
- Recruitment Team Leader
- Senior Recruitment Officer
- Payroll Administrator
- Payroll Manager
- Payroll Officer
- Senior Payroll Officer
- Senior Remuneration Advisor
- Senior Training Officer
- Technical Training Officer
- Training Administrator
- Training Manager
- Training Officer
- Training Superintendent

## IT Telecommunication and Analytics

- Data Quality manager
- Data Scientist
- Analyst Programmer
- IT Project Leader
- IT Project Manager
- Senior IT Project Manager
- Senior Programmer
- Software Engineer
- Systems Analyst
- Systems Manager
- Security Specialist
- Senior Security Specialist
- Head of Digital Technology
- IT Engineer
- IT Technician
- Graphic Designer
- Helpdesk
- Support Manager
- Support Specialist
- User Support Officer
- Internet Technical Specialist
- Web Development Manager
- Network Administrator
- Network Operations Manager
- Senior Network Administrator
- IT Operations Analyst
- IT Operations Manager I

- IT Operations Manager II
- IT Operations Supervisor
- Business Analyst
- Data Warehousing Specialist
- Database Administrator
- Database Analyst
- Information Systems Manager I
- Information Systems Manager II
- Senior Business Analyst
- Senior Systems Engineer
- Systems Engineer
- Systems Programmer
- Technical Specialist

## Legal

- Company Secretary
- Graduate Lawyer
- Lawyer
- Legal Manager
- Senior Lawyer
- Experienced Paralegal
- Paralegal Team Lead

## **Logistics & Supply Chain**

- Assistant Contract Officer
- Contracts Administrator
- Contracts Manager
- Contracts Officer
- Lead Contracts Officer
- Senior Contracts Administrator
- Senior Contracts Officer
- Custom and Shipping Officer
- Export Manager
- Shipping Assistant
- Shipping Manager
- Head of / GM of Logistics
- Logistics Manager
- Logistics Officer
- Logistics Superintendent
- Transport Manager
- Procurement Manager
- Procurement Officer
- Purchasing Assistant / Expeditor
- Purchasing Manager
- Senior Procurement Officer
- Cataloguer
- Despatch Assistant
- Distribution Supervisor
- Head of Warehouse and Distribution
- Inventory Controller

- Stores / Stock Control Assistant
- Stores Operator / Forklift Driver
- Warehouse Foreman
- Warehouse Manager
- Warehouse and Distribution Manager

### Operations

- BI / CI Coordinator
- BI / CI Manager
- BI / CI Specialist
- BI / CI Superintendent
- General Manager Operations
- Operations Manager

### **Port**

- Port Manager
- Port Officer
- Port Superintendent
- Port Supervisor

## **Project Management**

- Construction Manager
- Asset Manager
- Asset Officer
- Assistant Designer
- Assistant Document Controller
- Design Manager
- Designer
- Document Controller
- Junior Project Manager
- Lead Designer
- Lead Document Controller
- Manager Document Control
- Project Analyst
- Project Director
- Project Leader
- Project Manager
- Project Scheduler / Planner
- Project Supervisor
- Senior Designer
- Senior Document Controller
- Senior Project Analyst
- Senior Project Manager
- Study Manager

### Rail

- Compliance & Accreditation Officer
- Train Controller Superintendent
- Train Controller Supervisor
- Train Controllers
- Trainee Train Controller

- Communication Technician
- Entry Rail Civil Engineer
- Experienced Communications Engineer
- Experienced Rail Civil Engineer
- Experienced Rolling Stock Engineer
- Experienced Signals Engineer
- Graduate Rail Civil Engineer
- Principal Communications Engineer
- Principal Rail Civil Engineer
- Principal Signals Engineer
- Senior Communications Engineer
- Senior Electrical Rolling Stock Engineer
- Senior Rail Civil Engineer
- Senior Signals Engineer
- Car Examiner
- Entry Maintenance Engineer
- Experienced Maintenance Engineer
- Experienced Maintenance Planner
- Graduate Maintenance Engineer
- Head of /GM Maintenance
- Maintenance Manager
- Maintenance Scheduler
- Maintenance Superintendent
- Maintenance Supervisor
- Maintenance Technician
- Principal Maintenance Engineer
- Rail Boilermaker
- Rail Electricians
- Rail Fitter
- Reliability Technician
- Rolling Stock Maintainer
- Senior Maintenance Engineer
- Senior Maintenance Planner
- General Manager Rail
- Manager Infrastructure
- Manager Rolling Stock
- Operations Superintendent
- Operations Supervisor
- Rail Operations Manager
- Superintendent Infrastructure
- Superintendent Rolling Stock
- Supervisor Infrastructure
- Supervisor Rolling Stock
- Team Leader / Specialist
- Crew Development Officer
- Rail Crew Schedulers
- Rail Maintainer
- Rail Operations Logistics & Planning Coordinator
- Roster Coordinator

- Entry Yard Train Operator
- Experienced Mainline Train Operator
- Experienced Yard Train Operator
- Senior Signals Technician
- Signals Maintainer
- Signals Technician
- Experienced Track Engineer
- Senior Track Engineer
- Track Inspector

## Risk Management

- Head of Risk
- Risk / Compliance Manager
- Risk / Compliance Officer
- Risk Specialist

## Sales & Marketing

- Customer Services Assistant
- Customer Services Manager
- Customer Services Officer
- Marketing Analyst
- Marketing Assistant
- Marketing Manager
- Regional Sales Manager
- Sales Coordinator
- Sales Manager
- Technical Sales Manager
- Head Sales & Marketing

## **Strategy and Development**

- Development Analysts
- Head of / GM Strategy / Development
- Senior Business Development Analysts
- Strategy Manager / Development

