Jobless benefits help some get by on fewer hours

By Amy Rolf, Herald Writer

EVERETT — Tiz's Door Sales hasn't lost its crew, despite a paralyzing slump in the construction industry.

Its 20 or so shop workers come to work every week, but not every day. Some days they stay home and collect unemployment benefits from the state.

And yes, it's all legitimate — even encouraged.

Tiz's is one of roughly 30 Snohomish County businesses participating in Washington state's Shared Work Program. The program allows them to temporarily cut employees hours by as much as 50 percent, and makes workers eligible for partial unemployment benefits.

"We have a construction crew who work on our doors," said Jim Stephanshon, vice president and planning and development for Tiz's. "They're skilled and they're trained in what they do. It's hard to just pull someone in off the street and say, 'Go to work for us.' We try to keep our core group of folks here working."

So the available shifts rotate through workers. Stephanshon said most employees have reacted positively to the idea of keeping their jobs, even with reduced hours, during the downturn; only a few opted out of the program.

The Shared Work Program has 12 participating companies, up from just 145 a year ago. That's a total of 42,000 workers, according to data collected by the state Employment Security Department.

Those numbers look impressive at first. But they're really not.

"If you think of all the employers in the state, 2,000 isn't a lot of employers," said Employment Security spokesman Bill Tarr.

That's why the department is trying to promote the program to business associations and chambers of commerce. There's one key message: Don't wait until things get bad.

"If you're a business owner out there, and you think you're struggling and things might be getting worse, don't until you're in it," Tarr said. "If things bounce south, you can activate the program."

Travis Industries, a Mukilteo-based company that manufactures fireplaces and stoves, activated the program when the recession meant a decrease in workload. At its peak, the company employed about 650 people. The work force reduced to about 400, of whom worked reduced schedules under Shared Work to remain on the payroll.

"As business slowed down, we did not want to lose our employees who have years and years and years of knowledge on how to build our products," said national sales manager Terry Renne. "Now that business is picking up, we're able to bring people back."

The program appeals mainly to manufacturers, with about 70 percent of participants falling into that category. And that's down from 80 percent in the past.

Employment Security officials report the construction industry has made a stronger showing in the program lately.

Shared-work benefits are approved for 52 weeks at a time, and can only apply to full-time, hourly workers. If an employee's hours are reduced by 20 percent, they would receive 20 percent of their standard unemployment benefits that week.

The Shared Work program has existed since 1983, but it's kind of a sleeper service — one that cruises under the radar usually.

"When the economy is hitting all cylinders, you don't hear too much about shared work," Tarr said. "We don't want it to be a program that benefits the manufacturing sector."
Read Amy Rolph’s small business blog at www.heraldnet.com/TheStorefront. Contact her at 425-339-3029 or arolph@heraldnet.com.

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