

BEACON LEGAL

Specialist legal recruitment

PRIVATE PRACTICE SALARY & MARKET REPORT

MID-2020



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2020: A Disrupted Market

2020 started positively with high demand across most practice areas, particularly litigation, banking, construction and TMT. The Top-Tier firms averaged between 10 - 20 vacant positions at any one time in Q1 2020 and Mid-Tier firms approximately half of that.

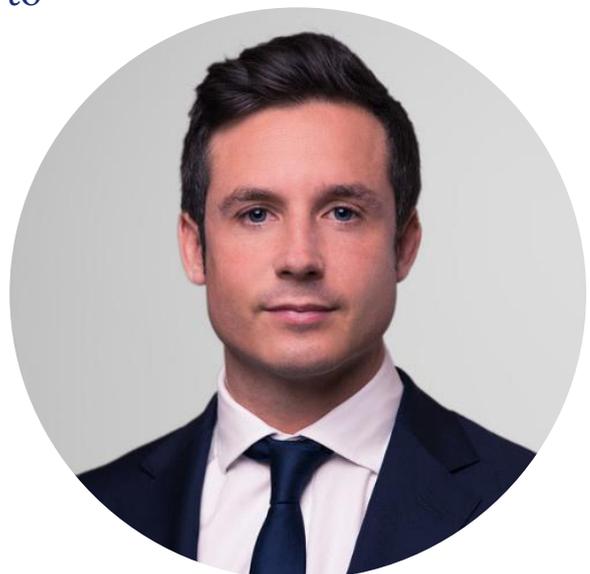
Then in March, COVID-19 hit. Never before have we experienced such uncertainty, caution and economic instability. These factors slashed the number of vacant positions available and led to widespread hiring freezes and negative impacts on lawyers' pay.

This Report will discuss the impact of COVID, how the market has responded, how we see the rest of 2020 and 2021 (including the positives!) as well as the overall impact on salaries and bonuses for lawyers.

We hope you find the report useful. As always, if you have any questions about the content of the report, or would like advice about your employment situation, please don't hesitate to reach out to any member of the Beacon Legal team.

Alex Gotch

Director & Qualified Lawyer
Beacon Legal



IMPACT OF COVID-19

The year started positively, with plentiful job opportunities and strong salary offers being made to attract quality lawyers. We were expecting law firms to continue hiring in Australia, due to increased workload and pipeline as well as many Australian lawyers relocating overseas, creating more domestic job vacancies.

It goes without saying that COVID has negatively and dramatically impacted legal recruitment and the general economic balance of supply and demand for legal jobseekers. The knock-on affect on salaries will be discussed later.

Many firms adopted a hiring freeze between April and July and removed all live vacancies. The good news is that in Sydney, since the start of the new Financial Year, there have been new roles released and some 'green shoots' in the market.

There have also been new vacancies across Adelaide, Perth and Brisbane where the respective states have managed the COVID response effectively. Most law firms in these states already have the workforce back in the office.

Melbourne is currently the least responsive market, given the COVID situation that Victoria is unfortunately experiencing.

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POSITIVES FOR H2 2020 AND 2021

July has shown an improvement in job vacancy numbers compared to the previous months of March through June.

The practice areas where we have seen upside are mainly litigation, restructuring and funds. We expect these areas to continue presenting options for jobseekers for the remainder of this year and into 2021.

Worried about your job security?

If you are worried about your job security and would benefit from any advice we can give, please reach out.

This can be for CV advice, vacancy advice, our opinion on whether you should job search or remain in your current position, or anything else which you may find helpful.

We are here to help.



ARE LAWYERS STILL BUSY?

One of the main positives we have ascertained is that the vast majority of lawyers are still busy. Our candidates report that, although work may be slightly more sporadic, they have maintained billing levels since COVID hit. This is a positive sign and bodes well for reducing the potential of redundancies amongst the legal profession. This is also a positive sign that the market will continue to recover and hopefully at a rate which exceeds expectations.

To help stimulate salary growth, we hope positive work levels are maintained in the remainder of 2020.

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We expect salaries to remain stable during the remainder of 2020

The vast majority of firms have elected to postpone salary reviews from mid-year 2020 to either September 2020 or January 2021. Some firms have communicated a salary freeze for this Financial Year with the next review being mid-2021.

We expect that if you remain with your current employer, any salary rise in this Financial Year will be a good result for you.

What if you move jobs?

We expect candidates switching jobs to be able to achieve a salary rise, although at a more modest rate than this time last year.

