



A bipartisan solution for work force woes

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Hoosiers may be surprised to learn that in 2012, the 112th Congress agreed on at least one thing: the Middle Class Tax Relief and Job Creation Act of 2012—which included provisions to expand work-sharing policies.

Work-sharing provides employers with the option of temporarily reducing the hours and wages of all employees instead of laying off all workers and saved a whopping half-million jobs during the recession—with less than half of all states utilizing it during that time period.

Indiana delegates supporting the act included Sen. Richard Lugar and Reps. Marlin Stutzman, Joe Donnelly, Andre Carson, Larry Buschon, Michael Young and now-Gov. Mike Pence. It since has been adopted and supported by Republican and Democratic governors (including in Michigan and Ohio); business and labor; and conservative and progressive economists.

Hoosiers may also be surprised that broad bipartisan support exists in Indiana. Here's why:

For workers, the program acts as the front-line defense against joblessness. Workers would earn higher wages than they would under traditional unemployment, and they would retain health and retirement benefits.

For business, work sharing offers flexibility during economic downturns. Providing a tool for business to retain a skilled work force is why Gov. Rick Snyder supported recent legislation in Michigan—a smart move for states interested in closing skills gap.

Finally, work sharing has real potential to chip away at Indiana's Unemployment Insurance Trust Fund deficit. The program, according to our survey of states with work sharing programs, is either cost-neutral to the state's unemployment insurance trust fund or has produced savings.

This analysis does not even take into account the federal government's implementation and outreach grants, and its reimbursement period—the latter could save the state millions.

So, why after three years of legislative efforts, does the General Assembly continue to fail to protect Hoosier jobs with the nation's most effective jobs destruction prevention policy?

It's mathematically reasonable to assume another downturn is around the corner. Forward-thinking lawmakers can implement this bipartisan, cost-friendly and common sense solution immediately to, as the saying goes, start to fix the roof while the sun is (relatively) shining.

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