

## 2009 LEGAL PERSONNEL MARKET AND SALARY REVIEW

The Legal Personnel Salary Survey 2009 in June confirmed the slowdown in salary growth.

One trend that has been evident in this market is that some firms are busy; others have just enough work but could have more, while others are not busy at all. A strong private client base of loyal clients - "the mums and dads" of this world, are proving to be the mainstay.

### Key market and survey observations:

- In the first quarter of this year, candidates in jobs were sitting tight and not entering the job market.
- The flurry of candidates returning from overseas was short-lived. Many wanted to secure roles before they left to return home from overseas.
- The redundancies which have taken place were predominantly in the legal secretarial and administration areas. Selected junior or senior solicitor positions in 'nice to have' areas in a good market, have been the areas for redundancy.
- There has been a high level of natural attrition take place as a preferred option.
- It is now harder for solicitors seeking part-time work and overseas qualified solicitors to find work with firms who are a lot less interested.
- The number of positions for solicitors posted on SEEK in June 2008 was 399 and June 2009 was 200 – a 50% drop.
- The strong demand for insurance litigators from mid to end of 2008 has eased.
- The criteria for recruiting candidates is very specific and singular.
- There is an increase in the recruitment of family lawyers, particularly in the regional areas. There are not enough candidates to meet the demand.
- Graduates are struggling to get a start with starting salaries as low as \$26,000.
- Significant activity in the recruitment of inhouse solicitors was evident in the first 6 months of this year.
- Candidates have become more flexible when considering salaries either looking to hold their salary or take a drop in return for a job.
- Two more recent incentives included one firm offering a bonus of 4 weeks salary for returning to work after parental leave, while another offered increased annual leave of 5 weeks.
- The June salary survey still carries salaries from 12 months ago. It will not be until June 2010 that any clearer trends will be evident part from the slow down in salary growth

We asked respondents in our survey two simple questions about staff turnover and the approach firms will take to staffing levels in the next 12 months.

- There was a very low to no level of turnover for solicitors at 82%, with 76% of firms looking to keep the same numbers.
- There was a very low to no level of turnover of non-legal staff at 85% and 87% of firms looking to keep the same numbers.
- Going forward, 20% indicated that they were looking to increase legal staff and 11% indicated that they were looking to increase non-legal staff.
- In May, Strategic Pay indicated that market trends for forecast and actual salary increases (median) overall for 2010 was 3.3 and more likely to be 2.5.
- Good candidates, both legal and non-legal are still hard to find, especially in the litigation area.

For the latest in salary information it is free for those that participated in the survey and you should have received a copy. If you did not participate then you can purchase a copy of the Legal Personnel 2009 Salary Survey for \$150 plus GST by emailing a request to [info@legalpersonnel.co.nz](mailto:info@legalpersonnel.co.nz) To get your free copy next year ask to go on the invitation list for 2010.