

2 More Law Firms Announce Pay Cuts; Are They a Stopgap Measure Before Layoffs?

“Two more law firms announced pay cuts in the past week, marking a third slow week of bad news,” reports Debra Cassens Weiss in ABA Journal’s *News*.

“If larger law firms lose the same percentage of lawyers as in 2008 to 2010 during the financial downturn, there will be 20,000 jobs lost, Simons wrote. Most of the departures—17,000 of them—would be in the nation’s top 100 grossing law firms, he said. The other 3,000 departures would be in second hundred firms.”

“The entire legal services sector has already surpassed that number in job losses. According to the U.S. Bureau of Labor Statistics, the sector lost 64,000 jobs in April.”

“The two firms that announced cuts in the past week are Reed Smith and Stroock & Stroock & Lavan.”

Read the article.