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AUSTRALIA

LAW FIRMS SALARY & MARKET
REPORT 2024 - 2025

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MARKET OVERVIEW

Unlocking Opportunities in the Australian Legal Market

The Australian legal market presents a wealth of opportunities for legal professionals, with strong demand across diverse practice areas such as litigation, banking, energy, competition, cyber, technology, healthcare, environment, and projects. As a Legal Recruitment Director, I am excited to share insights into this dynamic industry and shed light on the possibilities it offers.

There has been an overall decline in the intensity of salary competition and a shift in the areas of law that are in demand. With the market open to international lawyers and an increase in the movement of lawyers within Australia, the importance of attracting and retaining top talent as well as prominence of alternative legal service providers has been amplified.

Several factors contribute to the growing demand for legal services in Australia. The country's position in the Asia-Pacific region has unlocked business opportunities, necessitating legal support for cross-border transactions and regulatory matters. Additionally, ongoing digital transformations, particularly in the use of artificial intelligence and automation, have seen the emergence of specialised units within law firms.

While demand is on the rise, firms continue to face a candidate-short market.

The demanding nature of the legal profession, long working hours, and the rising cost of legal education deter some from pursuing a legal career. Addressing these challenges is crucial to ensure a diverse and inclusive legal profession.

To remain competitive, law firms must showcase specialised expertise, people and culture-led initiatives, and exceptional client service. Leveraging artificial intelligence for routine tasks and integrating private cloud technology for security enhances efficiency, reduces costs, and bolsters cyber resilience. This evolution necessitates firms to embrace technology or offer distinctive value for client loyalty, emphasising continuous adaptation and cultivating outstanding employee experiences.

As a leader in legal recruitment, I find motivation in the dynamic possibilities within the legal market. By nurturing talent, promoting inclusivity, and embracing innovation, we can unlock the market's full potential and shape its future.

In conclusion, the Australian legal market offers a dynamic and promising landscape for legal professionals. Firms that embrace change, optimise processes, foster diverse talent, and prioritise client needs will have a competitive advantage. Together we can stay ahead of market trends and leverage the potential of the Australian legal market to propel and drive its continued success.



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BENEFITS AND DRIVERS OF RETENTION



Retention

Attracting and retaining top-tier talent has become increasingly competitive. Firms are now prioritising employee engagement through flexible work options, professional growth, and wellness initiatives, with remote or hybrid models. Additionally, cultivating an inclusive culture emphasising diversity and equity significantly boosts retention and satisfaction rates among employees.

Recent statistics:

Based on 809 salaries reported, updated in May 2024, Indeed reports that the average salary for a lawyer in Australia is now \$108,000. According to Thomson Reuters', 71% of Australia law firms have identified talent retention as their top priority for the next 12 months. This is further evident in recent international surveys having identified unique dissatisfactions among lawyer in Australia, presenting talent retention hurdles for law firms.



Benefits offered by law firms

To attract and retain top talent, law firms are offering a wider range of benefits than ever before. Some of the most common benefits offered by law firms include:



Flexible work arrangements

Many law firms now offer work from home arrangements, either on a full-time or part-time basis. This is a major benefit for those who want to have more flexibility in their work-life balance.



Parental leave

Most law firms offer some form of parental leave, which can be a valuable benefit for lawyers who are starting a family.



Bonus

Bonuses are often offered to lawyers who perform well. This can be a significant financial incentive for lawyers to stay with their firm.



Other benefits

Law firms may also offer other benefits, such as health insurance, dental insurance, and retirement plans.

The benefits that are offered by law firms can vary depending on the size of the firm, the practice area, and the location.

However, most law firms are offering a competitive package of benefits to attract and retain top talent.

Here are some additional benefits that are becoming increasingly common in the legal market today:



Tuition reimbursement

Many law firms now offer tuition reimbursement to help lawyers pay for continuing education. This is a valuable benefit for those who want to stay up-to-date on the latest legal developments.



Professional development

Law firms may also offer opportunities, such as mentorship programs, training courses, and conferences to demonstrate the value of their employees as assets worth investing in. This will aid lawyers in their skill development and career advancement.



Embracing technology

Law firms can adopt technology to empower legal professionals, offering tools that streamline tasks and boost productivity. AI-driven document review and legal research platforms, provides employees with the resources to excel in their roles and achieve greater work-life balance.

