

Law firm salary guide Hong Kong

2023-2024

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Introduction

We would like to extend our heartfelt gratitude to our valued clients and candidates for their unwavering support and collaboration in preparing this report. Your trust and confidentiality have been instrumental in creating this insightful resource.

The past year has demonstrated the remarkable resilience of the Hong Kong economy and the adaptability of businesses amid challenging circumstances. From the pandemic to political shifts, Hong Kong has experienced transformative changes, impacting the legal sector in various ways, including remuneration decisions and the pursuit of a broader client base.

In stark contrast to the previous year's pay freezes or salary reductions experienced by some practice areas, this year has witnessed a positive shift. The majority of law firms have reinstated or even increased salaries and bonuses for their fee earners.

Furthermore, law firms with strong Asia practices have reported impressive global revenue growth, and we anticipate this upward trajectory to continue in 2023 to 2024.

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As lawyers explore new career opportunities, they find themselves in a market with abundant choices. To attract and retain top talent, firms must remain competitive not only in terms of salary but also by offering appealing benefits such as flexible working policies, maternity/ paternity leave, annual leave and comprehensive health insurance.

We're excited to present this salary guide, providing valuable insights into the evolving landscape of the Hong Kong private practice market. Let us navigate this dynamic and ever-changing environment together, to ensure your continued success in the legal industry.



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Market overview

The private practice market in Hong Kong continues to evolve and grow, as law firms remain agile and adaptable in their hiring strategies in order to attract and retain top talent in the market.

One of the key challenges facing law firms in Hong Kong is the ongoing economic uncertainty caused by factors such as the US-China trade war, political instability, and the impact of the Covid-19 pandemic. This has created a more cautious approach to investment and hiring in the market, with firms prioritising stability over expansion.

Law firms in Hong Kong are expected to maintain consistent recruitment activities in 2023 to 2024, despite employers showing some hesitancy in expansion hires. As the IPO market is yet to recover, law firms specialising in corporate finance work, particularly those focused on IPOs, experienced a decline in business. As per a recent study, the Hong Kong IPO market has seen a slowdown in fundraising activities, causing proceeds from new listings to drop by 76% compared to the previous year.

On the other hand, firms with broader areas of expertise, including dispute resolution, investment funds and restructuring and insolvency, are better equipped to weather the downturn. Mid-level professionals within these practice areas, in particular those with local language skills, were highly sought-after while senior-level positions were filled more judiciously.

We have also seen a significant decrease in the demand for transactional lawyers within M&A, private equity, IPO and banking and finance practices due to

the drop in deal flow in the first half of 2023. Having said that, select firms with a deep commitment to Hong Kong and Asia are taking an opportunistic approach to their hiring strategies within these areas as they are confident that pipeline will pick up in the second half of the year and the longer term.

Separately, offshore firms have remained busy in 2022/2023, and continue to entice high-calibre international law firm professionals, particularly in the fields of investment funds, regulatory, restructuring and insolvency and dispute resolution. Local language skills are often optional within this practice hence offshore firms are more open to relocating seasoned lawyers from other jurisdictions. With Hong Kong and Mainland China fully opened up earlier this year, Hong Kong remains an attractive platform for overseas lawyers.

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Another noteworthy trend is that it's becoming increasingly common for international firms to seek out lawyers who are fluent in multiple Asian languages, including Korean and Japanese, in order to expand their reach and better serve a diverse client base. Therefore, trilingual fluency in English, Cantonese, and Mandarin, combined with language skills in other Asian languages, can be particularly valuable assets. Mid-level lawyers with exceptional academic qualifications and previous experience from top-tier international law firms in niche practices such as employment, TMT and financial service regulatory remain highly sought-after.

However, there is a dearth of entry-level fee earner candidates, which has led to a more active recruitment drive for positions in fields like litigation, finance, and funds. Interestingly, hiring managers are also more open-minded when considering candidates from outside the legal sector, signalling an increasing interest in diversifying the talent pool. Overall, legal recruitment trends are shaped by a complex set of factors, including growing demands in certain practice areas, tighter requirements for experience and education, and language proficiency.

