

Introduction | Whakatuwheratanga

This comprehensive market overview addresses current and forecasted recruitment trends across New Zealand within private practice, in-house and the public sector.

Contents | Ngāhua Pukapuka

- **03** Private Practice
- Of Private Practice Salary Guide
- **07** In-house
- **08** In-house Salary Guide
- **09** Public Sector
- **11** International Recruitment
- **12** Tips for Hiring
- **15** Contact Us



Private Practice | Umanga Ake

The first two quarters of 2022 saw a surge in demand for recruitment within the private practice sphere across NZ | Aotearoa. This is attributed to the opening of the NZ | Aotearoa borders with many Kiwis heading overseas for their long-awaited OE. Subsequently, this caused resource gaps within organisations, especially between lawyers with 1-6 PQE levels.

During the first half of the year, both in the Wellington and Auckland region, there was a noticeable increase in demand for transactional lawyers within the corporate and commercial space. We predict that this demand will continue into the following year with no signs of a slowing pace. Areas such as mergers and acquisitions, banking and finance and financial services are at the forefront of this increased demand. To fill these gaps, many firms have become more creative with their hiring behaviour.

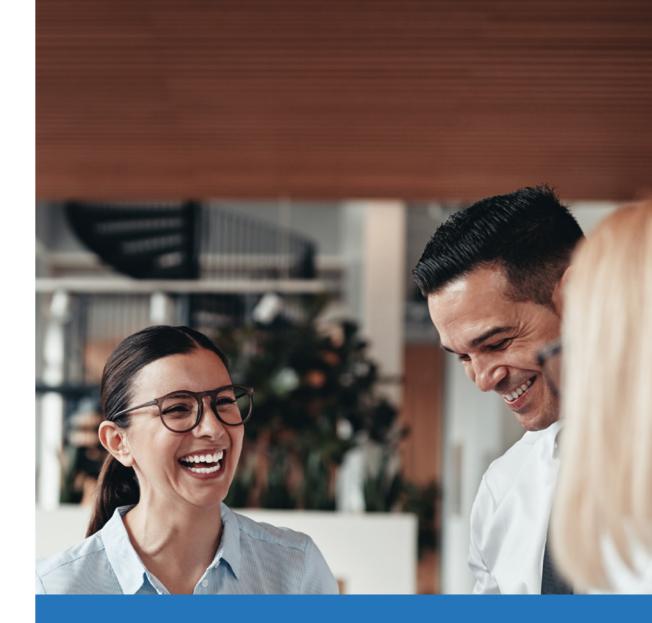
In comparison, demand in the South Island across regions such as Nelson, Christchurch, Dunedin, West Coast and Queenstown was primarily in litigation. With an increase in infrastructure projects across the South Island and lower North Island, commercial property lawyers are becoming increasingly desired by large and medium-sized private practice firms.

Corporate and commercial lawyers, largely across the private sector in technology and agricultural industries, were also increasingly in demand, but in short supply.

Attracting and retaining staff has been noticeably more difficult for private practice this year. However, it enabled a number of lawyers to move into their primary areas of interest, especially those at the junior level who struggled to secure a job at the height of the pandemic. This increased the gap between the 1-3 PQE levels in some of the larger and boutique firms. The majority of movement in the Auckland and Wellington markets were lawyers who were working in smaller firms making the jump into boutique or top-tier firms, or lawyers in-house moving into the private sector.

With the dip in the housing market (despite the consistent stream of work and opportunities in the market), the second half of the year has seen a decrease in the need for property lawyers across the board. In addition to property lawyers, there was also a decrease in the need for family lawyers and relationship property lawyers.

Key areas of focus in the Wellington and Auckland markets across Q3 were banking and finance, corporate and commercial, and litigation. In Q4, we expect this to remain



We predict that this demand will continue into the following year with no signs of a slowing pace.



in high demand and low in supply, particularly in the 2-8 PQE range. As the Courts begin to deal with the fall out of bad business deals during the height of the pandemic, lawyers with a litigation background have been highly sought after across the full range of commercial and civil litigation, particularly at the Senior Solicitor/Associate and Senior Associate level.

