



Executive Summary

AUSTRALIAN LEGAL SALARY SURVEY 2024

Supporting you with the latest salary insights



**COLLEGE
OF LAW**



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FROM THE CEO



In 2024, we identified an opportunity to investigate remuneration in the legal industry and its influencing factors. So we launched the inaugural salary survey, and opened it to lawyers Australia-wide.

Our goal was to better understand our legal community and create a resource with unique insights that could help you make better career and business decisions.

We believe we've achieved that. But more importantly, we've gained insight into some of the profession's most prevalent trends. And while some of them are encouraging, others have given us food for thought.

Take, for example, the finding of a persistent gender pay gap, even at the entry level lawyers. It's a surprising trend – and one that must be tackled across the legal profession.

Then there's the positive correlation between further education, such as a Master of Laws, and higher remuneration.

As Australasia's largest provider of legal education, this came as no surprise to us at the College. However, we are surprised that only 17% of respondents said further education was an available benefit at their workplace.

Even more astonishing is that some 70% of respondents said further education did not factor into their salary or promotion reviews at all. This highlights an important opportunity for our sector to better capitalise on the benefits of continual learning.

In a post-pandemic world, work-life balance has been front of mind in the legal sector. So it's good to see the evolution, with the survey finding that flexible working arrangements and staff-enabling technologies are the top benefits received.

While these findings are interesting, we know they're more than just facts for trivia. They're the essential proof points you need to strengthen individual career outcomes, business success and the legal profession at large.

We hope you find this Executive Summary a useful resource.

Neville Carter
CEO, College of Law

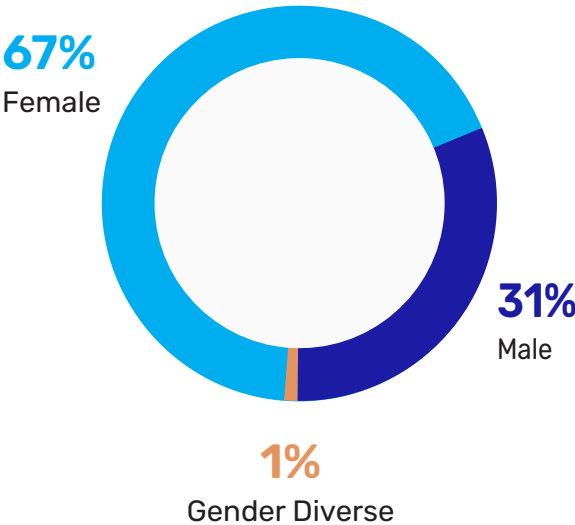
There's the positive correlation between further education, such as a Master of Laws, and higher remuneration.

ABOUT THE SURVEY

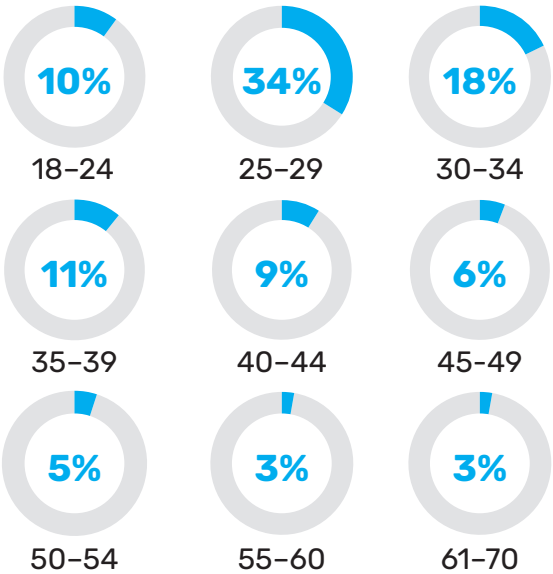
We surveyed 1,300+ legal professionals Australia wide

Let's take a closer look at the 1,315 legal professionals from around the country completed the survey.

