

After the Recovery: Help Needed

The Coming Labor Shortage and How People
In Encore Careers Can Help Solve It

AUTHORS

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METHODOLOGY

This analysis is based on official forecasts of population growth from the U.S. Census Bureau; official forecasts of job growth and labor force participation from the U.S. Bureau of Labor Statistics; and estimates of the number of jobs in specific occupations based on the Labor Market Assessment Tool developed jointly by the Dukakis Center and the Boston Redevelopment Authority.

KEY FINDINGS

- **Shortage:** By 2018, with an expected return to healthy economic growth but no change in current labor force participation rates or immigration rates, there will likely be more jobs than people to fill them.
- **Cause:** If the baby boom generation retires from the labor force at the same rate and age as current older workers, the baby bust generation that follows will likely be too small to fill many of the projected new jobs.
- **Numbers:** There could be at least 5 million potential job vacancies in the United States, nearly half of them (2.4 million) in social sector jobs in education, health care, government and nonprofit organizations.
- **Cost:** The loss in total output could limit the growth of needed services and cost the economy as much as \$3 trillion over the five-year period beginning in 2018.

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- **Solution:** If adults 55 and older work at rates somewhat higher than expected, the projected need for social sector workers could be fully met. Providing opportunities for older adults to work in the kinds of social sector jobs they say they want will increase the likelihood that they will work longer and help close the jobs gap.
- **Top jobs:** The research identifies 15 jobs that will provide the largest number of potential encore career opportunities in the coming decade. Encore careers combine personal fulfillment, social impact and continued income, enabling people to put their passion to work for the greater good. The list is dominated by seven job categories in health care (registered nurses; home health aides; personal and home care aides; nursing aides, orderlies and attendants; medical assistants; licensed practical and licensed vocational nurses; and medical and health service managers), plus three in education (teachers, teacher assistants and child care workers). Other jobs are in nonprofits and government (including business operations specialists; general and operations managers; and receptionists and information clerks), plus clergy and social and human service assistants.

To download the full study, and get more information on three companion studies, go to www.encore.org/research.

QUOTABLE

- “With nearly 10 percent of the American labor force unemployed and another 7 percent so discouraged by their job prospects that they have either dropped out of the labor force altogether or are working at part-time jobs when they would prefer full-time employment, it may come as something of a surprise that within less than a decade, the United States may face exactly the opposite problem – not enough workers to fill expected job openings.”
- “A labor shortage of this magnitude, leaving as many as 30 to 40 percent of all projected additional jobs in the social sector vacant, could have a significant impact on our economy and on the quality of life in our communities.”
- “As our analysis demonstrates, many of these jobs will go begging unless older workers move into them and make them their encore careers.”
- “The big question therefore is not simply whether there will be enough jobs for older workers but whether the work will be rewarding enough, both economically and socially, to keep them in the labor force.”
- “Not only will there be jobs for these experienced workers to fill, but the nation will absolutely need older workers to step up and take them – to assure continued economic growth and to provide the critical social and government services on which we all depend.”