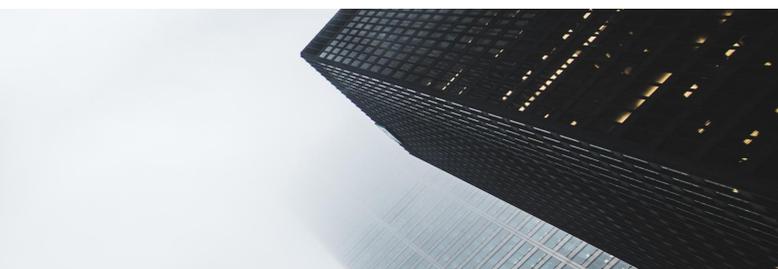
One interesting dynamic will be in busy practice areas such as litigation, where if there is a spike in job vacancies during the remainder of the year, we anticipate law firms may need to offer pre-COVID level salary rises to attract candidates to move laterally.



Bonuses

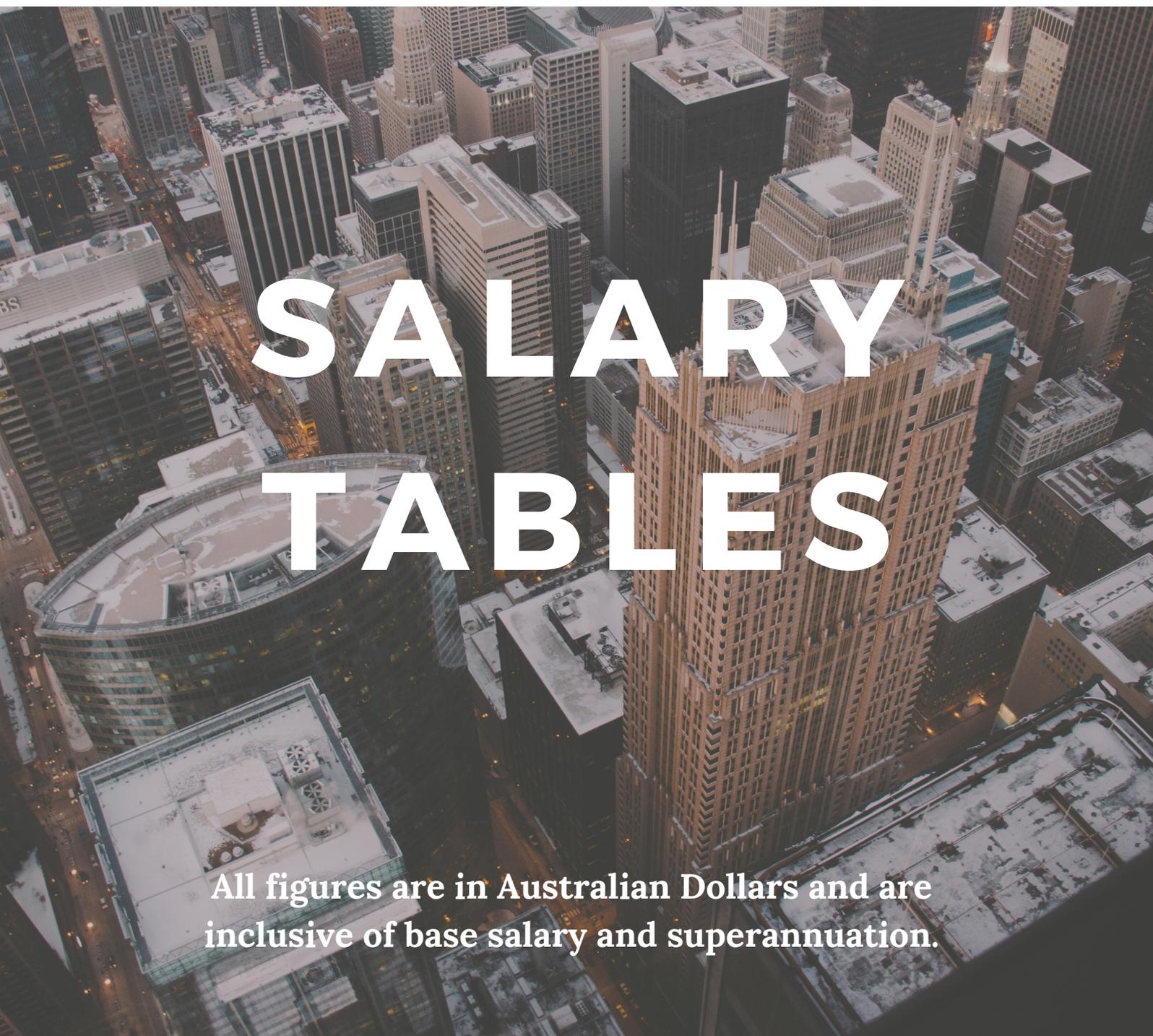
As with salary reviews, the majority of firms have pushed back bonus awards until later this year or January 2021. We are aware of one Top Tier firm which has communicated to lawyers that it will be paying bonuses in August 2020, which is an exception comparatively to competing firms.

We expect and would advise firms that in order to keep hold of high performing lawyers who are hitting billing targets, bonuses will need to be confirmed and paid as soon as possible or they risk losing lawyers, as the job vacancy market picks up.



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SALARY TABLES

All figures are in Australian Dollars and are inclusive of base salary and superannuation.