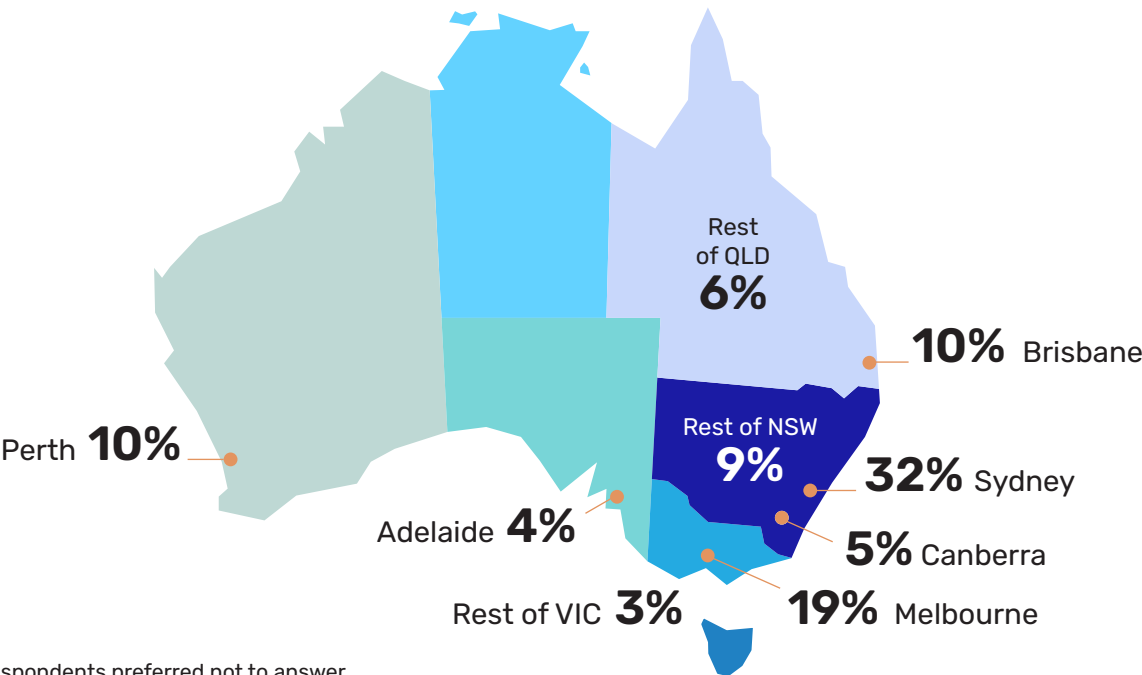
GENDER



AGE

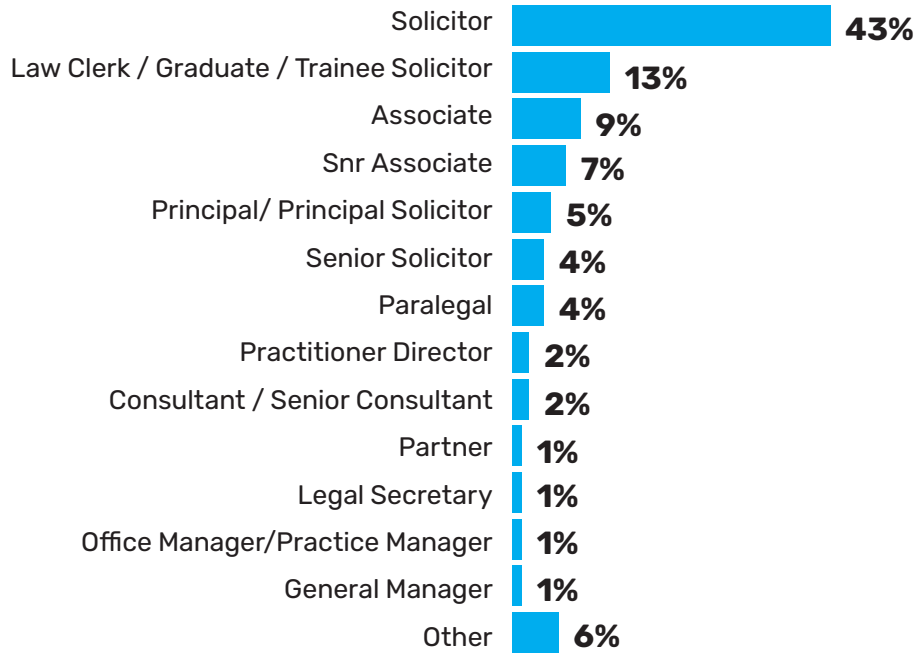


REGION



1% of respondents preferred not to answer

ROLE



OUR TYPICAL RESPONDENT

- Is a solicitor
- Is female
- Is aged between 25-29
- Works at a boutique firm



KEY FINDINGS

1. The average annual base salary is \$102,100

Gen Z and early Gen Y/Millennial respondents, the largest group surveyed, significantly influenced the average base salary of \$102,100.

Around 50% of respondents have an annual base salary between \$65,001 and \$105,000. Only 21% earn more than \$125,000.

The research showed that several factors influence a person's base salary, including their:

- Job title
- Years of experience
- Firm type
- Level of education

Level of experience matters

Unsurprisingly, those with more years of experience can expect a higher annual base salary.

To earn more than the average base salary (\$102,100), our findings suggest that professionals must complete 5+ years in the legal sector.

Corporate organisations pay the highest base salaries

