



Aging Workforce Analysis Overview

**Northwest Pennsylvania Workforce Investment Area
(Clarion, Crawford, Erie, Forest, Venango, and Warren Counties)**

The *Aging Workforce Analysis* is a 50-page report that examines the presence and potential impact of an aging population on the local workforce in the Northwest Workforce Investment Area. The basic concern relates to the large wave of baby boomers that will be reaching retirement age within the next few years. Approximately 76 million Baby Boomers are spread out across the United States, and **about 140,000 Baby Boomers reside in the Northwest Workforce Investment Area (WIA)**. As these individuals reach retirement age, a sufficient pool of younger workers may not be available to completely replace this loss in the labor force, both in terms of manpower and experience. The magnitude of this crisis is uncertain, as many individuals may work beyond retirement for various reasons.

While it is difficult to measure the possible effects that an aging population will have on the Northwest WIA, it is feasible to estimate when the apprehension may become reality. By taking various approaches in analyzing population projections, the *Aging Workforce Analysis* provides a time-frame as to when the Northwest WIA may begin experiencing workforce-related difficulties due to the aging of the population. **After 2012, the number of retirees may increase at a greater rate than entrants to the workforce.**

Making plausible assumptions about the population and how it relates to the workforce, comparisons are made between the working population and the retired population and how these two groups may change in the future. **From 2002 to 2018, there is a 44% projected increase for the 55-64 population compared to an 11% decrease for individuals aged 15 to 44 in the Northwest WIA.** Furthermore, projections for job openings in the Northwest WIA emphasize the need for businesses to begin planning now to address the pending gap between workforce demand and supply.

The *Aging Workforce Analysis* concludes by discussing the current situation in the local economy and how older workers affect various statistical measures. Through the analysis of Quarterly Workforce Indicators captured by the US Census Bureau, including employment, turnover, monthly earnings, job creations, job separations, net job flows, and new hires, predictions are made about how the workforce may change as workers reach retirement age. The report identifies which industries may be most affected by an aging workforce. In addition, employees who are considering working beyond retirement can gain insight to the labor market and how it treats older workers (e.g., the report identifies job opportunities that may exist for retirees). **Labor force participation rates are projected to increase through 2014, particularly for individuals 65 and older.**

The *Aging Workforce Analysis* is beneficial to employers and older workers, but it is also helpful for future entrants to the workforce who are deciding on potential career paths and government officials who can use various data for strategic planning. For a complete copy of the *Aging Workforce Analysis*, please contact the Regional Center for Workforce Excellence at (814) 333-1289 or visit us at www.nwpawib.org.

