

## Market changes

Fuelled by the resources boom, strong economic conditions and global demand for our skills, the recruitment market for lawyers remained very tight across Australia and New Zealand. Sydney's increasing deal flow meant greater demand for mid-level banking and finance lawyers, both from practice and in-house, while in Western Australia a particular shortage became evident in the three to five year PQE level. Melbourne's in-house market continued to grow and the private practice market remained extremely candidate short. Although still a very tight market, Queensland saw an increase in the flow of lawyers relocating from the southern states. The strength of the New Zealand economy and low unemployment levels ensured high vacancy activity for lawyers, yet falling application levels.

The skills shortage is not just limited to Australia and New Zealand. For mid level lawyers in particular the world is your oyster. Top overseas firms are undertaking recruitment drives in Australia and everyone worldwide is fighting for the same people. Candidates are attracted by the premium salaries, the opportunity to travel and gain experience in a larger market, and the increasingly direct efforts of head-hunters.

It's not just the UK and the US that are popular destinations for candidates though. We are now seeing a significant amount of candidate movement towards the booming Asian markets, particularly Hong Kong, and to a lesser extent the Middle East.

This placed added pressure on the local skills shortage and in response large firms, particularly in Western Australia, turned to international recruitment themselves, with some actively running campaigns overseas and offering sponsorship.

## Positions in demand

Banking and finance, corporate M&A and property specialists remain major hotspots of demand in Sydney due to increased deal activity and the trend towards keeping legal matters in-house.

Melbourne's in-house market has seen increased demand for lawyers with financial services and IT sector experience, as well as candidates at the three to six years PAE level and corporate lawyers. The private practice market is experiencing demand across the board, but particularly within property, construction, corporate, banking and finance.

As you would expect, Western Australia's demand is for construction and energy & resources lawyers, while employment

relations has become an increasing area of demand in the state.

Private practice in Queensland has a continuing need for mid level lawyers in construction, banking & finance, property, corporate and energy and resources. Many mid to senior lawyers are seeking roles in-house and government remains popular particularly with more junior lawyers.

New Zealand's demand centres around mid level corporate, specialist commercial and finance lawyers. A spike in demand occurred for lawyers with energy experience due to the boom in the domestic oil and gas industry. In-house and public sector candidates in specialist fields such as funds, tax and public law are in short supply.

## Salary movements

Over the past 12 months salary rates have levelled across Australia, with Melbourne, Perth and Brisbane in particular falling increasingly inline with Sydney salaries. This is not to say Sydney salaries did not move; there was a steady increase across skill sets, particularly for general counsel and banking and finance lawyers.

Perth lawyers were the main salary beneficiaries overall. With salaries traditionally lower than their Eastern state counterparts, employers have been forced to compete for candidates, which has driven up salaries, particularly for small practices which now offer typical salaries above Sydney rates.

New Zealand's demand for lawyers did not equate to salary increases; instead the changes were more subtle. The salary bands of larger private practice firms were stretched to help retain and attract high performers and there was a notable increase in incentives such as relocation allowances and flexibility surrounding a candidate's specialisation.

With firms recruiting more aggressively, many offered a sign-on bonus to secure candidates. The figure depends on local trends, with some Australian firms offering up to \$20,000 and New Zealand firms up to \$5,000. While higher salaries are offered initially to attract lawyers, it is often with the condition that a salary review will not occur until the following financial year.

## Changes to employer recruitment practices

The last 12 months brought greater awareness of the importance of staff retention. Consequently workplace flexibility regarding benefits, development

and training and hours became common. The increasing importance to candidates of a firm's involvement in pro bono and community work was also highlighted.

The need for a succinct recruitment process was made clear, with some firms missing out on their ideal candidate due to a slow process. A number of firms have condensed the interview process and are making their decision shortly after interview.

In many cases a firm's HR professional actively promotes the full offering in an interview, from work/life balance to training and career development, rather than solely focusing on the work on offer.