The benefits that are offered by law firms are constantly evolving. As the legal market changes, law firms are finding new ways to attract and retain top talent.

OUTLOOK FOR 2024/25



The Australian legal recruitment market in 2024-2025

The overall outlook for the legal recruitment market is positive, but there are several key trends shaping the industry

Key Trends

A decline in the intensity of salary competition.

While salaries are expected to rise modestly by around 3-4% the aggressive salary bidding wars have subsided. This shift is partly due to firms focusing more on holistic compensation packages that include benefits like flexible working arrangements, professional development opportunities and wellness programs

Digital Transformation and Technology Law.

The proliferation of technology has led to increased needs for legal services in cybersecurity, data privacy, and intellectual property. Increased usage of generative AI and demand for digital skills, compels law firms to upskill their workforce and address novel legal challenges concerning compliance and ethics.

Freelancing increasing among smaller and larger firms.

The desire for remote work are driving more legal professionals towards freelancing, allowing them to choose their tasks and enjoy better work-life balance. With a transformative shift in how legal services are sourced and delivered, law firms are integrating freelancers to enhance workplace efficiency and reduce costs.

Challenges for small law firms hiring associates.

Smaller law firms are struggling to attract associates proficient in AI and legal technology due to intense competition with larger firms. This talent gap is forcing smaller firms to innovate and adapt their practices to attract and retain tech-savvy legal professionals necessary to remain competitive.

Implications for law firms

The implications of these trends for law firms are as follows:

Talent Acquisition and Retention.

Law firms must innovate their strategies to attract and retain top talent in a competitive and evolving market. An increased focus on holistic compensation packages as well as addressing the growing demand for tech-savvy professionals proficient in AI and other legal technologies is critical for both large and small firms.



Operational Efficiency and Adaptation.

Investing in technology and embracing digital transformation are paramount for law firms to stay competitive. Firms should also prioritise mental health and wellbeing initiatives to support their employees and foster a positive work environment. Adapting to flexible work models is essential not only for employee satisfaction but also for maintaining productivity and client service standards in the modern legal landscape.

Overall, the Australian legal recruitment market is expected to remain active in the next 12 months. However, firms need to be prepared to adapt to these trends in order to remain competitive.



SYDNEY

As the largest city in Australia, Sydney continues to be a hub for financial and professional services. The demand for legal professionals in corporate law, mergers and acquisitions, and commercial litigation remains strong. Firms in Sydney are also seeing growing demand for lawyers specialising in technology and data privacy, reflecting the city's robust technology industry.

The Sydney legal market is expected to remain active in 2024. Some of the key trends in the Sydney legal market in 2024 include:

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| <ul style="list-style-type: none">While base salaries in top-tier firms remain competitive, the prevalence of sign-on bonuses has decreased, reflecting the shifting focus of firms prioritising long-term employee retention strategies over immediate monetary rewards. | <ul style="list-style-type: none">Mid-tier firms are increasingly offering competitive salaries and closing the salary gap with top-tier firms to attract talent from a broader market. By revisiting paternity policy to match top-tier firms at 26 weeks as well as providing better work-life balance, flexible working conditions and opportunities for faster career progression. | <ul style="list-style-type: none">Specialist boutiques have been gaining prominence as they attract high-caliber talent from larger firms. The movement of top-tier partners transitioning to specialist boutique firms is due to partners seeking more control over their specialised practice areas. |
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Salary Overview:

Sydney:

	Top Tier	Mid Tier	Boutique
1 PQE	\$98,000 – \$120,000	\$90,000 - \$110,000	\$82,500 - \$95,000
2 PQE	\$110,000 - \$145,000	\$95,000 - \$130,000	\$90,000 - \$112,500
3 PQE	\$130,000 - \$155,000	\$110,000 - \$145,000	\$100,000 - \$140,000
4 PQE	\$145,000 - \$170,000	\$125,000 - \$150,000	\$110,000 - \$148,000
5 PQE	\$150,000 - \$185,000	\$135,000 - \$165,000	\$120,000 - \$150,000
SA 1	\$180,000 - \$205,000	\$150,000 - \$185,000	\$145,000 - \$185,000
SA 2	\$190,000 - \$220,000	\$170,000 - \$195,000	\$155,000 - \$195,000
SA 3	\$200,000 - \$247,500	\$175,000 - \$225,000	\$160,000 - \$205,000
SA 4+	\$230,000 - \$300,000	\$200,000 - \$245,000	\$190,000 - \$240,000
Special Counsel	\$245,000 - \$360,000	\$220,000 - \$300,000	\$200,000 - \$280,000





MELBOURNE

Melbourne's diverse economy supports a wide range of legal practices, making it a key player in the Australian legal market. Intellectual property law, employment law, and healthcare law are among the top areas of demand. The city's strong startup ecosystem also fuels the need for legal services related to venture capital and startup financing.

