

SHARED-WORK FACT SHEET: *Employee FAQ*

What is Shared-Work?

- Shared Work is a voluntary program that helps business and their employees during business downturns by providing an alternative to layoffs.
- Shared Work allows the employer to reduce the hours for a specific group of employees rather than laying off one or more employees.
- The program provides a weekly unemployment payment to the employees whose work week have been reduced. It also ensures that these workers will be available for regular hours when the business improves.
- One of the requirements of the Shared-Work program is the employer must state in the plan that participation is in lieu of layoffs that would involve at least 10 percent of the employees in the “affected unit” and would result in an equivalent reduction in work hours.



An Innovative Alternative
to Employee Layoffs

How are my health and retirement benefits affected by my employer's participation in the Shared-Work program?

- If your employer provides you with health and retirement benefits under a defined benefit plan or contributions under a defined contribution plan, the employer must continue to provide you with those benefits, under the same terms and conditions as though the hours of work had not been reduced, or provide you with the same benefits as other employees not participating in the Shared-Work plan.

How much will my UC benefit payments be under Shared-Work?

- You will receive the percentage of your weekly benefit allowance (*WBA) equal to the percentage of your reduction in hours per week. For example, if your WBA is \$400 and the employer reduces your hours by 20 percent under the Shared-Work plan, you would receive 20 percent of \$400 or \$80 in Shared-Work UC. **Note:** The amount you actually receive may be less due to deductions for recoupment of overpayments, federal tax withholding, child support intercepts or an established benefit reduction. (Refer to your “Pennsylvania Unemployment Compensation Handbook” for information regarding benefit reduction.)

*WBA - This amount may vary from worker to worker and is listed in the “Notice of Financial Determination” you received, or will receive, when your new UC claim was/is established.

Under a Shared-Work plan, am I required to serve an unpaid “waiting week” at the beginning of the Shared-Work Plan?

- Depends. If you do not have an active UC claim at the time the Shared-Work Plan begins, yes, you must serve the first week of the Shared-Work plan as your unpaid waiting week. However, if you had an active UC claim at the time the Shared-work plan begins, and you have **already** served your waiting week during that benefit year, you do not have to serve another waiting week when the Shared-Work Plan begins.

I currently have a UC claim in which the benefit year has not yet expired. Do I have to apply for another UC claim under Shared Work?

- No, you do not have to apply for another UC claim, because your current claim will be reactivated. However, it is recommended that you complete a Shared-Work initial claim application, to provide the Department with your most up-to-date information.

Can I work part-time for another employer while participating in my employer's Shared-Work plan?

- Yes, you may work part-time for another employer while participating in your employer's Shared-Work plan. Your Shared-Work benefits will not be affected by this other employment. However, you are required to be able and available for work during the normal work hours of the participating employer. Please keep in mind that other employment may affect your eligibility for regular UC benefits after the Shared-Work Plan ends.

Will my Shared-Work employer be required to report the wages I earn from my part-time employer?

- No. Earnings from your part-time employer are not reported during a Shared-Work plan period. However, if your employer's Shared-Work plan ends and you continue to file for UC benefits, you will be required to report all gross earnings and income (before deductions) from all your employers during the week in which they are earned.

Must I actively seek other work or accept other work while participating in Shared-Work?

- No. However, to be eligible for Shared-Work benefits, you must be available for your normal weekly hours of work with the Shared-Work employer.

If an employer applies for a Shared-Work Plan and any of the employees in the affected unit are union-covered employees, must the union approve the Shared-Work Plan?

- Yes, if any employee in the affected unit is covered by a collective bargaining agreement, a collective bargaining representative must approve the Shared-Work plan in writing before the plan can be approved by the Department.

Can a Shared-Work plan have an "affected unit" with union and nonunion employees?

- Yes.

Can the union modify or terminate an active Shared-Work plan?

- No, the union cannot unilaterally modify or terminate an active Shared-Work plan.

Why would a union member with seniority vote to approve a Shared-Work Plan when his/her job would be secure if layoffs of only 10% occurred?

The Shared-Work Program benefits the business and all the employees because it:

- Eliminates the need to train new employees when full-time work returns
- Maintains a high level of productivity and the skills of those employed
- Sustains the union workforce

For additional information on Pennsylvania's Shared-Work Program, please visit the Department of Labor and Industry's UC website: www.uc.pa.gov/sharedwork. For specific questions regarding the Program, please contact the Office of UC Benefits by email at SharedWork@pa.gov. The Shared-Work staff will be happy to explain the Shared-Work program details to you.

*Auxiliary aids and services are available upon request to individuals with disabilities.
Equal Opportunity Employer/Program*