Employers are also looking outside their state for candidates. For example many Melbourne firms are sourcing lawyers from the South Australian and Tasmanian markets. Meanwhile Brisbane saw an increase in the number of lawyers moving from Melbourne and Sydney to take advantage of the lifestyle Queensland has to offer.

The last year witnessed an increased interest in overseas qualified lawyers, especially from the UK, with number of larger firms valuing these candidates' ability to become au fait quickly given the similarity of our legal systems. New Zealand and South African skills are also increasingly valued in Australia.

## Advice to candidates

While the market remains candidate short you should maintain realistic salary expectations. Quality of work and working environment should be the priority and changing roles regularly to chase a higher salary will not benefit your long-term career since a stable work history is as important as actual work experience.

A secondment remains a beneficial entry from private practice to in-house and offers the added advantage of allowing candidates to determine if in-house is really the direction they want their career to progress.

It is easier to move roles in private practice if you have specialised in one practice area. Generalist practitioners find it much more difficult to move from one firm to another, so specialise where you can.

The recruitment process for mid level lawyers in commercial disciplines in New Zealand moves swiftly so be prepared for a number of offers. However lawyers in other areas of the market, particularly graduates and in-house mid to senior lawyers, need to demonstrate flexibility regarding location and should not expect to match private practice salaries.

## Private Practice - Top Tier

	Graduate	1 yr P.A.E	2 yrs P.A.E	3 yrs P.A.E	4 yrs P.A.E
	Average Remuneration Package	Average Remuneration Package	Average Remuneration Package	Average Remuneration Package	Average Remuneration Package
<b>NSW - Sydney</b> (Remuneration Package Range)	<b>60,000</b> 55,000 - 65,000	<b>80,000</b> 70,000 - 85,000	<b>90,000</b> 76,000 - 95,000	<b>95,000</b> 85,000 - 115,000	<b>120,000</b> 100,000 - 140,000
<b>VIC - Melbourne</b> (Remuneration Package Range)	<b>60,000</b> 55,000 - 71,000	<b>77,000</b> 65,000 - 90,000	<b>88,000</b> 78,000 - 98,000	<b>92,000</b> 86,000 - 115,000	<b>115,000</b> 94,000 - 138,000
<b>QLD - Brisbane</b> (Remuneration Package Range)	<b>55,000</b> 50,000 - 60,000	<b>68,000</b> 60,000 - 70,000	<b>75,000</b> 65,000 - 80,000	<b>85,000</b> 75,000 - 95,000	<b>95,000</b> 80,000 - 100,000
<b>WA - Perth</b> (Remuneration Package Range)	<b>55,000</b> 45,000 - 60,000	<b>70,000</b> 55,000 - 72,000	<b>75,000</b> 65,000 - 80,000	<b>85,000</b> 75,000 - 95,000	<b>100,000</b> 85,000 - 110,000
<b>New Zealand</b> (Remuneration Package Range)	<b>30,000 - 40,000</b>	<b>42,000 - 55,000</b>	<b>53,000 - 68,000</b>	<b>60,000 - 85,000</b>	<b>70,000 - 105,000</b>

## Private Practice - Top Tier

	5 yrs P.A.E	6 yrs P.A.E	Senior Associate	Salaried Partner	Equity Partner
	Average Remuneration Package	Average Remuneration Package	Average Remuneration Package	Average Remuneration Package	Average Remuneration Package
<b>NSW - Sydney</b> (Remuneration Package Range)	<b>135,000</b> 120,000 - 145,000	<b>150,000</b> 130,000 - 170,000	<b>200,000</b> 140,000 - 230,000	<b>250,000+</b>	<b>400,000+</b>
<b>VIC - Melbourne</b> (Remuneration Package Range)	<b>130,000</b> 104,000 - 170,000	<b>145,000</b> 111,000 - 180,000	<b>170,000</b> 115,000 - 220,000	<b>250,000+</b>	<b>400,000+</b>
<b>QLD - Brisbane</b> (Remuneration Package Range)	<b>120,000</b> 90,000 - 125,000	<b>125,000</b> 90,000 - 130,000	<b>150,000</b> 120,000 - 200,000	<b>250,000+</b>	<b>350,000+</b>
<b>WA - Perth</b> (Remuneration Package Range)	<b>120,000</b> 100,000 - 130,000	<b>130,000</b> 115,000 - 135,000	<b>160,000</b> 125,000 - 200,000	<b>250,000+</b>	<b>400,000+</b>
<b>New Zealand</b> (Remuneration Package Range)	<b>80,000 - 120,000</b>	<b>90,000 - 130,000</b>	<b>100,000 - 140,000+</b>	<b>130,000+</b>	<b>N/A</b>