The Resource Management Act reform has increased the need for Resource Management lawyers across NZ | Aotearoa. In the South Island, the largest gaps are at the 2-5 PQE level. The cities that have been the most affected so far are Christchurch, Dunedin and Queenstown, and most commonly within the larger firms. There has been a continued push from Australian firms approaching NZ | Aotearoa qualified lawyers to help fill their vacancies as both countries experience the effects of lawyers going overseas, further intensifying the candidate shortage in NZ | Aotearoa.

Firms want to secure quality talent to avoid putting additional pressure on their current team while still meeting the needs of their clients. This means they are more receptive to lawyers who may not fit their usual brief. Hiring decisions no longer heavily reside on academic transcripts, but also take into consideration other factors such as cultural fit, diversity, transferable skills, and practical experience. Firms are reconsidering how they

allocate resources, with lawyers assisting other teams when required. While there are whispers of an impending recession, most lawyers are comfortable making a job change in this market.

The firms that have a quick turn-around on recruitment processes are more likely to secure talent, as most candidates are involved in several processes simultaneously. Some firms are moving away from traditional recruitment methods and are hiring people before they have a need to help mitigate the effects of the more junior employees inevitably heading overseas over the next few years. This gives them a competitive advantage over those who are waiting until they need to replace someone.

NZ | Aotearoa firms are actively looking overseas to find qualified lawyers and marketing the broader skillset lawyers can develop in NZ | Aotearoa in comparison to lawyers in the UK who become heavily specialised in a niche area. Some are also trying to attract talent for a fixed period of time to fill a gap, rather than trying to persuade lawyers to relocate to NZ | Aotearoa permanently.

In the last few years, firms undertook pay reviews at the beginning of the year, however, this year we have seen firms increasing their salaries ad hoc with some of the large firms increases of between 7% - 7.5% for all staff, in line with inflation. Last year, flexibility was also predominant driver for people to move. Now it is both flexibility and remuneration



The Resource Management Act reform has increased the need for Resource Management lawyers across NZ | Aotearoa.



as workplaces offering flexible and remote working conditions have an advantage over their competitors.

With salaries increasing across the board, most lawyers are not willing to compromise on salary despite getting the flexibility they want to. To assist with the talent short market, firms have also increased their finders' fees with some offering up to a \$10,000 for finding more senior employees. Sign on-bonuses are also becoming much more common to secure good talent, especially when there are concerns around pay parity for current staff and keeping in line with current salary bandings. Career progression is a major driver for people. We have seen an increase in firms taking into account lawyers' pre-admission experience which has seen those at the 2–3-year level start at a new firm in a Senior Solicitor position.

There has been an increase in foreign qualified lawyers moving to NZ | Aotearoa from South Africa, the UK or Canada. For those coming from overseas, firms are extending start dates and increasing their relocation packages to assist with the move. There has also been an increase in movement between private practice and the public sector which differs from previous years, pre-COVID - there was less movement between the two sectors.



