

**Coalition of Rutgers Unions
Work Sharing Proposal
Rutgers AAUP-AFT
May 2020**



What is work sharing?

- Reduced work time
- Employer reduces salary proportionally (lower payroll cost)
- Government funds the difference between reduced paycheck and regular salary (employee is kept at original salary level)



How can work sharing work for Rutgers?

- Our plan will not only safeguard our own members, it will also put Rutgers on a strong financial footing to deal with any revenue shortfalls down the road
- Through July 2020, a federal program supplements unemployment benefits, creating an unprecedented opportunity for a work sharing program that leads to no loss in income for employees
- The only way we can access tens of millions of federal dollars is by implementing this program. This allows us to secure the investment necessary to avoid layoffs and spend reserves on other priorities that protect the most vulnerable



Why work sharing now?

- Federal CARES Act (effective March 27, 2020)
 - Includes work share for states with programs
 - \$600 weekly supplement, federally funded for anyone receiving ANY unemployment insurance, through July 2020
- Employee Job-Sharing Furlough Protection Act passed both houses in NJ legislature – clarifies terms of program



Would I really make my whole salary during a “furlough”?

Example: Rutgers salary of \$70,000, or \$1346.15 per week

With a 60% furlough, this person would make:

- **\$538.46** from Rutgers (40% of weekly salary)
- **\$427.80** from state unemployment (maximum weekly unemployment benefit, prorated to 60%)
- **\$600** from additional federal benefit
- Total of **$\$538.46 + \$427.80 + \$600 = \1566.26** , which is **\$220.11 above their usual weekly salary**



At different salary levels, employees can be kept whole with different percentages of work sharing time

- Salary of up to \$89,076 can furlough up to 60% of time
- Salary of up to \$115K can furlough up to 40% of time
- Salary of up to \$192,920 can furlough up to 20% of time
- Salary of up to \$349,076 can furlough up to 10% of time (one half day per week)



At different salary levels, employees can be kept whole with different percentages of work sharing time

Annual Salary	Weekly pay	Max Furlough	Weekly take home with max furlough	Difference
40000	\$769.23	60%	\$1,184.62	\$415.38
50000	\$961.54	60%	\$1,330.77	\$369.23
60000	\$1,153.85	60%	\$1,476.92	\$323.08
70000	\$1,346.15	60%	\$1,566.26	\$220.11
80000	\$1,538.46	60%	\$1,643.18	\$104.72
90000	\$1,730.77	60%	\$1,720.11	-\$10.66
100000	\$1,923.08	40%	\$2,039.05	\$115.97
110000	\$2,115.38	40%	\$2,154.43	\$39.05
120000	\$2,307.69	20%	\$2,588.75	\$281.06
130000	\$2,500.00	20%	\$2,742.60	\$242.60
140000	\$2,692.31	20%	\$2,896.45	\$204.14
150000	\$2,884.62	20%	\$3,050.29	\$165.68
160000	\$3,076.92	20%	\$3,204.14	\$127.22
170000	\$3,269.23	20%	\$3,357.98	\$88.75
180000	\$3,461.54	20%	\$3,511.83	\$50.29
190000	\$3,653.85	20%	\$3,665.68	\$11.83
200000	\$3,846.15	10%	\$4,132.84	\$286.68



Frequently Asked Questions (1)

- I've heard the New Jersey state unemployment system does not function well, will I get the money I'm owed?
 - Yes. Many have had very challenging experiences with the system. We're working with the NJ Department of Labor to make the process as smooth as possible and we expect Rutgers management to offer the support we need.
 - While no-one wants to spend their time tangled up in bureaucracy, this inconvenience is a sacrifice we're willing to make to avoid layoffs.



Frequently Asked Questions (2)

- I don't live in New Jersey, will this work for me?
 - Yes. Unemployment insurance is a system that covers employees based on the location of the employer. We all work in New Jersey so we are covered by the New Jersey unemployment insurance system.
- Can all Rutgers employees be furloughed or work share?
 - No. While most full-time currently employed workers are theoretically eligible, some, such as essential healthcare workers in our hospitals would not be eligible for this program as they cannot reduce their hours at this time.



Frequently Asked Questions (3)

- I'm not American and I have a work visa. Will I receive unemployment benefits?
 - Yes. Unemployment insurance covers everyone with work authorization.
- What about my health insurance and other benefits?
 - Work sharing programs protect employer-provided benefits such as health insurance and retirement contributions. Rutgers must contribute to the ABP as if the employee is not participating in a work share program.



Additional resources

- “What is work sharing and how can it help the labor market?” Melanie Gilarsky, Ryan Nunn, and Jana Parsons, Brookings Institute, Thursday, April 16, 2020
- “How People Can Keep Their Jobs and Still Get Those \$600 Unemployment Benefits” Jordan Weissman, Slate, May 05, 2020.
- “Ensuring Fair Short-Time Work - a European Overview” Torsten Müller and Thorsten Schulten. European Trade Union Institute, May 2020