On average, those who work in-house at corporate organisations have the highest annual base salaries, while those working in law firms have the lowest.

Average base salary by years of experience

\$82,277	\$90,244	\$124,493
< 1 year	1 – 5 years	6 – 10 years

It's evident that experience dictates salary levels.

Average base salary by organisation type

\$146,019	\$106,820	\$101,718	\$95,769
Corporates	Not-For-Profits	Government agencies	Law firms

2. Postgraduate studies boost income levels

Lawyers who hold a Master of Laws or MBA consistently command the highest annual average base salaries across every type of organisation – earning well above the average base salary of \$102,100.

To determine just how much more they earn based on different levels of experience, we compared holders of a Master of Laws with those who just hold a Bachelor of Laws / Juris Doctor. We found that annually, they receive on average:



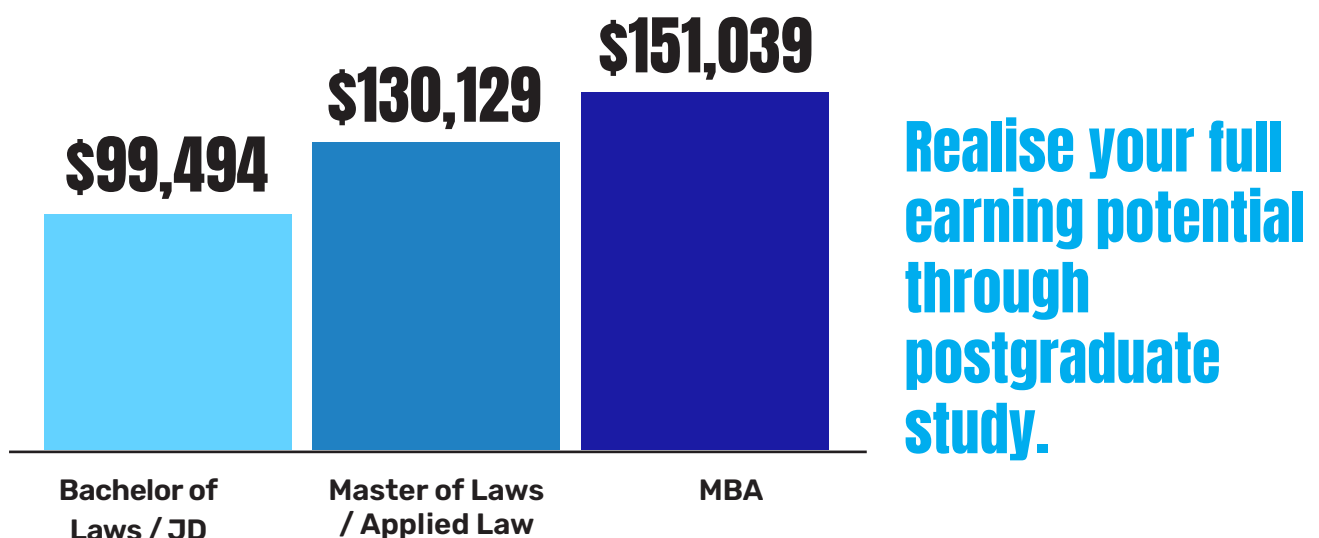
This suggests that postgraduate education is critical for boosting earning potential.