In Melbourne, top-tier law firms stand out for offering highly competitive salaries, especially in lucrative fields like energy, projects, and banking law. These firms remain committed to providing attractive compensation packages to entice and retain top legal talent, resulting in an upward trend in the upper salary range.

Conversely, mid-tier firms in Melbourne demonstrate stability in their overall salary trends, with minimal fluctuations across various practice areas apart from construction, projects, and property. Most boutique firms have seen little change in their salary structures with very few offering top tier pay rates.

Overall, Melbourne's legal market showcases a blend of competitive top-tier salaries and stable remuneration trends in mid-tier and boutique firms.

MELBOURNE

	Top Tier	Mid Tier	Boutique
1 PQE	\$95,000 – \$112,000	\$90,000 - \$107,000	\$73,000 - \$94,000
2 PQE	\$105,000 – \$125,000	\$98,500 - \$113,000	\$82,000 - \$107,500
3 PQE	\$120,000 – \$145,000	\$105,000 - \$129,000	\$90,000 - \$128,000
4 PQE	\$130,000 – \$165,000	\$115,000 - \$140,000	\$115,000 - \$139,000
5 PQE	\$140,000 - \$170,000	\$125,000 - \$150,000	\$130,000 - \$152,500
SA 1	\$165,000 - \$190,000	\$150,000 - \$175,000	\$143,000 - \$158,000
SA 2	\$178,000 - \$205,000	\$173,000 - \$185,000	\$150,000 - \$164,000
SA 3	\$190,000 - \$240,000	\$184,500 - \$199,000	\$150,000 - \$185,000
SA 4+	\$225,000 - \$260,000	\$200,000 - \$230,000	\$170,000 - \$215,000
Special Counsel	\$240,000 - \$310,000	\$222,000 - \$270,000	\$190,000 - \$260,000





BRISBANE

The legal recruitment market in Brisbane is booming. There is a strong demand for lawyers across all practice areas, with salaries rising across the board. This is being driven by a number of factors, including the city's growing economy, the upcoming 2032 Olympics, and the increasing complexity of legal work.

Some of the most in-demand practice areas in Brisbane include:



Brisbane's legal market is experiencing growth, particularly in construction, infrastructure, and environmental law. The city's focus on sustainable development and major infrastructure projects is driving demand in these areas. In addition, there is a growing demand for lawyers with expertise in areas such as, property, commercial litigation, data protection, and cyber security.

Top-tier firms face consistent demand for talent, prompting them to offer competitive salaries and significant pay rises. Mid-tier firms have responded by similarly raising their salaries, especially in lateral moves, with a focus on recruiting lawyers at all levels, particularly in construction law. Meanwhile, boutique firms in Brisbane are gaining traction through competitive salaries, attractive bonus structures and increasing flexibility to appeal to candidates in the competitive market.

Overall, Brisbane's legal landscape is witnessing active recruitment across all levels, with a resurgence of international opportunities and steady growth in sectors.

BRISBANE

	Top Tier	Mid Tier	Boutique
1 PQE	\$85,000 – \$115,000	\$80,000 - \$91,000	\$70,000 - \$87,500
2 PQE	\$90,000 – \$130,000	\$88,000 - \$120,000	\$76,000 - \$93,000
3 PQE	\$97,500 – \$136,000	\$98,000 - \$132,000	\$91,500 - \$120,000
4 PQE	\$120,000 – \$145,000	\$112,500 - \$140,000	\$95,000 - \$145,000
5 PQE	\$130,000 - \$155,000	\$130,000 - \$145,000	\$102,000 - \$153,000
SA 1	\$155,000 - \$172,000	\$132,500 - \$160,000	\$114,500 - \$165,000
SA 2	\$163,500 - \$185,000	\$145,000 - \$170,000	\$125,000 - \$170,000
SA 3	\$169,000 - \$197,500	\$152,500 - \$190,000	\$142,500 - \$180,000
SA 4+	\$175,000 - \$265,000	\$165,000 - \$225,000	\$145,000 - \$225,000
Special Counsel	\$210,000 - \$310,000	\$195,000 - \$250,000	\$185,000 - \$250,000



