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Hannah Loo

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The Singapore Legal Industry: A Brief Overview and Comparison

Hannah Loo*

I. Introduction

In 2008, the United States faced a crisis in its legal education system. As part of the global recession, job opportunities for new law graduates dwindled, but law schools continued to graduate full classes paying top dollar for a legal degree. Today, the American legal market is largely considered to have rebounded, with the first raise to associate salaries in nearly a decade occurring in the summer of 2016.¹ Singapore's legal market, however, is facing its own downturn. From 2006 to 2011, the average number of new law graduates joining the Singapore Bar was around 250; in 2014 and 2015, around 1000 new graduates joined the Singapore Bar each year.² In 2014, Law Minister K Shanmugam warned that Singapore could face an oversupply of lawyers in coming years due to increased numbers of Singaporeans studying law overseas.³ In 2014, 650 graduates sought 490 training contracts, a required step to be able to be accepted to the Singapore bar.⁴ And thus, just as predicted and similar to the situation in the US

* J.D. Candidate, Class of 2017, The University of Chicago Law School. Written as part of the International Immersion Program trip to Hong Kong and Singapore.

¹ Elizabeth Olson, "Law Firm Salaries Jump for the First Time in Nearly a Decade," (June 2016), https://www.nytimes.com/2016/06/07/business/dealbook/law-firm-salaries-jump-for-the-first-time-in-nearly-a-decade.html?_r=0.

² Dimitra Stefanidou, "Too many lawyers, not enough jobs: Singapore's legal brain-drain," (Sept 2016), <https://www.aseantoday.com/2016/09/too-many-lawyers-not-enough-jobs-singapores-enforced-brain-drain/>.

³ Valerie Koh, "The Big Read: As a legal career loses its sheen, law firms take action," Today Online (Mar 2016), <http://www.todayonline.com/singapore/big-read-legal-career-loses-its-sheen-law-firms-take-action-0>.

⁴ Dimitra Stefanidou, "Too many lawyers, not enough jobs: Singapore's legal brain-drain," (Sept 2016), <https://www.aseantoday.com/2016/09/too-many-lawyers-not-enough-jobs-singapores-enforced-brain-drain/>.

in 2008, Singapore now has too many lawyers and not enough positions in the legal industry for all of them.⁵

This paper first presents an overview of the legal education system and the legal industry in Singapore as background to how the oversupply of law graduates in Singapore occurred. This paper then goes on to briefly explain the American legal education system crisis of the late 2000's before noting some similarities and differences between the two situations. To end, this paper notes some recent trends in Singapore's legal industry and concludes.

II. Legal System of Singapore

A. Legal Education System

To be admitted to the Singapore bar, individuals must be a “qualified person” as determined by the Ministry of Law and set out in the Legal Profession (Qualified Persons) Rules.⁶ The requirements differ depending on the university from which an individual obtains the applicable law degree. For graduates from certain overseas universities, the five general steps are: (1) obtain a recognized law degree from an Overseas Scheduled University, (2) undertake 6 months of Relevant Legal Training/Practice/Work, (3) pass Part A bar exams and register with SILE, (4) undertake Part B bar course and pass Part B bar exams, and (5) undertake 6 months of Practice Training Period and apply for admission to the Singapore Bar.⁷ For graduates from local Singapore universities, only steps (3), (4), and (5) are required. Additionally, applicants to the Singapore Bar must be at least 21 years old, of good character, satisfactorily served the applicable practice training period, attended and satisfactorily completed such courses of

⁵ Valerie Koh, “The Big Read: As a legal career loses its sheen, law firms take action,” Today Online (Mar 2016), <http://www.todayonline.com/singapore/big-read-legal-career-loses-its-sheen-law-firms-take-action-0>.

⁶ Singapore Institute of Legal Education, “Qualified Person,” <http://www.sile.edu.sg/qualified-person>.