And yet, it is uncommon for lawyers to have a postgraduate qualification, with only 12% of respondents holding an MBA or Master of Laws / Applied Law.

In fact, most respondents (around 70%) reported never having a discussion about further education – and how it can help them get a promotion – during a salary or pay increase review.

This gap between the obvious financial benefits of further study and its low importance in performance reviews highlights a big opportunity to grow skills and realise full earning potential.

Average annual base salary by education level



3. The gender pay gap persists - across all levels

Annual average base salaries for women who work full time are lower than they are for men across the board – regardless of role or experience level.

In fact, the difference is a solid 10% in men's favour.

Only one role bucked the trend: 'associate', where females were paid an average of \$3,732 more per year.

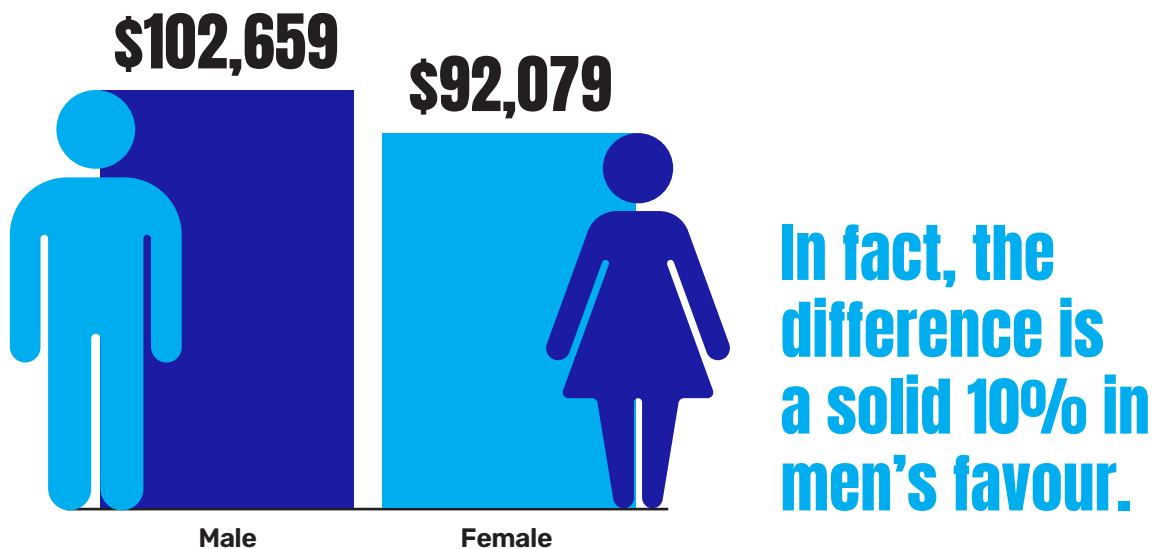
In the past 5 years, just 11% of respondents have taken parental leave. Most of whom were women.