Private Practice Salary Guide | Putea Whakatika o te Umanga Ake

City/Region		PQE	Salary	PQE	Salary	Best Benefits in the Market	
	Auckland Top Tier / Boutique Specialists	Graduate or Law Clerk Solicitor 1-2 years Solicitor 2-4 years Senior Solicitor	\$60,000 - \$65,000 \$65,000 - \$85,000 \$75,000 - \$110,000 \$110,000 - \$140,000	Senior Associate Special Counsel Partner	\$150,000 - \$210,000 \$210,000 - \$280,000 \$400,000+*	Car ParkMedical Insurance24 weeks full paid maternity leaveWell-being allowance	Koru Lounge20% Bonus\$5,000 - \$20,000sign-on bonuses
	Auckland Mid-tier	Graduate or Law Clerk Solicitor 1-2 years Solicitor 2-4 years Senior Solicitor	\$55,000 - \$65,000 \$60,000 - \$70,000 \$70,000 - \$100,000 \$90,000 - \$130,000	Senior Associate Special Counsel Partner	\$130,000+ \$150,000+ \$250,000+*	- Sign-on - Work from home policies	
	Wellington Top Tier / Boutique Specialists	Graduate or Law Clerk Solicitor 1-2 years Solicitor 2-4 years Senior Solicitor	\$60,000 - \$65,000 \$65,000 - \$80,000 \$75,000 - \$110,000 \$100,000 - \$150,000	Senior Associate Special Counsel Partner	\$140,000 - 200,000 \$190,000 - 230,000 \$400,000+*	Car ParkMedical InsuranceWell-being allowanceKoru Lounge	- 10-20% Bonus- \$5,000 - \$25,000sign-on bonuses- Flexibility policies
	Wellington Mid-tier	Graduate or Law Clerk Solicitor 1-2 years Solicitor 2-4 years Senior Solicitor	\$55,000 - \$65,000 \$60,000 - \$70,000 \$70,000 - \$100,000 \$90,000 - \$130,000	Senior Associate Special Counsel Partner	\$130,000+ \$150,000+ \$200,000*	Well-being allowanceFlexible working policies\$2,000 - \$10,000 sign on bonuses	
	Christchurch, West Coast & Tasman	Graduate or Law Clerk Solicitor 1-2 years Solicitor 2-4 years Senior Solicitor	\$50,000 - \$60,000 \$60,000 - \$70,000 \$70,000 - \$90,000 \$90,000 - \$110,000	Associate Senior Associate Special Counsel Partner	\$110,000 - \$140,000 \$130,000 - \$180,000 \$160,000+ \$200,000+	 - \$5,000 - \$10,000 sign-on bonuses - Employee Assistance Programme (EAP) - Wellness benefits (approx. \$450 annually) - Car Park 	 Full or subsidised medical insurance Flexible working arrangements Kiwisaver on-top 3 months on-top of government paid parental leave
	Otago and Southland	Graduate or Law Clerk Solicitor 1-2 years Solicitor 2-4 years Senior Solicitor	\$50,000 - \$60,000 \$60,000 - \$70,000 \$70,000 - \$90,000 \$90,000 - \$110,000	Associate Senior Associate Special Counsel Partner	\$110,000 - \$140,000 \$130,000 - \$180,000 \$160,000+ \$200,000+		

^{*}This is variable based on what the partnership model is for the firm.

In-house | O Tatou Mahi

While the private practice market has endured perhaps one of the most candidate tight markets we have seen in recent years, many in-house teams have not struggled as much to recruit.

Candidates are still driven by brands and organisations that they have a natural affinity. As a result technology or consumer facing industries have seen 50+ direct applications on their advertisements. This is not the case with all in-house sectors however.

The financial services space continues to be the busiest in-house market and most lucrative. Candidates leaving private practice have seen increases in their salaries when moving in-house into some of the larger banks, even coming from the highest paying firms.

A continued inconsistency we see across the in-house market is the PQE level of the coveted 'Senior Legal Counsel' title. The majority of organisations tend to have at least 5 PQE which is consistent with the Senior Associate level in private practice. However, some organisations have a minimum 10 PQE which can skew the market and mean candidates who already have the Senior Legal Counsel title and are 7-8 PQE are looking at a title demotion at some organisations.

The NZ | Aotearoa in-house market also continues to be very top heavy with most roles requiring at least 5 years PQE. However, hiring managers tend to be flexible on the type of experience with candidates able to jump across industries easily unless a company requires specific contract experience such as technology or construction.

The following are the general motivations we are hearing from candidates for moving in-house:

- **1.** Lawyers are fed-up with time sheets and the rigid structure of law firms;
- 2. The ability to see a project through from start to finish without just seeing part of it;
- 3. Better flexibility and in some cases benefits;
- 4. Lawyers looking to become more 'commercial';
- **5.** Lawyers don't want to be a Partner and therefore can't see any path for them in private practice.

In-house Salary Guide | Putea Whakatika o Tatou Mahi

Industry		PQE	Salary	Best Benefits in the market
	Financial Services & Insurance	Legal Counsel Senior Legal Counsel Principal General Counsel	\$80,000 - \$120,000 \$120,000 - \$150,000 \$150,000 - \$220,000 \$500,000+	20-30% bonus LTIPS Flexible working
	Telecommunications & Technology	Legal Counsel Senior Legal Counsel Principal General Counsel	\$80,000 - \$100,000 \$100,000 - \$150,000 \$150,000 - \$200,000 \$300,000+	Health Insurance Well being allowance
	Construction, Energy, infrastructure & Real Estate	Legal Counsel Senior Legal Counsel Principal General Counsel	\$80,000 - \$100,000 \$100,000 - \$150,000 \$150,000 - \$200,000 \$300,000+	Industry related discounts (clothes, power etc)
	FMCG, Media, Retail and Entertainment	Legal Counsel Senior Legal Counsel Principal General Counsel	\$70,000 - \$90,000 \$90,000 - \$130,000 \$130,000+ \$250,000+	Work from home 80-100%
	Start-up's & SME's	Legal Counsel Senior Legal Counsel Principal General Counsel	\$70,000 - \$90,000 \$90,000 - \$120,000 \$120,000+ \$180,000+	24 weeks full paid maternity leave Koru Lounge Well being allowance
	Public Sector	Solicitor / Legal Counsel 1-5 years)* Solicitor / Legal Counsel 1-5 PQE Principal Legal Manager Chief Legal Adviser / General Counsel	\$75,000 - \$125,000 \$120,000 - \$165,000 \$160,000 - \$190,000 \$160,000 - \$210,000 \$185,000+	Relocation up to \$6,000 *These are broad accounting for the variable salary bands within public sector. Our Consultants are happy to discuss this with you further.