⁷ Singapore Institute of Legal Education, “5 Steps to Qualifying for Admission to the Singapore Bar Through Studying in an Overseas Scheduled University,” http://www.sile.edu.sg/pdf/SILE_5_Step_Infographic_OSU_Graduates.pdf.

instruction as prescribed by the Board of Directors, and passed such examinations as prescribed by the Board of Directors.⁸ After taking the Singapore Bar, many new lawyers return to the law firm where they served their training contracts, but as part of the oversupply of lawyers, retention rates by law firms have dropped, leading to competition both at the pre-Bar training contract and post-Bar starting job stages.⁹

There are currently 29 approved universities—2 in Singapore¹⁰, 11 in the United Kingdom¹¹, 10 in Australia¹², 2 in New Zealand¹³, and 4 in the United States¹⁴. Of the local universities, the National University of Singapore admits around 250 law students and Singapore Management University accepts around 180 law students each year, but many more Singaporeans go overseas to study law in England or Australia.¹⁵ Additionally, in recent years, the annual number of returning law graduates increased by almost 50 per cent, to 310 in 2015 compared to 210 in 2011.¹⁶ This has led to increased competition for training contracts at local firms, with 650 graduates competing for 490 training contracts in 2014¹⁷ And as law students continue to try for training contracts, perhaps taking a year to paralegal before doing a training

⁸ Singapore Institute of Legal Education, “Admission to the Singapore Bar,” <http://www.sile.edu.sg/admission-to-the-singapore-bar>.

⁹ Kelly Ng, “Fresh law grads feeling squeeze of weak economy and competition,” Today Online (June 2016), <http://www.todayonline.com/singapore/fresh-law-grads-feeling-squeeze-weak-economy-and-competition>.

¹⁰ National University of Singapore; and Singapore Management University.

¹¹ University of Birmingham; University of Bristol; University of Cambridge; University of Durham; King’s College, London, University of London; London School of Economics and Political Science, University of London; Queen Mary and Westfield College, University of London; University College, University of London; University of Nottingham; University of Oxford, and University of Warwick.

¹² Australian National University; Flinders University; Monash University; Murdoch University; University of Melbourne; University of New South Wales; University of Queensland; University of Sydney; University of Tasmania; and University of Western Australia.

¹³ University of Auckland; and Victoria University of Wellington.

¹⁴ Columbia University; Harvard University; New York University; and University of Michigan.

¹⁵ Simon Chesterman, “Too many lawyers? Or too few?” Straits Times (Nov 2014), <http://www.straitstimes.com/opinion/too-many-lawyers-or-too-few>

¹⁶ Kelly Ng, “Fresh law grads feeling squeeze of weak economy and competition,” Today Online (June 2016), <http://www.todayonline.com/singapore/fresh-law-grads-feeling-squeeze-weak-economy-and-competition>.

¹⁷ Dimitra Stefanidou, “Too many lawyers, not enough jobs: Singapore’s legal brain-drain,” (Sept 2016), <https://www.aseantoday.com/2016/09/too-many-lawyers-not-enough-jobs-singapores-enforced-brain-drain/>.

contract, the number of lawyers in Singapore has continued to grow despite concerns regarding Singapore's legal industry.¹⁸

B. Legal Industry of Singapore

As of 2016, there are approximately 4,885 legal practitioners in Singapore, a steady increase from 4,334 practitioners in 2012.¹⁹ The majority of practitioners are male, with 2,829 men compared to 2,059 women in 2016.²⁰ In terms of years of practice, 1,951 of Singapore's legal practitioners have less than 7 years of experience, 430 are in the range of 7 to 12 years of experience, and 2,504 have greater than 12 years of practice. Under the new practitioner categories, 1,644 have less than 5 years of experience, 923 have between 5 to 15 years of experience, and 2,318 have more than 15 years of experience, showing yet another acknowledged problem in Singapore's legal industry—the severe exodus of mid-level lawyers.