### Typical Benefits

- Parking
- Vehicle Expenses
- Health Cover
- Bonuses
- Further Education Studies
- Laptops/Mobile Phone
- Gym Membership

Packages indicated include Superannuation / Professional Memberships       New Zealand salaries are represented in New Zealand dollars  
 The salary Packages above have been compiled on the basis of information from top tier law firms within the CBD       P.A.E: Post Admission Experience  
 New Zealand figures are representative of those offered in larger commercial practices       Equity Partner salary is representative of profit drawing rather than base plus superannuation

Private Practice - Mid Tier	Graduate	1 yr P.A.E	2 yrs P.A.E	3 yrs P.A.E	4 yrs P.A.E
	Average Remuneration Package	Average Remuneration Package	Average Remuneration Package	Average Remuneration Package	Average Remuneration Package
<b>NSW - Sydney</b> (Remuneration Package Range)	<b>45,000</b> 40,000 - 50,000	<b>70,000</b> 55,000 - 80,000	<b>85,000</b> 65,000 - 90,000	<b>90,000</b> 70,000 - 100,000	<b>100,000</b> 80,000 - 120,000
<b>VIC - Melbourne</b> (Remuneration Package Range)	<b>45,000</b> 32,000 - 55,000	<b>70,000</b> 50,000 - 78,000	<b>80,000</b> 60,000 - 97,000	<b>90,000</b> 70,000 - 105,000	<b>100,000</b> 75,000 - 120,000
<b>QLD - Brisbane</b> (Remuneration Package Range)	<b>45,000</b> 40,000 - 50,000	<b>65,000</b> 50,000 - 70,000	<b>75,000</b> 60,000 - 80,000	<b>80,000</b> 70,000 - 85,000	<b>90,000</b> 75,000 - 95,000
<b>WA - Perth</b> (Remuneration Package Range)	<b>45,000</b> 40,000 - 65,000	<b>65,000</b> 50,000 - 75,000	<b>75,000</b> 60,000 - 85,000	<b>85,000</b> 75,000 - 95,000	<b>95,000</b> 80,000 - 110,000

Private Practice - Mid Tier	5 yrs P.A.E	6 yrs P.A.E	Senior Associate	Salaried Partner	Equity Partner
	Average Remuneration Package	Average Remuneration Package	Average Remuneration Package	Average Remuneration Package	Average Remuneration Package
<b>NSW - Sydney</b> (Remuneration Package Range)	<b>115,000</b> 95,000 - 130,000	<b>140,000</b> 100,000 - 150,000	<b>150,000</b> 140,000 - 155,000	<b>180,000+</b>	<b>300,000+</b>
<b>VIC - Melbourne</b> (Remuneration Package Range)	<b>115,000</b> 94,000 - 130,000	<b>130,000</b> 99,000 - 150,000	<b>145,000</b> 100,000 - 185,000	<b>180,000+</b>	<b>300,000+</b>
<b>QLD - Brisbane</b> (Remuneration Package Range)	<b>115,000</b> 90,000 - 120,000	<b>120,000</b> 90,000 - 130,000	<b>125,000</b> 100,000 - 150,000	<b>200,000+</b>	<b>300,000+</b>
<b>WA - Perth</b> (Remuneration Package Range)	<b>115,000</b> 90,000 - 130,000	<b>130,000</b> 100,000 - 140,000	<b>140,000</b> 100,000 - 165,000	<b>200,000+</b>	<b>300,000+</b>