The legal sector's gender pay gap is NOT a legacy issue

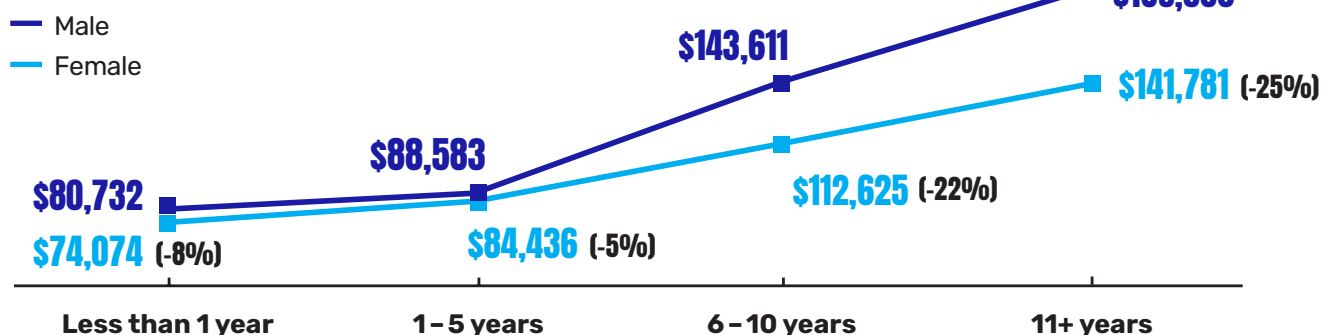
Women are, on average, paid less at all levels – from graduate right through to principal. This is the case whether they have just one year of experience or 10+ years of experience.

This suggests that the gender pay gap is not a legacy issue and that more must be done to bridge the divide.

Average base salary by gender



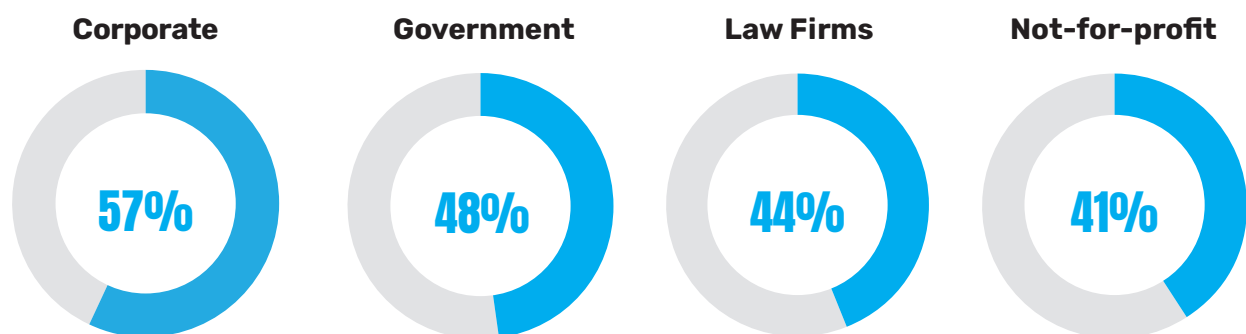
Gender & Experience





4. Annual pay rises are not the norm

Only 46% of respondents received a salary and CPI increase within the last 2 years. Of those, the breakdown by sector was:



Law firm employees are least likely to get a salary or CPI increase, with 35% reporting no raises in the last 2 years.

Salary increases are typically between 5% and 10%

For law firms, corporate organisations and NFPs, the most common salary increases as a percentage sit between 5% and 10%.

In government, raises were generally less than 5%.

5. Bonuses are not guaranteed

59% of corporate lawyers reported receiving performance bonuses. But this is not the case in other sectors.

Only 36% of lawyers in law firms reported being eligible for bonuses. In government organisations and NFPs, that figure dropped to 7%.

For most respondents, bonuses are tied to personal KPIs, the firm's performance and/or billable hours.

The value of those bonuses ranges between \$1,000 and \$10,000.

Only 5% of respondents receive dividends, stocks or profit-sharing returns from their employer.



6. Flexible work is the top employee benefit

When it comes to benefits beyond performance bonuses, flexible working arrangements are the top benefit, with 55% of respondents having access to this perk.

Broken down by sector, government agencies are the most flexible, with 82% of respondents in this cohort accessing flexible work arrangements. Law firms are at only 45%.

These figures highlight a significant post-COVID shift in the way legal professionals work across the profession.

Other reported benefits include the ability to purchase extra leave, access to electronic devices and support for further education.

Top 5 benefits received



55%

Flexible work arrangements



22%

Ability to purchase extra leave



21%

Electronic devices



20%

Phone



17%

Further education support

7. The trend of billable hours is organisation-dependent

Just over half of respondents (52%) do not have billable hours as part of their role, suggesting that billable hours may be on a downward trend.