The Ministry of Law regulate sand licenses all law practice entities, including both local and international firms. As of 2016, there were 715 law practices comprising of 1 to 5 lawyers, 127 law practices comprising of 6 to 30 lawyers, and only 21 law practices comprising of more than 31 lawyers.²¹ Most well-known are the Big Four law firms of Allen & Gledhill LLP (estimated 357 practitioners), Rajah & Tann LLP (estimated 355 practitioners), WongPartnership LLP (estimated 270 practitioners) and Drew & Napier LLC (estimated 233 practitioners).²² Other top firms in Singapore include Dentons Rodyk & Davidson, Baker & Mckenzie Wong & Leow, Shook Lin & Bok, and Khattar Wong LLP.²³

¹⁸ Kelly Ng, "Fresh law grads feeling squeeze of weak economy and competition," Today Online (June 2016), <http://www.todayonline.com/singapore/fresh-law-grads-feeling-squeeze-weak-economy-and-competition>.

¹⁹ Law Society of Singapore, "General Statistics," <http://www.lawsociety.org.sg/About-Us/General-Statistics>.

²⁰ *Id.*

²¹ *Id.*

²² Focus Singapore, "Top 10 Law Firms in Singapore," <http://www.focussingapore.com/top-10/law-firms.html>.

²³ *Id.*

Large international law firms with offices in Singapore include White & Case LLP, Sidley Austin LLP, Linklaters Singapore, and Latham & Watkins LLP, among many others.²⁴ International law firms with offices in Singapore are typically restricted to corporate, finance, and banking law, though fields such as international arbitration are becoming increasingly popular due to Singapore's status as an arbitration hub. There are seven types of licenses or registrations for law firms in Singapore: (1) Singapore Law Practice—Law Firm, Limited Liability Law Partnership, or Law Corporation; (2) Foreign Law Practice; (3) Qualifying Foreign Law Practice; (4) Joint Law Venture; (5) Formal Law Alliance; (6) Group Practice; and (7) Representative Office.²⁵

1. Singapore Law Practice (SLP)

SLPs are regulated by Sections 131, 138 and 153 of the Legal Profession Act and can be structured as a sole proprietorship, partnership, limited liability partnership or company.²⁶ A SLP is allowed to provide Singapore law-related legal services in all areas of legal practice and foreign law-related legal services in all areas of legal practice that the SLP is competent to offer in or from Singapore.²⁷ SLPs are required to apply for a law firm license, limited liability law partnership license, or law corporation license as applicable and must satisfy the threshold requirements in Rule 3 of the Legal Profession (Law Practice Entities) Rules 2015 as long as its license is in force.²⁸ These threshold requirements include limits on the number of foreign

²⁴ Chambers and Partners, "Singapore Firm Comparison Table."

²⁵ Ministry of Law, "Types of Licence or Registration," <https://www.mlaw.gov.sg/content/minlaw/en/legal-industry/licensing-or-registration-of-law-practice-entities0/types-of-licence-or-registration.html>.

²⁶ *Id.*

²⁷ *Id.*

²⁸ *Id.*

lawyers who can practice in, be directors, partners, or shareholders in, or share in the profits of the SLP.²⁹ Currently, there are 885 SLPs registered with the Ministry of Law.³⁰

2. Foreign Law Practice (FLP)

Under Section 172 of the Legal Profession Act, a FLP is allowed to provide foreign law-related legal services in all areas of legal practice that the FLP is competent to offer and Singapore law-related legal services only in the limited context of international commercial arbitration or in relation to the Singapore International Commercial Court through certain types of registered lawyers in or from Singapore.³¹ There are currently 107 FLPs currently registered with the Ministry of Law.³²

3. Qualifying Foreign Law Practice (QFLP)

QFLPs are licensed under Section 171 of the Legal Profession Act, though introduced only in 2008.³³ Foreign law practices which obtain a QFLP license are allowed to provide in or from Singapore foreign law-related legal services in all areas of legal practice that the QFLP is competent to offer and Singapore law-related legal services in the “permitted areas of legal practice” through certain types of registered lawyers.³⁴

²⁹ *Id.*

³⁰ Ministry of Law, Legal Services Regulatory Authority E-Services, Search Lawyer or Law Firm.

