

# A Shift will Happen in the Future

By James O. Armstrong



**N**o, it hasn't happened yet. But, the process has begun and it will continue — as more and more employers of every possible description in North America come to understand about the current and coming labor shortage.

Here are the current facts. There is already a North American shortage of nurses, teachers, truck drivers and warehouse workers, pharmacists, certain types of manufacturing employees and others. Plus, this analysis does not include the highly skilled worker shortage right now among technology companies in North America, which each year requires us to admit thousands of foreign workers with temporary visas to help us get this job done. And, even after we've taken this step, **Bill Gates**, who is the world's richest man, testified recently before the US Congress that the number of such highly skilled worker visas continues to be grossly inadequate to meet the current demand for such men and women.

Will this situation change for the North American economy in the future? Yes, it will, but not in the way you may expect, according to recent testimony from the current Vice Chairman of the Federal Reserve before the US Senate Labor Relations Committee. He, too, predicted that the labor shortage will continue and become such a significant factor that current economic growth, which has averaged 3 percent per year for the past 10 years, will actually drop by one third to 2 percent per year beginning in five years because of the anticipated labor shortage. With millions of Baby Boomers in North America, many of whom will choose at least some type of retirement, North America already knows that there are significantly fewer Generation Xers to take their place in the workforce. In short, North America cannot simply manufacture people.

At the same time, North Americans are living longer than ever before, thanks largely to the wonderful medical breakthroughs of recent years. In fact, one of four North Americans can now expect to live into their 90s on average. For their part, government pension plans and senior security plans change their requirements—depending on someone's date of birth. Further, not all of our Baby Boomers or Active Seniors want to stop working entirely (for a variety of different reasons, which range from needing the money to simply enjoying the work.)

Further, how often do we as individuals visit an Urgent Care facility near our homes on the weekend and wind up seeing a 72 year old semi-retired doctor (who used to be a surgeon in the area), who still likes to work with patients at least occasionally. We are also not surprised to see such men and women in a dentist's office, CPA firm, engineering company, financial planning office, stock brokerage or public relations firm either. In short, professionals are allowed to continue on the job on either a full-time or part-time basis in our society essentially as long as they desire to work and on schedules of their choosing. In addition, these older professionals are already helping now to bridge the labor shortage gap in their areas of expertise.

## So, what about the rest of us?

Wouldn't it be a desirable outcome to have everyone else treated in the same way as these valuable professionals are now treated in our society? Of course, the answer to that question is an unqualified "Yes."

What is one of the greatest fears for someone, who is a Baby Boomer or Active Senior today? When someone is not yet ready to stop working completely, it is that "no one will want to hire me because I am too old." I believe that this type of individual thinking will change in our society primarily due to economic necessity, as more and more companies affirm their commitment to add men and women over age 40 to their staff, on a full-time or part-time basis or as independent contractors.

As Baby Boomers and Active Seniors, our generation also needs to check out the government, on every level. These important jobs will also see a massive turnover in the coming years, as a surge in retirements takes place in the area of essential government services. A grey haired acquaintance of mine with an excellent education and a high IQ recently secured a senior IT position in local government, after a 14 month, previously unsuccessful job search.

## Just the Beginning

North America is right now in the beginning stages of responding to growing market pressures for available men and women to join their companies and other organizations. A noteworthy example of providing fringe benefits for part-time employment today emerges from Starbucks, which has received recognition for its forward thinking in this area. In addition, AARP several years ago established its annual awards program, which recognized top employers for its 50+ year old members. Prominent on this list are a whole group of outstanding hospitals. Schneider National, North America's largest truckload carrier which is based in Green Bay, Wisconsin, has also discovered the value of older husband-wife teams adding supplemental drivers to their fleet.

Will other companies and organizations make the same discoveries in the future? Simple supply and demand factors for available workers and managers will dictate the individual and collective answers to this question. The government may also step into this equation, perhaps even with tax incentives to companies to hire men and women above a certain age.

In conclusion, while it is hard to say when this shift will happen, we do know that it will gradually take place as more and more companies and other organizations realize the full dimension of our coming labor shortage and exactly how it will affect them. This shift will also be a positive one for Baby Boomers and Active Seniors alike since it will create a greater demand for them and for the continued use of their skills.

In addition, as one of our staffers recently put it to me, "It would be great just to see them (i.e. companies and other organizations) be neutral" in the hiring of older workers. On this point, our team agrees wholeheartedly.



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