### Typical Benefits

- Parking
- Health Cover
- Further Education Studies
- Gym Membership
- Vehicle Expenses
- Bonuses
- Laptops/Mobile Phone

Packages indicated include Superannuation / Professional Memberships  
 The salary Packages above have been compiled on the basis of information from mid tier law firms within the CBD  
 Equity Partner salary is representative of profit drawing rather than base plus superannuation

P.A.E: Post Admission Experience

## Private Practice - Small Practices

	Graduate	1 yr P.A.E	2 yrs P.A.E	3 yrs P.A.E	4 yrs P.A.E
	Average Remuneration Package	Average Remuneration Package	Average Remuneration Package	Average Remuneration Package	Average Remuneration Package
<b>NSW - Sydney</b> (Remuneration Package Range)	<b>40,000</b> 30,000 - 55,000	<b>50,000</b> 40,000 - 60,000	<b>65,000</b> 45,000 - 87,000	<b>80,000</b> 55,000 - 100,000	<b>90,000</b> 65,000 - 105,000
<b>VIC - Melbourne</b> (Remuneration Package Range)	<b>37,000</b> 30,000 - 45,000	<b>45,000</b> 35,000 - 65,000	<b>59,000</b> 38,000 - 80,000	<b>70,000</b> 50,000 - 90,000	<b>75,000</b> 55,000 - 95,000
<b>QLD - Brisbane</b> (Remuneration Package Range)	<b>40,000</b> 35,000 - 45,000	<b>50,000</b> 40,000 - 60,000	<b>60,000</b> 50,000 - 70,000	<b>70,000</b> 60,000 - 75,000	<b>85,000</b> 70,000 - 95,000
<b>WA - Perth</b> (Remuneration Package Range)	<b>45,000</b> 40,000 - 60,000	<b>60,000</b> 50,000 - 70,000	<b>75,000</b> 60,000 - 80,000	<b>85,000</b> 75,000 - 95,000	<b>95,000</b> 75,000 - 105,000

## Private Practice - Small Practices

	5 yrs P.A.E	6 yrs P.A.E	Senior Associate	Salaried Partner	Equity Partner
	Average Remuneration Package	Average Remuneration Package	Average Remuneration Package	Average Remuneration Package	Average Remuneration Package
<b>NSW - Sydney</b> (Remuneration Package Range)	<b>100,000</b> 80,000 - 120,000	<b>115,000</b> 90,000 - 140,000	<b>120,000</b> 90,000 - 150,000	<b>180,000</b>	<b>250,000+</b>
<b>VIC - Melbourne</b> (Remuneration Package Range)	<b>85,000</b> 70,000 - 120,000	<b>100,000</b> 72,000 - 125,000	<b>113,000</b> 75,000 - 150,000	<b>180,000</b>	<b>250,000+</b>
<b>QLD - Brisbane</b> (Remuneration Package Range)	<b>95,000</b> 80,000 - 120,000	<b>110,000</b> 90,000 - 130,000	<b>120,000</b> 90,000 - 150,000	<b>150,000+</b>	<b>250,000+</b>
<b>WA - Perth</b> (Remuneration Package Range)	<b>110,000</b> 80,000 - 120,000	<b>120,000</b> 90,000 - 135,000	<b>130,000</b> 100,000 - 150,000	<b>180,000+</b>	<b>250,000+</b>

### Typical Benefits

- Parking
- Vehicle Expenses
- Health Cover
- Bonuses
- Further Education Studies
- Laptops/Mobile Phone
- Gym Membership

Packages indicated include Superannuation / Professional Memberships       Equity Partner salary is representative of profit drawing rather than base plus superannuation  
 The salary Packages above have been compiled on the basis of information from small law firms within the CBD       P.A.E: Post Admission Experience