Public Sector | Iwi Whānui

The demand for public sector lawyers has continued to increase in 2022. This has been driven by organisational restructuring, resourcing for projects and the brain drain of lawyers moving overseas.

While Wellington remains the Central Government market, there is an increase in options in Christchurch and Auckland, as well as more of an openness to remote working opportunities which enable people to work from various locations around NZ | Aotearoa.

There is a steady demand for multiple skillsets across government. Q1 followed similarly to the end of last year, where intermediate and senior lawyers across the corporate and commercial space were the most sought after. More recently, the demand has changed to lawyers with litigation and regulatory expertise, and experience working with Te Tiriti o Waitangi. There has also been a continued demand for public lawyers and those with legislative experience.

The Government Legal Network has been recognising preadmission and quasi-legal experience when determining the level of experience someone has. This has allowed intermediate level lawyers to increase their chances when trying to secure more senior positions. The public sector is seeing the benefit of upskilling more junior lawyers than they would have previously to help fulfil requirements and to re-balance teams that are senior heavy.

The number of projects across government has increased considerably which has driven the number of fixed-term opportunities in the market. The public sector, as in previous years, has found it difficult to place these in comparison to permanent positions which have been driven by a number of things. These include: a lack of security, inability to extend to a permanent role, and a desire to dip into the housing market. They are now driving the number of secondments on offer, so they can fulfil this fixed-term need, as well as provide the incoming lawyer with more security than what accompanies a fixed-term role.

Flexibility has become very much the norm, and while many lawyers are taking advantage of it, it is important not to make assumptions that the policies that are in place regarding flexibility will meet people's needs. The already tight market, combined with lawyers leaving NZ | Aotearoa, has meant the public sector is tailoring their recruitment methods and the management of teams depending on an individual's location.

Organisations which have multiple offices spread throughout NZ | Aotearoa are finding it easier to recruit



The number of projects across government has increased considerably which has driven the number of fixed-term opportunities in the market.



as it opens the candidate pool from just one location and reduces the risk of relying on an individual relocating for a new position. This has meant the widely adopted hybrid working model has extended to include employees working from different offices where they can still develop in-person relationships but also get the opportunity to work from home when required. Some are also adopting a fully remote strategy to open themselves up to lawyers within the regions who do not have any offices close by or accessible throughout the work week. In these kinds of arrangements, we see remote lawyers travelling to the main offices at least once per month to try and maintain a sense of collaboration and in-person support which is harder to manage and support in a remote setting.

In the last 6 months, expectations of lawyers have increased in line with the wider market. In comparison to our data released in 2021, we have seen salaries increase by at least \$10,000 in many cases across all levels of lawyers (with some exceptions). For those that are reasonably happy in their jobs, their expectations are often over \$20,000 more than what they are currently on. This has created further discussions with hiring managers around pay parity, as they are often required to offer prospective employees more than what, in some cases, more senior lawyers within their team are earning.

Many lawyers are still motivated to move to secure an increase in salary or progression that they are unable to get in their current position due to limitations such as pay freezes. While many are moving within the public sector, some are more interested in moving back into the private sector to organisations that will enable higher earning potential, bonuses, and benefits.

Lawyers are realistic about the fact that the public sector is restrained to a certain extent with salary bands, but the majority are seeking to be recruited close to, or at, the top of the banding. If they do not receive an offer within the band that meets their expectations, they are looking elsewhere due to a demand for their skillset.

