



**TEXAS WORKFORCE COMMISSION**  
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### **Replacing an Aging Workforce**

One of the major problems facing Texas employers is how to replace an aging workforce, particularly in the area of skilled trades. As the “baby boom generation” nears retirement, who will take these experienced workers’ place in the workforce? As Ann Fisher pointed out in Fortune magazine, “by the end of the decade, it is estimated that 40 percent of the workforce will have retired or be eligible to do so.”

Boomer retirements are not the whole explanation for the skilled worker shortage the U.S. presently faces, but that shortage suggests how much worse matters can get without some major rethinking of how we train today’s students for tomorrow’s jobs.

Employers are facing already the reality of job vacancies not easy to fill with workers whose skills are comparable to those of the men and women their generation is replacing. A recent story in The Wall Street Journal notes that shortages of skilled labor in manufacturing and construction are becoming serious: “With the shortage of welders, pipe fitters, and other high-demand workers likely to get worse as more of them reach retirement age, unions, construction contractors and other businesses are trying to figure out how to attract more young people to those fields.”

Texans need to note that equivalent problems are surfacing in the energy industry as well. Due to sharply increased worldwide demand for new supplies of crude oil and natural gas, the industry is looking for workers who, as the Journal puts it, “can make precision welds, fit pipes for pipelines and oil refineries, and understand the complex electrical wiring in modern power plants.”

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One reason such jobs are so hard to fill is the relative lack of emphasis in U.S. secondary schools on development of workplace skills as opposed to traditional book skills. A false if persistent impression among parents, students and even school counselors is that a college degree will take a given student further in life than will preparation for jobs sometimes seen as “blue collar” and, therefore, less promising. The Journal notes the case of a 25-year-old Portland, Ore. electrician who earns \$34 an hour working in renewable energy “while some of his friends who went to college are having a hard time finding jobs.”

In fact, the skills these so-called “blue collar” jobs require and the rewards they afford are impressive by most measures. In a “seller’s market,” those employees selling skills and abilities that are prized above other kinds receive compensation greater than many others. They are wanted, and not just for the short run. During an economic downturn such as the country, and even Texas to some extent, is experiencing, job security grows in proportion to the value – in an employer’s eyes – of the job one is doing.

There is growing evidence of a commitment by employers to work with colleges and high schools toward the training of the generation that will replace the baby boomers. For instance, the Alamo Community College District in San Antonio has begun working with local industry and 18 area school districts to provide training for aerospace, information technology, and manufacturing technology. Students participating in the program spend half a day in a conventional classroom, half a day in training for skilled positions.

Kilgore College is moving in a similar direction. It restarted recently a long-abandoned program for training oil and gas well technicians. Graduates of the program – nearly all of whom received job offers on graduation – earn \$20 to \$32 an hour.

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Filling all the skilled jobs the baby boomers leave behind at retirement will not be easy, but certainly institutions like Alamo Community College District and Kilgore College show what is possible. Meanwhile much more needs doing – by colleges and employers, by school counselors and parents – to encourage appreciation of skilled trades education as an alternative to the traditional four-year college path. Texas students need to see skilled work positions as keys to success, for themselves and for their state.

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*The Texas Workforce Commission is a state agency dedicated to helping Texas employers, workers and communities prosper economically. For details on TWC and the programs it offers in unison with its network of local workforce development boards call (512) 463-8556 or visit [www.texasworkforce.org](http://www.texasworkforce.org).*