Inhouse	Legal Counsel 1 yr P.A.E	Legal Counsel 2 yrs P.A.E	Legal Counsel 3 yrs P.A.E	Legal Counsel 4 yrs P.A.E
	Average Remuneration Package	Average Remuneration Package	Average Remuneration Package	Average Remuneration Package
NSW - Sydney (Remuneration Package Range)	55,000 - 70,000	70,000 - 85,000	80,000 - 100,000	95,000 - 125,000
VIC - Melbourne (Remuneration Package Range)	50,000 - 70,000	65,000 - 80,000	80,000 - 95,000	85,000 - 115,000
QLD - Brisbane (Remuneration Package Range)	45,000 - 65,000	50,000 - 75,000	60,000 - 85,000	80,000 - 100,000
WA - Perth (Remuneration Package Range)	55,000 - 70,000	65,000 - 80,000	70,000 - 95,000	80,000 - 110,000
New Zealand (Remuneration Package Range)	42,000 - 53,000	47,000 - 66,000	53,000 - 74,000	58,000 - 89,000

Inhouse	Legal Counsel 5 yrs P.A.E	Legal Counsel 6 yrs P.A.E	Legal Counsel 6+ yrs P.A.E	General Counsel
	Average Remuneration Package	Average Remuneration Package	Average Remuneration Package	Average Remuneration Package
NSW - Sydney (Remuneration Package Range)	110,000 - 150,000	120,000 - 170,000	150,000 - 200,000	150,000+
VIC - Melbourne (Remuneration Package Range)	90,000 - 130,000	110,000 - 150,000	120,000 - 175,000	150,000+
QLD - Brisbane (Remuneration Package Range)	90,000 - 120,000	100,000 - 130,000	110,000 - 150,000	120,000 - 180,000+
WA - Perth (Remuneration Package Range)	90,000 - 125,000	100,000 - 130,000	110,000 - 150,000	120,000 - 180,000+
New Zealand (Remuneration Package Range)	63,000 - 92,000	82,000 - 125,000	85,000 - 136,000	105,000 - 160,000+

### Typical Benefits

- Car
  - Vehicle Expenses
  - Parking
  - Bonuses
  - Gym Memberships
  - Laptops/Mobile Phone
  - Health Cover
  - School Fees
  - Interest Free Loans
- Packages indicated include Superannuation / Professional Memberships       New Zealand salaries are represented in New Zealand Dollars       P.A.E: Post Admission Experience

International	Non Qualified	1 yr P.Q.E	2 yrs P.Q.E	3 yrs P.Q.E
	Average Remuneration Package	Average Remuneration Package	Average Remuneration Package	Average Remuneration Package
Hong Kong HK\$ Average Monthly	57,000 - 65,000	60,000 - 75,000	69,000 - 85,000	74,000 - 90,000
London £ Average Yearly	52,000 - 55,000	57,000 - 61,000	63,000 - 70,000	71,000 - 77,000
New York US\$ Average Yearly	150,000 - 180,000	164,000 - 188,000	184,000 - 206,000	190,000 - 230,000
Off Shore US\$ Average Yearly	n/a	n/a	n/a	80,000 - 190,000

International	4 yrs P.Q.E	5 yrs P.Q.E	6 yrs P.Q.E	6+ yrs P.Q.E
	Average Remuneration Package	Average Remuneration Package	Average Remuneration Package	Average Remuneration Package
Hong Kong HK\$ Average Monthly	80,000 - 100,000	86,000 - 110,000	87,000 - 130,000	96,000+
London £ Average Yearly	78,000 - 89,000	86,000 - 95,000	86,000 - 100,000	100,000+
New York US\$ Average Yearly	224,000 - 254,000	250,000 - 272,000	260,000 - 290,000	290,000+
Off Shore US\$ Average Yearly	90,000 - 200,000	100,000 - 200,000	110,000 - 200,000	120,000+

### Typical Benefits

- Medical Cover
  - Pension
  - Relocation Expenses
  - Bonuses
  - HK & Offshore Low Tax
- P.Q.E: Post Qualification Experience (this refers to English qualifications which would exclude 2 years pre qualification training)