In 2023, it is anticipated that the private practice market in Hong Kong will maintain a stable demand for paralegals.

Since the beginning of 2022, there was a strong demand for paralegals; however, as the year progressed, the law firm market in Hong Kong slowed down significantly, leading to a reduction in hiring activity. This shift in approach means that most of the hiring activity seen has been limited to replacement roles rather than new hires. Nonetheless, a few practices remained active primarily in areas such as banking and finance, litigation, and funds practices, with some new recruitment needs for China-focused teams and practices, indicating the strength and resilience of these practice areas.

From 2023 to 2024, it is anticipated that the private practice market in Hong Kong will maintain a stable demand for paralegals. This is primarily due to the fact that most firms are adopting a cautious approach when it comes to expanding their legal support teams as firms are seeking to ensure that their hiring is in line with actual business needs.



Outlook for 2023

Looking ahead to 2023, the legal industry in Hong Kong is likely to continue to evolve and adapt to changing market conditions.

Overall, the outlook for law firms in Hong Kong remains positive, with many firms well-positioned to capitalise on the city's role as a gateway to China and the wider Asia Pacific region. However, firms will need to remain vigilant and agile in order to navigate the rapidly changing economic and political landscape in Hong Kong.

Although the global economic forecast appears mixed, China is poised for a rebound in 2023 due to encouraging signs of a return to business as usual.

This resurgence is expected to have a progressive impact on hiring trends in the region, with demand for experienced associates likely to remain robust across various practice areas. In comparison to other geographies, China's hiring appetite is anticipated to be more optimistic.



Salaries

As with all reports that detail market and salary trends, the following is to be treated as a guide so please get in touch with a member of the team for an in-depth confidential discussion tailored to you. We hope you find the report relevant and informative.

International law firms

Level (PQE)	Annual salary (HKD/monthly)
NQ	75,000-95,000
1PQE	80,000-95,000
2PQE	85,000-110,000
3PQE	90,000-120,000
4PQE	95,000-130,000
5PQE	100,000-145,000
6PQE	115,000-155,000
7PQE	125,000-170,000
8PQE	135,000-175,000
Counsel	170,000+
Salaried Partner	190,000+

US law firms

Level (PQE)	Annual salary (USD/annum)
Consultant	140,000-190,000
1st year	215,000
2nd year	225,000
3rd year	250,000
4th year	295,000
5th year	345,000
6th year	370,000
7th year	400,000
8th year	415,000
Counsel	420,000+
Salaried Partner	430,000+

Magic Circle law firms

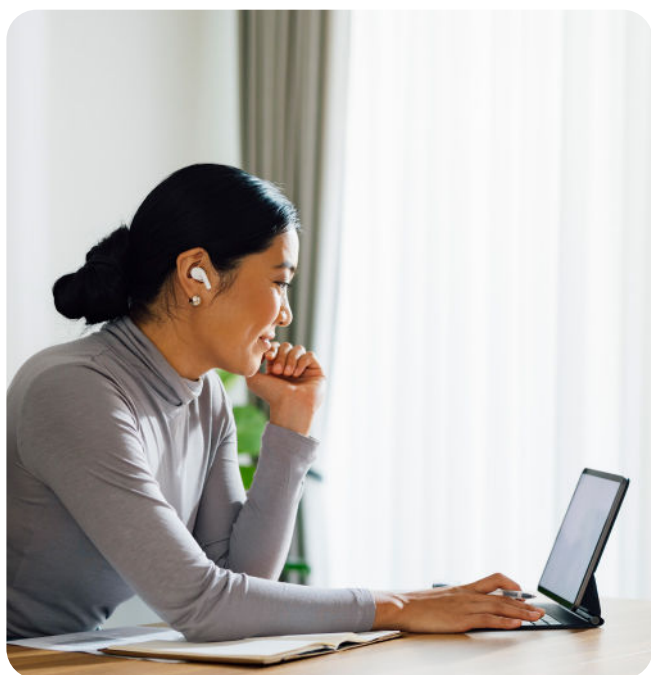
Level (PQE)	Annual salary (HKD/monthly)
NQ	93,000-100,000
1PQE	100,000-105,000
2PQE	105,000-115,000
3PQE	120,000-128,000
4PQE	130,000-135,000
5PQE	140,000-150,000
6PQE	145,000-155,000
7PQE	150,000-170,000
8PQE	170,000-195,000
Counsel	175,000+
Salaried Partner	210,000+

