



## Pricing Report – Family Law Melbourne Legal Market, 2016

Melbourne's family lawyers are the most expensive in the country. Sydney and Perth give them a run for their money but, for both the top end of town and your run of the mill family lawyer, you'll pay more in Melbourne than you will in any other Australian city.

### Hourly Rates

There's seemingly no rhyme or reason when it comes to the pricing of Melbourne's family lawyers. Sure the larger commercial firms who retain family law practices do tend to be more expensive than specialist family law firms but typically the difference is minimal. Again suburban firms tend to set their hourly rates lower than their CBD counterparts however again this is typically only by a small amount.

What raises eyebrows most is that there's only a slight correlation between our rankings and the pricing of individuals within indeed a number of individuals who don't feature in our rankings price themselves at the very top of the market. Similarly some excellent lawyers featured within our rankings sit at the lower end of the pricing scale.

It's tempting to see the Melbourne family law sector as an inefficient market but instead it's our view this pricing irregularity is a reflection of the level of importance Melbournians place upon price when it comes to choosing a family lawyer. With a few new market entrants and other firms aspiring to greater things in the family law space then perhaps this may change but for now our prediction is that the most likely pricing trend would be a correction of the significant number of excellent Melbourne family lawyers who currently price themselves below market.

Hourly Rate	Market Share
\$300 - \$350	2%
\$350 - \$400	3%
\$400 - \$450	4%
\$450 - \$500	18%
\$500 - \$550	20%
\$550 - \$600	26%
\$600 - \$650	14%
\$650 - \$700	6%
\$700 - \$750	2%
\$750 - \$800	2%

### Alternative Pricing

Although some Melbourne family law practices sit at the forefront of alternative pricing an overall figure of some 21% of the market having moved outside of the hourly rate model in the past 12 months indicates that the hourly rate remains king. Typically it's the specialist family law firms who adopt alternative pricing models and, even then the more conservative model of stage-based costing sits at a higher usage level than in other states.

Pricing Method	Market Share
Fixed Price	55%
Capped Fees	9%
Stage-Based Pricing	47%
Retainer	4%

