

CHANCERY MONTHLY NEWSLETTER

Senior living wages outpace private sector as staffing remains a challenge. A recent Argentum report reveals a 30.9% rise in hourly wages from 2019 to 2023, exceeding the private sector's 24.4% increase. Despite this, staffing shortages persist, driven by increasing demand from seniors. The industry anticipates adding 2.4 million jobs by 2040.

Senior Living Wages Outpace Private Sector as Staffing Remains Tough

Average employee wages in senior living have risen at a greater rate than those in the private sector, but staffing remains an ongoing pain point for the wider industry.

That's according to a new Argentum report analyzing wage growth over the span of five years from 2019 to 2023. The report, released this week, is based on Bureau of Labor Statistics data on employment, number of hours worked and wages.

Average hourly wages in senior living increased 30.9% between 2019 and 2023. By comparison, companies in the broader private sector raised wages 24.4% in that time. Two years in particular stood out as being significantly higher, the report said, with an 8.9% increase compared to 5.4% in 2022 and 6% compared to 4.3% in 2021.

A few positions saw the greatest rates of wage growth, with average increases over the last five years ranging from 7% to 12% annually. Lead certified nurse assistants saw the greatest overall increase, going from \$14.81 in 2019 to \$22.10 in 2023, indicating a 49.2% increase over the span of five years. Medication aides saw the next greatest increase, going from \$15.59 in 2019 to \$20.90 in 2023, on average, representing a 34.1% increase.

Despite those pay raises, the industry still has a long way to go on filling positions to prepare for the incoming demand of seniors, with projections indicating the number of seniors will outnumber the number of children aged 13 and below by 2025. By 2060, the number of older adults is expected to double from 2010. The report indicates the U.S. Census Bureau anticipates that there will be only two-and-a-half working age adults for every senior.

By 2040, the senior living and care industry is currently on track to add 2.4 million jobs, a 42% increase from the number of jobs in 2021, with 300,000 stemming from senior living communities.

Through growth and attrition, though, “the industry overall anticipates the need to recruit, hire, onboard, and support more than 20 million new employees in less than two decades.”

“Already, senior living communities feel the pinch,” the report states. “In communities all across the nation, these employers directly compete with those in the private sector for highly qualified workers.”

The report also indicates the industry will need to begin preparing for a “never-before-seen” rise in demand from incoming seniors, with the oldest baby boomers already entering the market

Original Article:

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