

## **STATEMENT OF SENATOR GORDON H. SMITH**

U.S. Senate Special Committee on Aging  
“The Aging Workforce: What Does it Mean for Businesses and the Economy?”  
February 28, 2007

Good morning and thank you all for being here today.

I'd like to thank Chairman Kohl for holding this important hearing on our aging workforce. I look forward to a productive discussion.

We're about to experience an unprecedented demographic shift with the aging of the Baby Boomer generation. Many are calling this change an aging tsunami.

According to the Bureau of Labor Statistics, by 2030, about 24 percent of the population, or about 66 million Americans, will be age 65 or older. Compare this to 2000 when just over 15 percent of our population was over age 65.

The aging of our population, along with a number of other trends, will have a significant impact on many aspects of our society. For example, it will place significant strains on our entitlement programs of Social Security, Medicare and Medicaid.

The aging of America also will impact our labor market, including potential labor shortages. This would hurt both the competitiveness of many American businesses and our economic growth as a whole.

We also must be concerned with a possible “brain drain.” Our workforce will be losing some of our most experienced workers – many of whom have skills that simply are not replaceable.

However, the effects of these trends can be mitigated if older workers decide to stay in the workforce longer. And I am pleased to be working with Chairman Kohl to address this issue.

In response to our urging, the Labor Department has convened the Taskforce on the Aging of the American Workforce. This initiative has brought together agencies from across the federal government to collectively address the workforce challenges and help develop opportunities for our aging population. The taskforce plans to finalize its findings and recommendations sometime this Summer. And I look forward to their input.

In addition, I'm working with Senators Kohl and Conrad to develop legislation addressing the older workers issue. Specifically, the bill will provide incentives to older Americans to stay in the workforce longer, encourage employers to recruit and retain older workers and eliminate barriers to working longer.

Thank you to all of the witnesses for coming today. I am particularly pleased that one of my constituents, President Pulliams of Portland Community College, is with us today. Portland

Community College has been a leader in supporting older learners who want to remain in the workforce. I look forward to hearing President Pulliams' valuable insight on this matter.

With that, I'll turn it back to Chairman Kohl.