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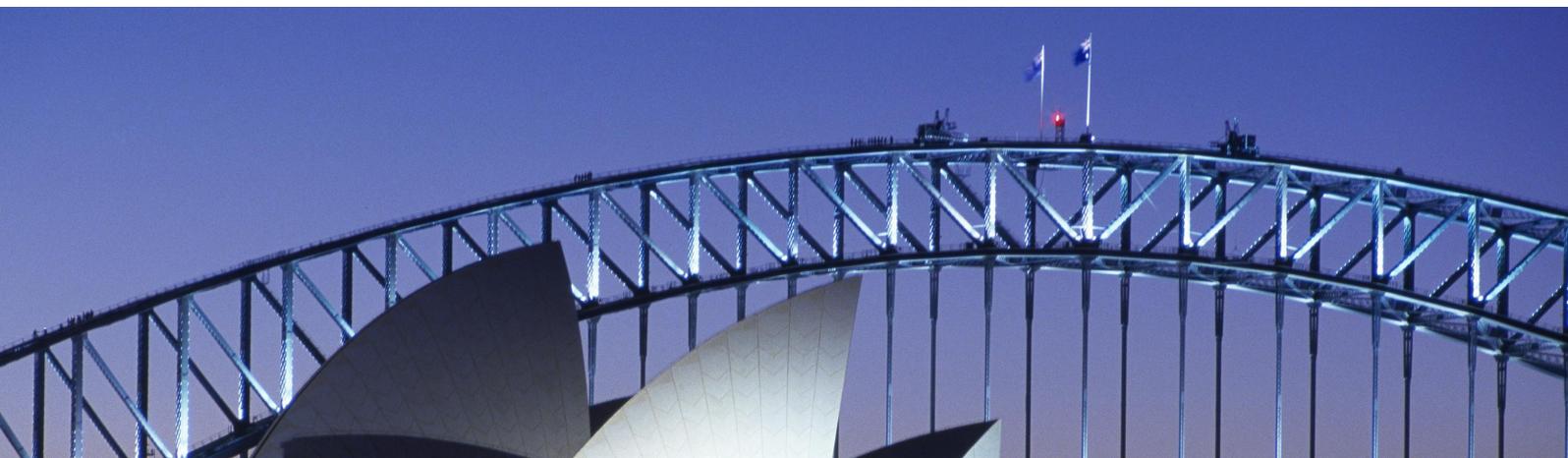
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Sydney Mid-Tier Firms

PQE	Range	Mode
1	70,000 - 85,000	75,000
2	75,000 - 90,000	80,000
3	95,000 - 115,000	100,000
4	110,000 - 135,000	115,000
5	125,000 - 150,000	130,000
6	140,000 - 165,000	150,000
7	150,000 - 190,000	170,000
8	170,000+	180,000

Sydney Top-Tier Firms

PQE	Range	Mode
1	80,000 - 90,000	85,000
2	90,000 - 120,000	100,000
3	100,000 - 130,000	115,000
4	125,000 - 145,000	130,000
5	135,000 - 165,000	140,000
6	150,000 - 170,000	160,000
7	165,000 - 195,000	180,000
8	190,000+	200,000



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Melbourne Mid-Tier Firms

PQE	Range	Mode
1	70,000 - 80,000	75,000
2	75,000 - 85,000	80,000
3	90,000 - 110,000	100,000
4	100,000 - 125,000	120,000
5	125,000 - 145,000	130,000
6	140,000 - 165,000	145,000
7	150,000 - 180,000	165,000
8	165,000+	170,000

Melbourne Top-Tier Firms

PQE	Range	Mode
1	70,000 - 85,000	75,000
2	75,000 - 90,000	80,000
3	95,000 - 115,000	100,000
4	110,000 - 135,000	115,000
5	125,000 - 150,000	130,000
6	140,000 - 165,000	150,000
7	150,000 - 190,000	170,000
8	170,000+	180,000



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Brisbane/Perth Mid-Tier Firms

PQE	Range	Mode
1	65,000 - 75,000	70,000
2	70,000 - 82,500	75,000
3	85,000 - 100,000	90,000
4	100,000 - 120,000	105,000
5	115,000 - 140,000	120,000
6	130,000 - 160,000	130,000
7	150,000 - 175,000	155,000
8	155,000+	160,000

Brisbane/Perth Top-Tier Firms

PQE	Range	Mode
1	75,000 - 80,000	75,000
2	80,000 - 85,000	85,000
3	85,000 - 100,000	95,000
4	105,000 - 120,000	115,000
5	120,000 - 150,000	130,000
6	140,000 - 165,000	145,000
7	155,000 - 190,000	160,000
8	160,000+	170,000



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GET IN TOUCH

If you have any questions about the content of this Report, we'd love to hear from you. We're always happy to provide more tailored salary advice based on your unique circumstances. Get in touch with a member of the Beacon Legal team.

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In-House

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