

For Immediate Release:

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Finance leaders insist: Australia's talent shortage will resurface

- Industry Opinion Poll Released -

Finance industry professionals believe that Australia's talent shortage has not disappeared and when the markets recover from the global financial crisis, the shortage will be greater than before, according to research released today by Finsia – Financial Services Institute of Australasia.

The Finsia/Roy Morgan Industry Opinion Poll of Finsia members*, focused on the employment challenges facing Australia's finance sector as a result of the global financial crisis.

While a large majority of poll respondents (93%) agreed that the recruitment market in the Australian finance sector has significantly declined since September 2008 and 84% agreed that graduate intake levels will be scaled back in 2009, Finsia members surveyed largely believe that the talent shortage Australia has experienced in recent years has not disappeared (76%) and will be back in greater force than before (67%).

Interestingly, 94% agreed that staff who are unsatisfied in their current roles are 'riding out' the downturn instead of seeking other employment opportunities, and 66% of respondents agreed there has been a greater focus on fitting people to roles rather than attracting the right 'talent'.

An overwhelming proportion of respondents also agree that Baby Boomers now intend to delay retirement (93%). Over six-in-ten respondents (68%) also agreed that the global financial crisis will negatively impact diversity throughout the workplace.

Commenting on the results, Dr Martin Fahy, Chief Executive Officer of Finsia, stated: "Just six months ago Australia was dealing with a rising talent shortage. Today, the pressure to cut labour costs is immense. But open-minded organisations will seek to exhaust other alternatives, which promise greater outcomes in the long-term."

"The challenge is to avoid impulsive decisions which could undermine our previous efforts to attract and retain talent, as well as the progress we have made towards breaking down the inherent structural impediments in our industry, in particular, gender inequality and diversity in the workplace, continued Fahy."

Other key findings include:

- Eighty percent of respondents agreed that the suggestion that 10,000 jobs, or 6.5 per cent of the banks' workforce, will be lost over the next 12 months is realistic
- A large majority (89%) agreed the recent spike in casual employment is driven less by choice and more by changing market conditions.
- Seven-in-ten (70%) respondents agreed the global financial crisis has led to a significant level of expatriates coming back to Australia.

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* Between November 24 and December 1, 2008, Roy Morgan Research conducted a survey of 917 of Finsia's Australian members. The survey asked a series of opinion based questions about the key employment challenges facing Australia's finance sector during this current period of uncertainty.

- Of the Finsia members surveyed, 64% believed that the current climate in financial services to some extent will impact the promotion of women and encouraging the careers of female employees in financial services.

“The focus now must be on rebuilding public confidence in our industry. Australia’s long-term ambition of becoming a regional financial hub should remain top of mind, as we refocus the regulatory issues surrounding the crisis. Australia’s financial services industry is well regarded internationally and we can turn this into a key competitive strength. Those who achieve outcomes through multiple routes will recognise that Australia’s human capital restraints have not disappeared. Rather, this period merely provides us with breathing space, concluded Fahy”

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Notes to Editors:

About Finsia

Finsia – the Financial Services Institute of Australasia – has a combined wealth of experience in the financial services industry dating back to 1886.

As the only professional association representing the entire spectrum of financial services throughout Australia and New Zealand, its reach extends to 17,000 professionals working across the broad categories of banking, wealth management and capital markets.

Finsia plays a vital role in protecting the industry’s strength and competitiveness in today’s evolving global marketplace through its core purpose of helping members succeed in their careers and supporting the growth and development of the financial services industry.

This is achieved through the provision of relevant and high quality professional development programs, a comprehensive suite of career support services and an extensive range of industry-leading information resources and publications. Finsia’s leadership, advocacy and policy-setting initiatives also play a critical role in promoting industry growth both regionally and around the world.

For further information about Finsia, visit: www.finsia.com

About Roy Morgan Research

Roy Morgan Research is the largest independent Australian research company, with offices in each state of Australia, as well as in Indonesia, New Zealand, United States and United Kingdom.

A full service research organisation specializing in omnibus and syndicated data, Roy Morgan Research has more than 60 years experience in collecting objective, independent information on consumers. In Australia, Roy Morgan Research is considered to be the authoritative source of information on readership, financial behaviour, voting intention and consumer confidence. Roy Morgan Research is a specialist in recontact customised surveys which provide invaluable and effective qualitative and quantitative information regarding customers and target markets.

For media enquiries or if you are interested in receiving a copy of the poll results please contact:

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