³¹ Ministry of Law, “Types of Licence or Registration,” <https://www.mlaw.gov.sg/content/minlaw/en/legal-industry/licensing-or-registration-of-law-practice-entities0/types-of-licence-or-registration.html>.

³² Ministry of Law, Legal Services Regulatory Authority E-Services, Search Lawyer or Law Firm.

³³ Ministry of Law, “Types of Licence or Registration,” <https://www.mlaw.gov.sg/content/minlaw/en/legal-industry/licensing-or-registration-of-law-practice-entities0/types-of-licence-or-registration.html>.

³⁴ *Id.*

The QFLP license is awarded after an application and selected process, which has occurred twice for a total of 9 current QFLP licenseholders.³⁵ The current QFLP holders are Allen & Overy LLP, Clifford Chance, Gibson Dunn & Crutcher, Jones Day, Latham & Watkins, Linklaters, Norton Rose Fulbright, Sidley Austin, and White & Case, all of which are medium (6-30 lawyers) or large firms (more than 30 lawyers).³⁶ However, the QFLP scheme is not currently open for application and there are no details regarding further rounds of application available.³⁷

4. Joint Law Venture (JLV)

JLVs are licensed under Section 169 of the Legal Profession Act and are legal entities formed between a SLP and either a FLP or QFLP.³⁸ A JLV is allowed to provide in or from Singapore foreign law-related legal services in all areas of legal practice that the JLV is competent to offer and Singapore law-related service in the “permitted areas of legal practice” through certain types of registered lawyers.³⁹ Notably, however, the constituent FLP/QFLP can only practice law in or from Singapore through the JLV, and not through the FLP/QFLP.⁴⁰ There are currently 8 JLVs, most notably including Baker & McKenzie Wong & Leow, Duane Morris & Selvam LLP, and Hogan Lovells Lee & Lee.⁴¹

5. Formal Law Alliance (FLA)

³⁵ Ministry of Law, “Award of the second round of Qualifying Foreign Law Practice licences,” (Feb 2013), <https://www.mlaw.gov.sg/news/press-releases/award-of-second-round-qflp-licences.html>.

³⁶ Ministry of Law, Legal Services Regulatory Authority E-Services, Search Lawyer or Law Firm.

³⁷ Ministry of Law, “Types of Licence or Registration,” <https://www.mlaw.gov.sg/content/minlaw/en/legal-industry/licensing-or-registration-of-law-practice-entities0/types-of-licence-or-registration.html>.

³⁸ *Id.*

³⁹ *Id.*

⁴⁰ *Id.*

⁴¹ Ministry of Law, Legal Services Regulatory Authority E-Services, Search Lawyer or Law Firm.

FLAs are licensed by Section 170 of the Legal Profession Act and are arrangements between one or more SLPs and one or more FLPs/QFLPs to enter into a “best friends” relationship to collaborate as freestanding law practices with the benefits of co-branding and billing, sharing of office spaces, resources, and client information.⁴² However, the law practices remain distinct entities and only provide legal services that the respective law practices and their lawyers are competent to provide.⁴³ There are 7 FLAs currently listed by the Ministry of Law, most notably including Clifford Chance, Herbert Smith Freehills Prolegis, Reed Smith Resource Law Alliance, and Withers Khattarwong.⁴⁴

6. Group Practice

Singapore Group Practices are regulated by Division 2 of Part 2 and Division 6 of Part 5 of the Legal Profession (Law Practice Entities) Rules 2015.⁴⁵ A Singapore Group Practice is an arrangement between one or more SLPs, compared to a Foreign Group Practice is an arrangement between one or more FLPs/QFLPs.⁴⁶ Group Practices may only be formed by sole proprietorships or partnerships, but the structure enables two or more law practices to collaborate as freestanding law practices with the benefits of co-branding, sharing office space, resources, and client information.⁴⁷ However, a Group Practice cannot offer any legal services as a Group Practice, as the member law practices remain distinct entities and may only provide legal

⁴² Ministry of Law, “Types of Licence or Registration,” <https://www.mlaw.gov.sg/content/minlaw/en/legal-industry/licensing-or-registration-of-law-practice-entities0/types-of-licence-or-registration.html>.

