



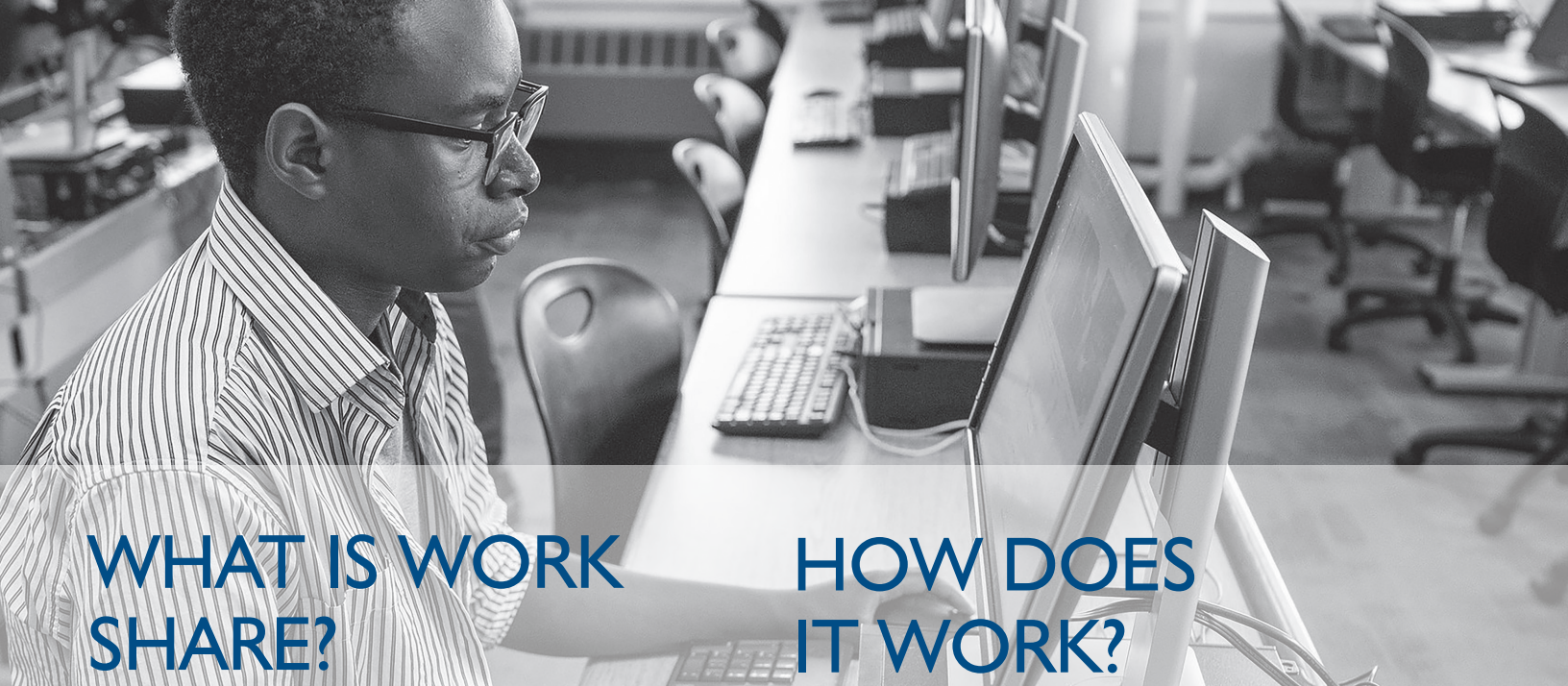
Bring Workers Back From Unemployment



WorkShare

RESTART BUSINESS.
RETAIN TALENT.





WHAT IS WORK SHARE?

HOW DOES IT WORK?

During an economic downturn, we know that many Michigan businesses are faced with extremely difficult choices to make when it comes to their workforce.

You may be struggling to reopen your business and reengage your employees. However, with Work Share, you may not have to.

Michigan's Work Share program allows employers to restart their business and bring employees back from unemployment. Employers can bring employees back with reduced hours - while employees collect partial unemployment benefits to make up a portion of the lost wages. Employers can also retain their current workforce and are given the flexibility to choose which of their employees are part of a Work Share plan.

