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Secretary Gassman Urges Steps to Avoid Nursing Shortage

Latest Report Projects Greater Demand for Services, Job Growth, Possible Gap

PEWAUKEE – Wisconsin Department of Workforce Development (DWD) Secretary Roberta Gassman today urged all stakeholders in the health care sector to work together to avoid a potential shortage of nurses and other health care workers in the years ahead.

“Governor Doyle’s new budget will make Wisconsin the number one state in health care reform,” Secretary Gassman said. “His plan covers all children, provides all families access to affordable health care insurance, and allows employers relief from high costs. As we work for health care reform, we must also work to meet the demand for nurses and other health care workers, a first-rate workforce that provides the quality care Wisconsin residents expect and appreciate.”

Secretary Gassman released the Wisconsin Health Care Workforce Annual Report today and highlighted its findings during an address at the Wisconsin Statewide Clinical Placement Summit in Pewaukee. She said demand for services will increase as the baby boomer generation grows older and medical advances extend life expectancy. Health care job openings are forecast to increase by nearly 1.07 million in the decade ending 2014, Secretary Gassman said.

Secretary Gassman also noted the Governor’s budget initiatives to ensure a well-trained health care workforce include increasing funding for the Youth Apprenticeship Program to \$2.2 million and increasing funding for the University of Wisconsin System by \$225 million to graduate more nurses, teaches, and engineers.

While Wisconsin’s public and private colleges are on track to graduate more registered nurses and avoid a shortage in that occupation, Secretary Gassman advised caution, citing too many variables and unknown factors that could result in a shortage.

“We are working hard to meet the challenges, and we can take pride in our accomplishments thus far,” she said. “But this is no time for complacency. Today’s college graduates are more apt to change jobs and move from state to state. Other health care workers might opt for a mid-life career change and leave the health care profession. Others with years of experience may choose to retire early.”

Secretary Gassman said the demand side also could take a surprising turn in the years to come and create or exacerbate a labor shortage.

“We cannot take a ‘wait-and-see’ approach,” Secretary Gassman said. “We must remain focused, proactive, and continuing doing what we can to retain our graduates, especially the best and brightest, while at the same time, attracting new people to health care occupations. We must start in the early grades of our schools, and we must include diverse populations in our recruitment efforts.”

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Secretary Gassman said stakeholders could avoid shortages simply by making the health care sector a more attractive place to work, with career ladders and bridges to quality, family supporting jobs.

In keeping with Governor Doyle's "Grow Wisconsin" initiative, the report provides a labor market analysis of the health care sector, forecasts job openings, and details efforts to ensure a skilled workforce. Directing such efforts is the Secretary's Select Committee on Health Care Workforce Development, a group of health care business, labor, advocacy, government, and education organizations formed in 2003.

Between 2004 and 2014, the health care sector is projected to add 348,000 new jobs, an increase of 12 percent to 3.38 million jobs. Turnover within the industry also is expected to create 719,000 openings. The combination of new jobs and vacancies in existing positions amounts to nearly 1.07 million job openings over the decade.

The job of registered nurse ranks first among the top 10 occupations with the most openings. By 2014, the employment total for registered nurses is projected to reach 64,420, an increase of 26,110 over 10 years. The increase includes 16,010 new jobs and 10,100 replacements.

At their current graduation rates, Wisconsin's public and private schools are expected to more than meet the demand for registered nurses, possibly resulting in a surplus of 2,730 registered nurses. However, the report emphasized that any number of factors, such as migration or early retirements, could upset this simple calculation. The report stressed the difficulty in making approximate, long-term supply and demand projections.

On the demand side, the report provided statistics on the state's aging population. Currently, one of eight residents is 65 years of age or older. By 2020, the ratio likely will be one of six, and by 2030, one of five.

In view of the data on aging, some labor market analysts estimate that one-third of health care workers will be working in long term care settings in the near future. As the population ages and people chose home-based care over institutional settings, Wisconsin will need more home health aides, nursing aides, certified nursing assistants, and licensed practical/ vocational nurses.

Besides registered nurses, other occupations in great demand occupations are medical assistants, dental assistants and hygienists, emergency medical technicians, and paramedics.

The complete report can be found online at: <http://dwd.wisconsin.gov/healthcare/>.