⁴³ *Id.*

⁴⁴ Ministry of Law, Legal Services Regulatory Authority E-Services, Search Lawyer or Law Firm.

⁴⁵ Ministry of Law, “Types of Licence or Registration,” <https://www.mlaw.gov.sg/content/minlaw/en/legal-industry/licensing-or-registration-of-law-practice-entities0/types-of-licence-or-registration.html>.

⁴⁶ *Id.*

⁴⁷ *Id.*

services that each practice and its lawyers are competent to provide.⁴⁸ As of 2017, there are 7 Group Practices in Singapore, all of which have between 1 to 5 lawyers.⁴⁹

7. Representative Office

Representative Offices are governed by Section 173 of the Legal Profession Act and are set up by a law practice based outside Singapore only for liaison or promotional work in or from Singapore.⁵⁰ ROs cannot provide any legal services or conduct any other business activities in Singapore.⁵¹ In particular, ROs cannot provide legal advice, conclude contracts, or open or negotiate any letters of credit, showing the limits of what representative offices might do.⁵² As a result, there are only 7 ROs in Singapore, all with only 1 to 5 lawyers.⁵³

Despite the prevalence of law firms in Singapore, considering the different types of licenses detailed above, training contracts and thus entry into legal practice in Singapore is largely focused through local SLPs such as the Big Four and other top Singaporean firms. Because of the limitations on types of practices for FLPs, QFLPs, FLAs, and JLVs, many international law firms with offices in Singapore will hire Singapore-trained lawyers, but do not offer training contracts. Yet, as a hub for legal work throughout Southeast Asia, international law firms continue to set up offices and attempt to find ways to strengthen their foothold in Singapore, though currently without taking steps to mitigate the problems that young lawyers face. From the perspective of law firms, law firms are spoiled for choice, as law students become

⁴⁸ *Id.*

⁴⁹ Ministry of Law, Legal Services Regulatory Authority E-Services, Search Lawyer or Law Firm.

⁵⁰ Ministry of Law, "Types of Licence or Registration," <https://www.mlaw.gov.sg/content/minlaw/en/legal-industry/licensing-or-registration-of-law-practice-entities0/types-of-licence-or-registration.html>.

⁵¹ *Id.*

⁵² *Id.*

⁵³ Ministry of Law, Legal Services Regulatory Authority E-Services, Search Lawyer or Law Firm.

more flexible to different practice areas or lower pay—the same as what happened when the American legal industry faced its own oversupply of lawyers crisis in the late 2000’s.⁵⁴

III. The American Legal System

A. American Legal Education System

The American legal education system is relatively distinct, with law as a post-baccalaureate Juris Doctor degree. Law schools are accredited by the American Bar Association (ABA), formed in 1878 to improve the law profession.⁵⁵ The ABA was also recognized by the Department of Education as the national accrediting agency for J.D. programs in 1923 and continues to publish a list of approved law schools, which now consists of more than 200 schools across America.⁵⁶ The ABA, together with the Association of American Law Schools (AALS), shaped America’s law schools throughout the 20th century. By 1937, the ABA adopted bar admission standards of two years of college study, three years of full-time or four years of part-time study at a law school with a library of at least 7,500 volumes, at least three full-time professors, and a student-faculty ratio of no more than 100 to 1.⁵⁷ By the 1970’s, the ABA and the AALS had instituted almost a nationwide standardization, with three-year full-time law schools and four-year part-time schools for the legal education market.⁵⁸ And today, almost all

⁵⁴ Valerie Koh, “The Big Read: As a legal career loses its sheen, law firms take action,” Today Online (Mar 2016), <http://www.todayonline.com/singapore/big-read-legal-career-loses-its-sheen-law-firms-take-action-0>.

⁵⁵ American Bar Association, “History of the American Bar Association,” accessed September 15, 2013, http://www.americanbar.org/about_the_aba/history.html.