Because of COVID the normal NZ | Aotearoa OE has been put on hold. As restrictions have eased this has meant that in an already skill tight market, we have seen that 2-8 PQE group leaving or making plans to exit NZ | Aotearoa.

This is not being matched by the people returning. NZ | Aotearoa qualified lawyers coming back do so mainly for lifestyle reasons and many that were planning to return are staying longer because they couldn't travel like they planned. Often, those returning are at a senior level, rather than where the biggest gaps are at the intermediate level.



International Recruitment | Whakaurunga ngā Whanaungatanga o te Aō

After two years of closed borders this has meant a flood of lawyers in the 2-6 PQE range left NZ | Aotearoa in search of higher salaries and tax-free havens overseas. However, it also meant a much easier path home for expats overseas and international lawyers looking to immigrate to NZ | Aotearoa.

Unfortunately, we aren't likely to see a flood of NZ | Aotearoa qualified lawyers returning home for at least 18 months due to the lucrative opportunities overseas. This is a shame as NZ | Aotearoa qualified lawyers moving home from Australia or the UK can put themselves in the best position possible returning to NZ | Aotearoa, especially those coming from top firms. In the last 6 months, experienced lawyers returning from overseas have been offered anywhere between 3-6 roles and picking their favourite.

As the majority of firms struggle to find candidates in the NZ | Aotearoa market, we are now starting to see foreign qualified lawyers enter back in the market. United Kingdom, Canadian, South African and of course Australian qualified

lawyers are the easiest to transfer to the NZ | Aotearoa market given they are all common law jurisdictions.

Lawyers coming from Canada or the UK tend to be the most highly sought after in the NZ | Aotearoa market however candidates from these countries would be taking a pay-cut in most instances and therefore motivations need to be for the lifestyle or family reasons.

NZ | Aotearoa continues to appeal to South African qualified lawyers due to the fact NZ | Aotearoa offers better salaries and a better quality of life. SA qualified lawyers coming from transactional roles in top firms are becoming highly sought after in the NZ | Aotearoa market to bridge the gap in transactional lawyers.

We have seen an increase in relocation packages over the past 6 months with the top firms offering \$5,000 to \$10,000 towards relocation costs as well as supporting their requalification once they get into the NZ | Aotearoa market.

As the NZ | Aotearoa market continues to be candidate tight, we predict law firms are going to have to rely more on the international market.

How Robert Walters can support you with international recruitment |
Pēhea i awhina a Robert Walters i whakaurunga nga whanaungatanga o te aō

Our International Candidate Management Programme means we can attract, and source specialist skill sets not found in the local market. With three dedicated International Candidate Managers based in London and one in both NZ | Aotearoa and Australia, we have been able to create a community of talented international professionals with the intent to create a view of the talent movement of the next three to five years, as well as to respond to immediate demand.

With Candidate Managers on the ground proactively sourcing top talent, we can stay across both returning kiwis and skilled international professionals, provide them with an up-to-date view of the employment market in NZ | Aotearoa and support them with their career transition to NZ | Aotearoa.

Their role is to tell the story of what it is like to live and work in a land of breath-taking scenery, highly accessible coastlines, and warm and friendly people. This ensures our small country in the South Pacific punches well above its weight on the global stage. Importantly, they also showcase how a career move to NZ | Aotearoa can elevate their career.

Top tips for hiring | Tikina Whakamōhio

Given the current market, the way that you hire candidates and present your brand can be the make or break between securing good candidates, or losing them to another organisation.

We have outlined our top 10 tips for hiring, taking on board what we have seen in the market over the past year.



The Importance of Your Online Brand

When a potential candidate is doing their research into a firm, the first thing they will notice is your online brand. A captivating website, active LinkedIn page and a good work culture is what will attract people to your company. This can easily be achieved by posting updates such as recent articles, events you have been involved in, and relevant current events as well as success stories of your employees.



Utilise Advertising Resources - Seek, LinkedIn, and Recruiters

By the time you get to offer stage with a candidate, you want to be sure that you have sufficiently covered the market and ensured you have reached out to everyone that could be interested. This can be achieved by utilising digital advertising resources.

Leaving the process to an agency who is constantly talking to candidates and has expert knowledge in their field is a great way to ensure that you are not missing any excellent candidates who may not be visible in places such as Linkedln or on Seek as some of the best candidates are not actively looking for a new role. It can also leave you assured you are offering the correct salaries and packages at the right level and takes out the extra administration of trying to source candidates yourself.



