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Legal Industry Adds 7,500 Jobs After COVID-19 Clobbering

The legal job market is showing a slight uptick for the first time after employment devastatingly plummeted in April due to the pandemic.

According to a report released by the U.S. Department of Labor, the legal industry added 7,500 jobs in June, with the headcount increasing 0.64% from May, even as COVID-19 spread worsens throughout the country.

While legal sector employment, including lawyers in firms, was just over 1.1 million and is still far below what it was before the pandemic, the data provided by the Labor Department show a substantial jump in overall employment.

According to Labor Department data, the June uptick brought the total number of legal sector jobs to 1,106,800, seasonally adjusted, which is still 53,500 jobs fewer than in March.

Total employment in the legal vertical was 1,099,300 in May and 1,148,600 in June 2019, according to the report.

Legal sector employment dried up between the end of March and the beginning of April when COVID-19 took hold in several states and devastated the economy. Consequently, more than 70 law firms introduced cash-saving measures, including double-digit cuts in staff and compensation for attorneys and partners.

Only a handful of large firms, including Nixon Peabody and Goodwin Procter, have imposed layoffs so far.

The number of jobs lost in April has twice been revised upward. The Bureau of Labor Statistics initially reported that the legal services sector in April lost 64,000 jobs and the number was increased on June 5 to a loss of 66,000 jobs.

The April number jumped to 68,000 jobs lost in the latest report.

While the number of jobs in the legal sector has seen its fair share of ups and downs over the past several years, since June 2013 it has generally hovered between 1.12 million and 1.13 million. This amounts to nearly 50,000 fewer jobs than the industry pre-Great Recession ultimate high of 1.18 million jobs in May 2007.

The legal jobs data from BLS came alongside an optimistic employment report for the U.S. economy overall, which added 220,000 jobs in June.

According to BLS, the economy has averaged 194,000 job gains over the past three months. And the nation's unemployment rate remained relatively steady at 4.4 percent, down about 0.4 percent from what it was in January.

The Labor Department also announced an uptick in hourly wages for private, nonfarm jobs. The average hourly earnings rose to $26.25 in June, up 4 cents from the prior month, according to the preliminary BLS data.