⁵⁶ American Bar Association, “ABA Timeline,” accessed September 15, 2013, http://www.americanbar.org/about_the_aba/history.html.

⁵⁷ Robert Bocking Stevens, *Law School: Legal Education in America from the 1850s to the 1980s* 179 (New York: Praeger, 1989).

⁵⁸ *Id.* at 242.

state bar admissions require that candidates have graduated from an ABA-approved law school.⁵⁹

B. The Legal Industry Crisis of 2008

The oversupply of lawyers for the American legal industry began well before the Great Recession of 2008. In part due to the ABA's efforts, the legal profession had developed into a lucrative and highly-respected profession, attracting many more students to study law and enter the legal field. Law schools were prospering, charging higher tuition and expanding their classes, to meet the demand by students for legal training. But following the Great Recession and the lack of legal work, the legal profession was hit with unprecedented layoffs, salary decreases, and hiring freezes.⁶⁰ Those seeking legal services turned to cheaper methods than traditional lawyers, taking advantage of online legal advice or electronic document review.⁶¹

As of 2017, at the time of this paper, the American legal industry has certainly changed to fit today's circumstances, but seems to have recovered. Law school applications and attendance are once again increasing, and associate salaries increased for the first time since July 2007, since before the Great Recession.⁶² Summer associate hiring grew in 2014 and 2015 and held steady in 2016.⁶³ Retention rates also remain high (11.5 based on NALP numbers), though just

⁵⁹ National Conference of Bar Examiners and American Bar Association Section of Legal Education and Admissions to the Bar, "Comprehensive Guide to Bar Requirements 2016," http://www.americanbar.org/content/dam/aba/publications/misc/legal_education/ComprehensiveGuidetoBarAdmissions/2016_comp_guide.authcheckdam.pdf. Depending on each state, there are also limited non-ABA-approved law schools whose graduates may still be eligible for that state's bar examination.

⁶⁰ Eli Wald, *Foreword: The Great Recession and the Legal Profession*, 78 *FORDHAM LAW REVIEW* 2051–2052 (2010).

⁶¹ Rachel Zahorsky and William Henderson, *Law Job Stagnation May Have Started Before the Recession—And It May Be a Sign of Lasting Change*, *ABA JOURNAL* (2011).

⁶² Elizabeth Olson, "Law Firm Salaries Jump for the First Time in Nearly a Decade," (June 2016), https://www.nytimes.com/2016/06/07/business/dealbook/law-firm-salaries-jump-for-the-first-time-in-nearly-a-decade.html?_r=0.

⁶³ Karen Sloan, "Summer Associate Hiring Was Flat in 2016," *Law.com* (Mar 2017), <http://www.law.com/sites/almstaff/2017/03/09/summer-associate-hiring-was-flat-in-2016-2/>.

slightly lower than in previous years.⁶⁴ In comparison, the median number of pre-recession summer associate offers were around 15, but plummeted to 7 during the recession.⁶⁵ The average number of offers remained steady at 38, though overall offer rates for full-time associate jobs fell slightly to 94.6 per cent.⁶⁶ And competition for top law students remains fierce, with law firms beginning to recruit their future associates even before the traditional on-campus interview processes considered to be a hallmark of American law schools.⁶⁷

IV. Comparison Between Singapore Now and America Then

There are some notable parallels between the two systems and situations, though the underlying causes seem to differ. Both legal markets faced or currently face an oversupply of new lawyers for not enough jobs, thereby additionally affecting compensation. Associate pay in America finally increased in 2016 after almost a decade; monthly salary for law graduates in Singapore has decreased from an average of SGD 5000 to SGD 4700.⁶⁸ The oversupply in both two situations was somewhat tied to loose regulation of law schools and the numbers of law students eligible to take the bar each year, though with slightly different scenarios of American law schools expanding to take advantage of demand compared to Singaporean students taking advantage of opportunities to study law overseas. In both situations, law firms were able to benefit from the glut of lawyers and were able to take their pick of many students vying for the same positions. But the situation in the US reversed itself, after years of decreased opportunities and fewer law graduates, when law was no longer considered as a highly promising field. What will happen in Singapore, however, remains to be seen.

