

Millions in Pandemic Aid Didn't Stop These Firms from Cutting Jobs or Pay

“Law firms rushed to secure government aid early in the coronavirus pandemic, borrowing nearly \$12 billion from the U.S. Small Business Administration’s Paycheck Protection Program as their revenues were threatened by court closures and a freeze in corporate deals,” write Rick Linsk and Caroline Spiezio in *Reuters’ Big Story 10*.

“The program, created by Congress in March to save jobs and help small employers weather the COVID-19 crisis, has faced criticism that too much of the \$525 billion in approved aid went to big businesses in high-wage industries like law. Not only did law firms obtain billions of dollars through the program, but the loans didn’t always ensure jobs and paychecks would be protected, a Reuters analysis found. At least 10 firms that took in a combined \$68.5 million in forgivable, government-guaranteed loans under the program went on to cut positions, salaries or both.”

Read the article.