Hong Kong/ PRC law firms

Level (PQE)	Annual salary (HKD/monthly)
NQ	55,000-85,000
1PQE	60,000-90,000
2PQE	65,000-100,000
3PQE	70,000-115,000
4PQE	78,000-130,000
5PQE	85,000-145,000
6PQE	88,000-155,000
7PQE	92,000-160,000
8PQE	100,000-165,000
9+ PQE	140,000+

Offshore law firms

Level (PQE)	Annual salary (USD/annum)
NQ	108,000-125,000
1PQE	115,000-135,000
2PQE	125,000-150,000
3PQE	135,000-165,000
4PQE	155,000-185,500
5PQE	163,000-210,000
6PQE	175,000-230,000
7PQE	195,000-250,000
8PQE	250,000+
9+ PQE Counsel	270,000+



Paralegal (HKD/monthly)

International law firms	
0-2 Years	20,000-25,000
2-4 Years	25,000-35,000
4-7 Years	33,000-45,000
Senior Paralegals	45,000+
Magic Circle law firms	
0-2 Years	22,000-30,000
2-4 Years	30,000-38,000
4-7 Years	35,000-48,000
Senior Paralegals	55,000+
US law firms	
0-2 Years	25,000-35,000
2-4 Years	30,000-45,000
4-7 Years	45,000-55,000
Senior Paralegals	60,000+
Hong Kong law firms	
0-2 Years	15,000-22,000
2-4 Years	25,000-30,000
4-7 Years	28,000-35,000
Senior Paralegals	40,000+
Offshore law firms	
0-2 Years	20,000-25,000
2-4 Years	25,000-35,000
4-7 Years	30,000-40,000
Senior Paralegals	40,000+

Roles we recruit

Partners and teams

Partner Search is core to our business and Taylor Root has long been established as a global market leader. Every year, our Partners and Directors are responsible for brokering and negotiating many of the headline lateral partner moves in the legal market.

Over the last 30 years, our international, domestic and boutique law firm clients have retained and partnered with us when seeking to make senior strategic hires. It is these long-standing relationships that are fundamental to our success. We also represent individual Partners and Teams who seek our guidance when exploring targeted lateral opportunities, as well as Counsels and Senior Associates looking to move vertically into Partner roles.

Our clients see us as trusted advisors. Our successful track record is based on an unrivalled network of senior contacts; a bespoke methodology for each search; deep experience and market knowledge; and a discreet, personal and sophisticated approach.

Associates in law firms

Taylor Root has been recognised as the market leading organisation for recruiting Associates, Senior Associates and Counsels into law firms for three decades. We believe that the strength and quality of our relationships with our law firm clients is unmatched in the market.

We connect the best lawyers with the broadest range of opportunities at law firms, domestically and internationally. Our specialist teams of mainly legally qualified consultants recruit lawyers for the world's leading law firms including international, domestic and boutique firms. In addition to fee earning opportunities, we also specialise in securing roles for Knowledge Support Lawyers and Paralegals.



About Taylor Root

We are a global legal, risk and compliance search and recruitment consultancy and have been a market leader for more than 30 years.

We help global law firms and businesses to build and expand their legal, risk, compliance and corporate governance functions. Whether you're hiring your first In-house Counsel, expanding your associate team in a certain practice area or expanding your risk department internationally, we partner with businesses at every step of your journey.

Our services include contingent and retained search, permanent, temporary and interim recruitment as well as consultancy solutions.

Wherever we operate we have made an impact, from Düsseldorf to Dubai, New York to Shanghai or Milan to Melbourne. From pioneering specialist recruitment in particular locations, to shaping how our clients have approached hiring, our influence is evident everywhere.

Today, we have 14 international offices – a truly global network of search and recruitment experts. Put simply, no one can match our global reach, or our history.

Get in touch

Contact one of our expert consultants – they have an extensive understanding of the market that they cover.



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