⁶⁴ *Id.*

⁶⁵ *Id.*

⁶⁶ *Id.*

⁶⁷ *Id.*

⁶⁸ Dimitra Stefanidou, “Too many lawyers, not enough jobs: Singapore’s legal brain-drain,” (Sept 2016), <https://www.aseantoday.com/2016/09/too-many-lawyers-not-enough-jobs-singapores-enforced-brain-drain/>.

1) Steps Taken in Singapore

The Singapore government has recognized the problem and already taken steps to try to address the oversupply. A committee, consisting of legal dons such as Justice Quentin Loh, Judicial Commissioners Aedit Abdullah and Kannan Ramesh, and other professionals from the Ministry of Law, law firms, and Attorney-General's Chambers, was set up to examine the situation and brainstorm solutions.⁶⁹ Suggested ideas include having fresh law graduates work as paralegals until they can obtain a training contract or to use the bar exam as a choke point.⁷⁰ A third option was to set limits on the number of graduates who can complete their studies abroad. In 2015, eight universities in the United Kingdom were no longer approved universities for the Singapore Bar, controversially including some that are well-respected in the United Kingdom.⁷¹ Graduates from those universities who were admitted before 1 October 2015 as a candidate for a law degree and conferred the degree between 1997 and 2025 are still eligible for admission to the Singapore Bar, but the removal of the eight universities was a significant step in addressing the oversupply of lawyers in Singapore.⁷² However, no such reduction in the number of approved Australian schools is likely, as the list is tied to Singapore's free trade agreement with Canberra.⁷³

⁶⁹ *Id.*

⁷⁰ *Id.*; Simon Chesterman, "Too many lawyers? Or too few?" *Straits Times* (Nov 2014), <http://www.straittimes.com/opinion/too-many-lawyers-or-too-few>.

⁷¹ The 8 Omitted Universities are: University of Exeter; University of Leeds; University of Leicester; University of Liverpool; School of Oriental and African Studies, University of London; University of Manchester; University of Sheffield; and University of Southampton. Ministry of Law, "Omitted Universities," <https://www.mlaw.gov.sg/content/minlaw/en/practising-as-a-lawyer/omitted-universities.html>.

⁷² Ministry of Law, "Omitted Universities," <https://www.mlaw.gov.sg/content/minlaw/en/practising-as-a-lawyer/omitted-universities.html>.

⁷³ Simon Chesterman, "Too many lawyers? Or too few?" *Straits Times* (Nov 2014), <http://www.straittimes.com/opinion/too-many-lawyers-or-too-few>.

However, limiting the number of approved law schools is just one step among potentially many, if more steps are even necessary. In the years following the Great Recession, law school was viewed as a less attractive investment because of the rarity of high-paying jobs and fewer people overall graduated with law degrees.⁷⁴ Compared to 9,400 high-scoring law school admissions test takers in 2010 who matriculated into law school, less than 5,400 high-scoring test takers are thought to have matriculated in 2015.⁷⁵ As the appeal of law in the U.S. decreased, the lawyer bubble seemingly fixed itself, though arguably the US still has too many lawyers in certain practice areas and too few in others, a problem that Singapore has also noted.

2) Market Structure Differences

Yet one significant difference that has yet to be addressed in this paper is the difference between the Singaporean and American legal industries. Law firms in America largely grow by taking in large numbers of summer associates, most of whom are retained to become associates at the firm, and almost all law firms participate in the summer associate hiring process. In Singapore, however, it is largely only local firms/SLPs such as the Big Four law firms that take in law students as trainees and the retention rates are distinctly lower than associate offer levels for firms in the US. International law firms in Singapore, typically small to medium sized offices of less than 30 attorneys, present a perhaps untapped opportunity, especially given recent trends of tie-ups between international law firms and local Singaporean firms.