Remain Open Minded

Given the current market, we have noticed employers are becoming increasingly openminded to the types of candidates that they are interviewing. This is not to say you must hire anyone that applies, but it is important to consider the backgrounds of candidates holistically, and the transferability of their skillset, as well as their previous places of employment and areas of the law.



Clear Team Structure

As well as having a strong online brand, it needs to be informative. When someone is considering working for your organisation, the more information that they can get, the easier they can decide whether the role is for them. This also ensures that you don't waste resources on answering questions that can easily be outlined either in the job description, or on a link on your website.

Firms that have links to each team and their area of expertise (from Partner level right down to Junior solicitors) are a great way to provide this. As well as this, providing work emails and phone numbers for accessibility – especially in smaller firms.



Stay Competitive in the Market

A candidate short market means that there is significant competition over strong candidates with good experience and grades – they get snatched up fast. In order to secure a good candidate and ensure that they feel valued throughout the recruitment process, it is best that you present an offer that competes well with the current market and appeals to the candidate. This not only provides for a great start to the employment relationship, but also that a counteroffer or an offer from another firm doesn't get in the way.

We have provided some up to date salary information so that you can ensure you are offering what others are too.



Keep the Hiring Process Moving

Usually when a candidate has one interview in the pipeline, they are likely to have interest from other organisations and recruiters as well. Ensuring that the hiring process, from interviews right through to final offers, is smooth sailing and a positive experience is important. Most of the time candidates who you are interviewing are still working in their current role. Making an effort to not call them during work hours, or setting up interviews that accommodate their schedules is a way that you can keep the process as smooth and stress free as possible.

Another way that you can relieve extra stress is by ensuring to do reference checks at the final stages, and not requesting them without genuinely needing them to provide an offer.



Communications open

Ensuring that you keep all candidates that are interviewing informed of the process is really important. Factors such as letting them know how many other candidates are in the mix, as well as when they can expect to hear about next steps and feedback is a great way to keep candidates reassured.



Meet the Team

Candidate and workplace fit is equally as important for both employers and employees. If possible, we recommend organising a coffee or brief casual catch up with the team that the role sits on, and the potential new employee. This will give you a feel for how they will fit into the team, and if they are a cultural fit. In short, the more you can understand about the person in and out of interview context, the better.



Make Your Offer and Organisation Attractive

Salaries can be persuasive for someone deciding between offers or firms – but so can additional benefits, sign on bonuses, and an attractive workplace culture.

Advertising any extra benefits such as health insurance, gym memberships and staff discounts are a great way to make the package and offer look even more attractive. A summary on culture and what your company does to look after your employees is also a great way to summarise what working there might look like for the candidate.



Handling Tough Conversations: Rejecting Candidates

Rejecting candidates from roles, especially after they have endured the whole process and are at the final stages, can be difficult. It is important that these conversations are done in a way that provides constructive feedback and leaves a positive taste in the candidate's mouth – you never know when you might consider them again for another role.

Even at initial stages, where people have applied by submitting a CV and Cover Letter and are not selected for the shortlist, it is important that you send a well worded response thanking the candidate for their efforts in applying and submitting their CV. The more positive the response, the more positive your reputation remains – especially in such a small market where reputation is vital.

Contact Us | Whakapā mai

We have offices in Auckland, Wellington and Christchurch with specialised consultants in each relevant area we recruit.

Our non-commission model encourages our National Legal Team to work collaboratively across New Zealand. We also have a strong legal presence in Malaysia, Singapore, Australia, Hong Kong, Johannesburg, Spain, France, London, Germany, Amsterdam, Dubai and New York who refer returning New Zealand qualified lawyers to our team.

If you would like to discuss any of the above in more detail then please don't hesitate to reach out to our team.



AUCKLAND

& +64 9 374 7300

□ auckland@robertwalters.co.nz

Rosamund More Linked in Georgia Hawley Linked in

Annabel Johnstone Linked in



& +64 4 471 9700

Apryl Burgess Linked in

Jess Vernal Linked in

Katie Cowley Linked in

CHRISTCHURCH

& +64 3 363 5020

□ christchurch@robertwalters.co.nz

Sarah Wilson Linked in













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