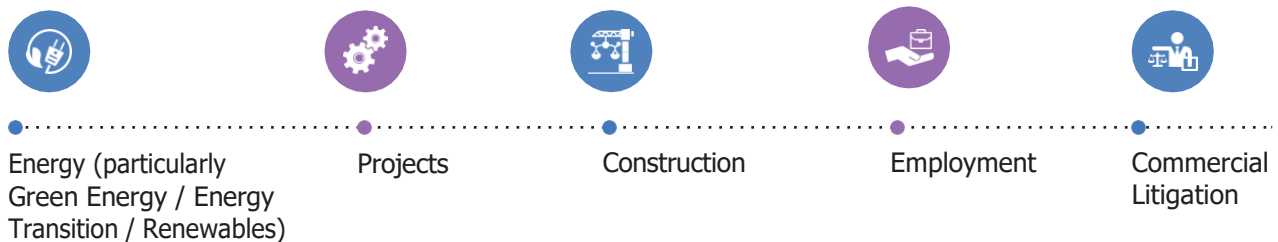
PERTH

The legal recruitment market in Perth is currently in a state of flux. The economy, heavily influenced by the mining and resources sector, creates a unique demand for legal professionals. Lawyers specialising in mining law, environmental law, and commercial litigation are particularly sought after. As Western Australia invests in renewable energy projects, expertise in energy law is becoming increasingly valuable.

In addition to the strong demand for legal talent, there are several other factors that are contributing to the current state of the legal recruitment market in Perth. These include:

- Perth-based firms are actively seeking talent through lateral hires in niche practice areas.
- Many legal professionals are relocating from Perth to the East Coast, enticed by better pay packages.
- Boutique law firms are offering enhanced salary packages and incentives to attract top talent and drive internal movement.

Here are some of the practice areas that are in demand in Perth:



If you are a lawyer with experience in one of these areas, you are likely to be in high demand in Perth. However, even if you do not have experience in one of these areas, there are still opportunities available for lawyers who are willing to learn and adapt due to the relatively limited supply of legal talent.

The legal recruitment market in Perth is a dynamic and ever-changing landscape. If you are a lawyer who is looking for a new opportunity, Perth is a great place to start your search.

PERTH

	Top Tier	Mid Tier	Boutique
1 PQE	\$84,500 – \$98,500	\$80,000 - \$90,000	\$70,000 - \$89,000
2 PQE	\$95,000 – \$115,000	\$85,000 - \$105,000	\$85,000 - \$95,000
3 PQE	\$106,500 – \$140,000	\$102,500 - \$117,500	\$98,000 - \$115,000
4 PQE	\$125,000 – \$147,500	\$115,000 - \$135,000	\$105,000 - \$133,000
5 PQE	\$140,000 - \$155,000	\$120,000 - \$155,000	\$120,000 - \$146,500
SA 1	\$160,000 - \$185,000	\$142,500 - \$165,000	\$137,500 - \$155,000
SA 2	\$177,000 - \$190,000	\$160,000 - \$185,000	\$145,000 - \$178,000
SA 3	\$190,000 - \$210,000	\$170,000 - \$190,000	\$165,000 - \$192,500
SA 4+	\$200,000 - \$270,000	\$175,000 - \$200,000	\$175,000 - \$200,000
Special Counsel	\$220,000 - \$275,000	\$185,000 - \$250,000	\$180,000 - \$250,000



"nrol is exactly who you want by your side when looking for the perfect employment fit. It has been an absolute pleasure to have received guidance and preparations for a dream role recommended by the team. Here's an unbiased take, they're hands down the best recruitment agency in the market."



"Jesse and his team are more than just recruiters, they help build careers, develop company talent, and improve lives. I can't recommend enough their intelligent, thorough and smooth approach to connecting companies to their future superstars."



"It's so refreshing to come across a recruitment agency who actually listen to their candidates and keep you updated on prospective job placements. Their customer service is outstanding. I will highly recommend nrol."

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UNLOCKING GLOBAL MOBILITY FOR LEGAL TALENT

Seamless pathways to international legal success



Our Australian
Leadership Team



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350+
Successful
Placements



89,000+
Candidate
Database



69+
Client Accounts



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