Though JLVs and FLAs are among the most popular options for international law firms and domestic law firms to work, there are a number of opportunities. Baker Mckenzie Wong & Leow and Dentons Rodyk & Davidson both operate through the firms' global verein structure,

⁷⁴ Andrew Soergel, "Hiring Outlook Bleak for New Law Grads," U.S. News (Aug 2016), <https://www.usnews.com/news/articles/2016-08-18/hiring-outlook-bleak-for-new-law-grads>.

⁷⁵ *Id.*

though Dentons Rodyk was only a fairly recent occurrence.⁷⁶ Transformative mergers could become more popular, as the US-based Morgan Lewis & Bockius merged with local Stamford Law Corporation to form Morgan Lewis Stamford.⁷⁷ The UK-based Eversheds, with had a small office in Singapore and which recently merged with US-based Sutherland Asbill & Brennan to become Eversheds Sutherland, also received regulatory approval to merge with Harry Elias Partnership to form Eversheds Harry Elias (EHE) in Singapore.⁷⁸ Even for international firms that have long had small offices in Singapore, international firms are taking the opportunity to form tie-ups with local firms, such as Reed Smith launching a FLA with Resource Law LLC.⁷⁹ Though in some cases it is unclear what exactly the impact of the tie-up between the firms is—whether just a name change, expansion of offerings, or expansion of offices and client work across the world—there appears to be an opportunity that could benefit the Singapore legal industry.

V. Future

Despite the lawyer glut, Singapore opened its third and newest law school at SIM University (UniSIM), which 388 applicants for 60 places in 2016.⁸⁰ Though UniSIM targets mature students and focuses on underserved community law such as criminal and family law which faces a shortage of practitioners, it remains to be seen in what areas UniSIM's graduates

⁷⁶ Dentons, “Dentons and Rodyk formalize combination,” (Apr 2016), <http://www.dentons.com/en/whats-different-about-dentons/connecting-you-to-talented-lawyers-around-the-globe/news/2016/april/dentons-and-rodyk-formalize-combination>.

⁷⁷ Ranajit Dam, “‘International stage’ beckons for Harry Elias after Eversheds merger,” Asian Legal Business (Feb 2017), <http://www.legalbusinessonline.com/news/%E2%80%98international-stage%E2%80%99-beckons-harry-elias-after-everheds-merger/73991>.

⁷⁸ *Id.*

⁷⁹ Reed Smith, “Reed Smith launches Formal Law Alliance with Singapore law practice Resource Law LLC,” (July 2016), <https://www.reedsmith.com/en/news/2016/07/reed-smith-launches-formal-law-alliance-with-singa>.

⁸⁰ Amanda Lee, “Huge demand for UniSIM law school despite lawyer glut,” Today Online (Sept 2016), <http://www.todayonline.com/singapore/400-applicants-60-places-new-law-school>.

end up practicing.⁸¹ Most of UniSIM's applicants are working professionals such as paralegals, law enforcement officers, court employees, and social workers with a professed interest in criminal law or family law.⁸² And in comparison to the larger pool of lawyers in Singapore with valid practicing certificates, roughly 10% of lawyers practicing community law are over the age of 65, highlighting the need for community lawyers despite the draw towards corporate and commercial law.⁸³

VI. Conclusion

Singapore's legal industry currently faces a unique but not unknown problem—an oversupply of lawyers, but a severe undersupply of lawyers in community law and with 5-15 years of experience. While steps have been taken to address these problems, including reducing the number of approved law schools, opening a third law school focused on community law, and finding ways to encourage lawyers to stay in the profession, it remains to be seen how Singapore's legal industry will change to fit these changes. As international law firms continue to take larger roles in Singapore's legal market, there is another level of uncertainty, but one that might present an opportunity to shape Singapore's legal industry for the future. Certain aspects of the situation are similar to the problems that the American legal industry faced following the Great Recession and certain solutions may be similarly useful in addressing the problem, but as a whole, how Singapore's legal industry reacts and adapts to this common problem of many legal industries could be something to watch and learn from, as so many things involving Singapore are.

⁸¹ *Id.*

⁸² *Id.*

⁸³ *Id.*