



FOR IMMEDIATE RELEASE  
No. 234 – May 26, 2020

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## Expanded Work Share Program Helps Employers Bring Back Workers from Unemployment and Restart Their Operations

**LANSING, MICH.** As Michigan businesses begin to reopen, employers are urged to utilize the State's [Work Share](#) program which helps employers experiencing economic pain due to COVID-19 retain their workforce and bring back employees from lay-off as they restart their businesses.

"As we begin the safe reengagement of our economy, our job providers can use Work Share to save money and help more people return to work faster," said Gov. Gretchen Whitmer. "The program can give business owners the resources needed to retain or bring back employees as their customer and business capacity ramps back up. As we continue to phase in sectors of our economy, we must continue to do our part on behalf of the heroes on the front lines of this crisis, including our medical workers, first responders, and other essential workers who are putting their lives on the lines for us every day. We will get through this together."

Work Share allows employers to bring employees back from unemployment with reduced hours while employees collect partial unemployment benefits to make up for the lost wages. Job providers can also utilize the flexible program to retain their skilled workforce and avoid layoffs when revenues decline.

Under the program, a worker receives a reduced salary from an employer, but is given a percent of their state benefits plus the additional \$600 federal payment in Pandemic Unemployment Assistance (PUA) through CARES Act through July 2020. The entire Work Share program is federally funded through the rest of the year.

The governor's recent [Executive Order](#) offers employers greater flexibility as they restart their business and bring employees back from unemployment by allowing most employers to qualify for the program. Employers who need to reduce hours and wages by 10 percent to 60 percent can enroll employees in the program.

"Work Share offers employers solutions to fit their specific business needs by allowing multiple plans with different reduction levels and the ability to choose how many of their workers will participate," Dept. of Labor and Economic Opportunity Director Jeff Donofrio said. "The program is great for workers too. For the next two months, the federal government provides an extra \$600 to employees on workshare providing wage replacement and incentives to return to work from unemployment. The federally funded program also helps workers by preserving the State's Unemployment Trust Fund to keep their safety net solvent."

Work Share serves as a great incentive for employees to return to work. While employees bring their worker back at a reduced rate, the employees could earn more than if they stay on unemployment. The program offers many options for employers, allowing multiple plans and the option to choose which employees participate in each plan. Employers can create a plan or plans that fit their specific needs with hours reduced by as little as 10 percent and as much as 60 percent. There is only a minimum of two employees per plan, plans can be approved for up to a year and can be ended at any time without penalty. Nearly 700 Michigan employers are already participating in more than 1,700 Work Share plans.

“Small businesses across Michigan have found the Work Share program to be a tremendous tool to help them restart their business at a reduced capacity,” said Small Business Association President Brian Calley. “Employers navigating operational issues with the reopening of the economy are urged to explore and understand the flexible options available.”

### **How it Works**

A worker's weekly wages are \$1,000, yet the employer needs to reduce their salary/hours by 30 percent. Under Work Share, their weekly salary would be \$700 ( $\$1,000 - 30 \text{ percent} = \$700$ ). Plus 30 percent of their state unemployment benefits ( $\$362 \text{ maximum} \times .30 = \$108$ ), plus the additional \$600 federal PUA payment July 2020. With Work Share, the employee would earn \$1,408/week through July 2020 vs. \$962 without the program.

Employers can visit [Michigan.gov/WorkShare](https://Michigan.gov/WorkShare) for a tutorial on how to sign up, FAQs and other resources to participate in the program,

### **Business Testimonials on Work Share**

Dave Dittenber, CEO

DRI Restaurants, Midland

*The Work Share program is an excellent way to retain your employees in an economical way. The program has allowed us as business owners the flexibility to bring our employees back to work in a way that fit our needs.*

*As restaurants start the process to reopen and understand what the new normal looks like for our customers and employees, this program can help us scale our staff to meet those needs. Not only will it allow us to reopen as dine-in restaurants when it's safe to do so, it will also give us the opportunity to offer takeout and delivery and provide meals to many of our patrons during these difficult times. We have been able to utilize our most talented employees with reduced hours and compensate them properly for their work. By not having to train new employees we have been able to meet the needs of our customers providing quality food and service, in a different way. The Work Share program has also created excitement for our employees to come back to work and be trained with our new safety measures and guidelines.*

Jeffrey Douma, Director Human Resources

MAG Automotive, Sterling Heights

*This year, COVID-19 forced all of our customers and suppliers to delay all business deliveries and timelines. Mass layoffs of our workforce would imperil our existence. Cutting all of our employee's hours and turning to Work Share became our only option for these times.*

*Working with the Work Share Team and implementing a planned “return-to-work” approach, we were able to maintain all benefits for our employees and reduce work hours of 60% of our employees. We implemented Work Share Groups at all levels. MAG saved payroll costs and allowed us to efficiently manage our future work. Most importantly, this Work Share approach provided assurance to all our employees that MAG would come out of these times unified, prepared, and safely.*

*As challenging as these times have been and with the work overload thrown at the Work Share Team, MAG has received high support from its team members. Work Share has truly been a remarkable gem.*

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Information around the COVID-19 outbreak is changing rapidly. The latest information is available at [Michigan.gov/Coronavirus](https://Michigan.gov/Coronavirus) and [CDC.gov/Coronavirus](https://CDC.gov/Coronavirus).

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