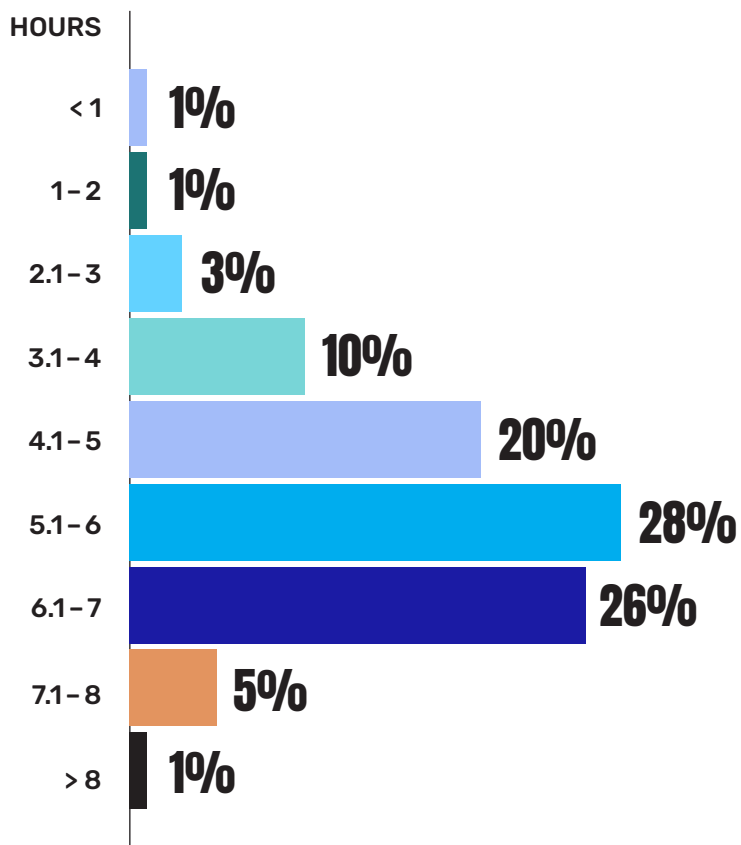
But this isn't the case in all organisations.

Most respondents employed by law firms (56%) do have individual targets – and a further 9% must satisfy both individual and team-based targets.

This is in stark contrast with government and corporate respondents, with only 6% and 1% having individual targets, respectively.

For law firm staff who have individual targets, the majority (54%) must bill between 5.1 and 7 hours per day.

Personal daily billable hour targets (law firms) based on those who responded



For law firm staff who have individual targets, the majority (54%) must bill between 5.1 and 7 hours per day.



NEXT STEPS

For leaders

There's no better time to see how you compare against other organisations in the legal profession – and ensure your employee value proposition is strong.

Are you at risk of losing your key talent? How do you attract talent if you don't offer what employees are seeking?

Here's what you can do next.



Assess your employee offer: Review your salary packages and benefits to ensure they're competitive and meet the needs of today's legal professionals.



Make closing the gender pay gap a priority: Assess your organisation's gender pay gap and plan to eliminate inequity between male and female employees.



Build your knowledge in postgraduate programs: Learn more about how postgraduate programs can make your organisation more attractive to prospective legal professionals – and support the growth of your existing legal professionals.

For individuals

Insight breeds empowerment. And you now have everything you need to take your career to the next level.

Looking for the next step in your career? Here are some tips to get started.



Have a career conversation with your employer: It is important to make your goals known. So set up a time to discuss your salary, benefits, ongoing education and career development with your employer.



Explore further study: The link between postgraduate study and career progression is strong. So assess your study options and consider enrolling in a course that's right for you.



Stay connected to the College of Law: Follow us on LinkedIn or sign up for our newsletter to stay abreast of industry trends and help shape the legal profession – for the better.

WHERE'S NEXT?

- Request a copy of the full Australian Legal Salary Survey 2024
- Browse the College of Law's postgraduate courses

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