



## FOR IMMEDIATE RELEASE

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### **Class of 2010 Graduates Faced Worst Job Market Since Mid-1990s: Longstanding Employment Patterns Interrupted**

According to Selected Findings from its Employment Report and Salary Survey for the Class of 2010 released today by NALP, the overall employment rate for new law school graduates is, at 87.6%, the lowest it has been since 1996, when the rate stood at 87.4%. In addition to a lower overall employment rate than that measured for the classes that immediately preceded it, the Class of 2010 employment data reveal a job market with many underlying structural weaknesses, and the employment profile for this class marks the interruption of employment patterns for new law school graduates that have been undisturbed for decades.

The NALP Employment Report and Salary Survey for the Class of 2010 measures the employment rate of graduates as of February 15, 2011, or nine months after a typical May graduation. Analyses of these data reveal an employment rate that has fallen more than four percentage points since reaching a 20-year high of 91.9% in 2007 and marks the lowest employment rate since the aftermath of the last significant recession to affect the U.S. legal economy. The Class of 1996 was the last class with an employment rate lower than that for the Class of 2010, and since 1985 there have only been six classes with an overall employment rate below 87.6%. All of those occurred in the aftermath of the 1990-1991 recession: 85.9% for 1991, 83.5% for 1992, 83.4% for 1993, 84.7% for 1994, 86.7% for 1995, and 87.4% for 1996. (For information on trends in graduate employment going back to 1985, see [www.nalp.org/trends](http://www.nalp.org/trends).)

In commentary accompanying the Selected Findings, NALP Executive Director James Leipold noted, “The tail of the ‘Great Recession’ is long and there are few bright spots in the employment profile for the Class of 2010.... Most of the structural weaknesses in the job market faced by the Class of 2009 intensified for the Class of 2010, and new high- and low-water statistical marks have been set. And, in most cases, the changes that have occurred over two years’ time, from 2008 to 2010, are the most dramatic.”

Indeed, the overall employment rate of 87.6% of graduates for whom employment status was known conceals a number of negative trends in the job market that were first apparent for the Class of 2009, but with the Class of 2010 have become more prominent. For instance, of those graduates for whom employment was known, only 68.4% obtained a job for which bar passage is required. This compares with 70.8% for the Class of 2009 and 74.7% for the Class of 2008 and is the lowest percentage NALP has ever measured. Conversely, an additional 10.7% obtained jobs for which a JD is preferred, or may even be required, but for which bar passage is not required. This compares with 9.2% for the Class of 2009 and is the highest since NALP began tracking this kind of job in 2001. The percentage of graduates employed in other capacities was 8.6%. The

rate of part-time employment stood at almost 11%, comparable to 2009 and in contrast to 6.5% for 2008 and about 5% in the years immediately prior to that. Over 8% of jobs were both temporary and part-time. Almost 3% of 2010 graduates were continuing their academic studies full time, leaving 9.4% who were not working or continuing their studies as of February 15, 2011.

NALP has historically calculated the overall employment rate based on graduates whose status is known, counting all types of jobs as employment. Counting all jobs is a standard practice in calculating employment rates used, for example, by the U.S. Bureau of Labor Statistics. An alternative method of calculating the employment rate recently introduced by some other organizations with an interest in law school employment outcomes is to base the rate on the total number of graduates rather than on those whose status is known, while still counting all jobs. Using this methodology, the overall employment rate is 84.1% for graduates of the 192 schools reporting to NALP. (Collectively these 192 schools accounted for over 95% of Class of 2010 law school graduates.) However, it cannot be assumed, as this latter calculation does, that graduates whose status is unknown (numbering about 1,700 among these 192 schools) are unemployed. In fact, some are employed and never bother to tell their school, for whatever reason, while many of those who are unemployed are known to be so, as they seek the services of the school in their job search.

Other key findings from *Jobs & JDs: Employment and Salaries of New Law School Graduates — Class of 2010*:

- A bare majority of employed graduates obtained a job in private practice. At 50.9%, this percentage dropped a full 5 percentage points from 2009 and is thus a considerable contrast to the previous 17 years, when the percentages ranged from 55-58%.
- Employment in business was 15.1%, the highest that NALP has measured. The percentage of jobs in business had been in the 10-14% range for most of the previous two decades, except in the late 1980s and early 1990s when it dipped below 10%. About 32% of these jobs were reported as requiring bar passage, and about 29% were reported as JD preferred. Just over 8% of these business jobs represent graduates working for agencies that place individuals in temporary legal, law clerk, or paralegal jobs, similar to the Class of 2009 and down from just over 11% for the Class of 2008.

“There is likely more bad news to come,” commented NALP Executive Director James Leipold. “Just as the biggest impact of the last significant recession was felt in the national economy in 1991, the legal employment market for new law school graduates did not hit its nadir until 1993, and the overall employment rate did not crest 89% until 1997, we can expect that the overall employment rate for new law school graduates will continue to be stagnant or decline further for the Class of 2011, with the curve probably not trending upward before the employment statistics become available for the Class of 2012.”

To read the full text of “Employment for the Class of 2010 — Selected Findings” go to [www.nalp.org/classof2010](http://www.nalp.org/classof2010). The findings of NALP’s Employment Report and Salary Survey for the Class of 2010 will be reported in much greater detail — including salary detail and analyses of employment and

earnings by geographic market — in *Jobs & JD's: Employment and Salaries of New Law School Graduates — Class of 2010* — to be published in August 2011.

**About NALP:** Founded in 1971, the National Association for Law Placement, Inc.<sup>®</sup> (NALP) is dedicated to continuously improving career counseling and planning, recruitment, and retention, and the professional development of law students, lawyers, and its members. NALP maintains an online archive of press releases at [www.nalp.org/pressreleases](http://www.nalp.org/pressreleases). For additional information about NALP research, contact Judith Collins ([jcollins@nalp.org](mailto:jcollins@nalp.org)), Director of Research, or James G. Leipold ([jleipold@nalp.org](mailto:jleipold@nalp.org)), Executive Director, at 202-835-1001. **Mailing address through July 31:** National Association for Law Placement, 1025 Connecticut Avenue NW, Suite 1110, Washington, DC 20036-5413. **Mailing address effective August 1, 2011:** National Association for Law Placement, 1220 19th Street NW, Suite 401, Washington, DC 20036-2405.