



Shared Work Program: Changes Designed To Allow More Employer/Employee Participation

WETHERSFIELD, July 24, 2014 – As a result of recent changes to the state’s Shared Work Program, eligibility criteria for employers qualified to participate in this unemployment insurance program has expanded and now offers companies more opportunities to take part in the program and thus avoid laying off skilled workers.

The state’s Shared Work program, administered by the Connecticut Department of Labor, can provide partial unemployment benefits to employees when a company is experiencing a temporary economic downturn and wants to avoid layoffs. The goal is to retain skilled workers so companies can quickly return to full strength when the business climate has improved.

As of July 1, employers now qualify for the program when faced with the need to reduce the hours of its permanent full-time and/or part-time workforce by 10 to 60 percent. Prior to the change, companies could only qualify if work hours were reduced between 20 and 40 percent, and eligible employees were required to be full-time workers.

According to State Labor Commissioner Sharon M. Palmer, the program now allows a company to apply if it has at least two employees affected by the change in hours worked. Prior to the July 1 change, the minimum requirement for eligibility was four employees. In addition, the Labor Department will also be able to provide a dependency allowance to those employees taking part in the program that have qualifying dependents on their unemployment insurance claim.

“For the past 22 years, our state’s Shared Work program – often seen as one of the best in the country ☐ has helped to avoid layoffs, preserve jobs and retain skilled workers during financially trying times,” Palmer noted. “These recent changes, which allow us to make an excellent program even stronger, will benefit our workforce, employers, and overall economy.”

The changes that took effect July 1 are in addition to others that were implemented in October 2013 with the enactment of Public Act 13-66. First enacted in 1992, the Shared Work program originally was available to “contributing employer” companies. As of last October, the program is now available to all Connecticut employers meeting the program’s eligibility requirements.

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“The Shared Work program has helped many companies better position themselves for the future once their economic situation has stabilized,” Palmer added. “This has allowed employers to avoid the costly expense of retraining new employees which would result if layoffs took place, while valued and skilled employees keep their job security and benefits while receiving partial unemployment benefits to help supplement the lost wages.”

As part of the requirements, companies cannot eliminate or reduce employee fringe benefits and affected employees must meet all regular unemployment compensation requirements. Currently, 104 companies are participating in the Shared Work program.

Employers interested in participating in the Shared Work program or obtaining more information can email DOL.sharedwork@ct.gov or call 860-263-6660.

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