With the Work Share program, a worker receives a reduced salary from an employer, but is given a percentage of their state benefits. The reduction in work hours must result in an equivalent reduction in wages.

Example: If a worker's weekly wages are \$1,000, yet the employer needs to reduce their salary/hours by 30%. Under Work Share, their weekly salary would be \$700.00 ($\$1,000 - 30\% = \700) plus 30% of their state unemployment benefits ($\$362 \text{ maximum} \times .30 = \108).

With Work Share, the employee would earn \$808/week vs. \$362 maximum amount in UI benefits alone.

As businesses are reopened, Work Share can help employers bring back their employees from unemployment faster and allows employers to retain their workforce and avoid layoffs.

RESTARTING BUSINESS EXAMPLE

AVERAGE SALARY of \$52,000 (\$1,000/week)

Employer wants to bring back 100 employees that were laid off and on unemployment to restart the business at 70% capacity for 12 weeks

- > Employee is receiving \$1,000/week and then is retained to work under a **30%** reduction in wages and hours.
- > Under Work Share: **\$700**/week in salary + **30%** of state unemployment benefits ($\$362 \text{ maximum} \times .30 = \108.60).

Employee Weekly Salary **OPTIONS**

- > With Work Share: **\$808**
- > Laid off/on unemployment: **\$362** maximum



ADVANTAGES OF WORK SHARE

- > **Minimizes or eliminates** the need for layoffs.
- > **Enables a business** to retain trained employees and avoid the expense of recruiting, hiring and training new employees while business demand is reduced.
- > **Saves money** and keeps your skilled workforce intact.
- > Can be used in **almost all types of business** or industry.
- > **Employees are provided** partial unemployment to offset or replace income losses.

WHO CAN PARTICIPATE?

Michigan's Work Share program eligibility requirements include:

- > Employers participating in Work Share can preserve their workforce while reducing hours and wages by 15 - 45%.
- > Employers must have paid wages or at least 12 of the previous quarters.
- > Employer's experience account must have a positive reserve.

RETAINING WORKERS EXAMPLE

AVERAGE SALARY of \$52,000 (\$1,000/week)

For 12 weeks, employer will experience a loss of revenue, but is still operating and wants to retain their 100 employees

- > Employee is receiving \$1,000/week and then is retained to work under a **45%** reduction in wages and hours.
- > Under Work Share: **\$550**/week in salary + **45%** of state unemployment benefits (\$362 maximum x .45 = \$162.90).

Employee Weekly Salary **OPTIONS**

- > With Work Share: **\$712**
- > Full unemployment: **\$362** maximum



WorkShare



PROGRAM REQUIREMENTS

HOW TO APPLY

Employers must meet and maintain the following requirements in order to participate in the Work Share program:

- > Employers are given flexibility to organize which employees are in a Work Share plan.
- > A plan must include a minimum of two employees and an employer can have multiple plans.
- > Plans may be approved for a period of up to 52 consecutive weeks.
- > Employee hours/wages may be reduced by a minimum of 15% up to a maximum 45%.
- > Part-time employees are eligible, but Work Share does not apply to seasonal, temporary, or intermittent employment.
- > Employees must be eligible to receive state unemployment benefits.
- > Employer must obtain approval of any applicable collective bargaining unit representative.
- > Employers participating in Work Share can not modify employee fringe benefits.
- > An employer's experience account balance must have a positive reserve.

Employers may file an application online through the Michigan Web Account Manager (MiWAM) at Michigan.gov/UIA.

For more information, visit Michigan.gov/WorkShare or call the Office of Employer Ombudsman at 1-855-484-2636.

AVOID LAYOFFS.

KEEP YOUR
SKILLED WORKERS.

SAVE MONEY.



WorkShare

A Better Alternative to Layoffs

For more information
about Work Share, visit our website at

Michigan.gov/WorkShare

or call **1-855-484-2636**.

UNEMPLOYMENT INSURANCE AGENCY
MICHIGAN DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY