administration of wage incentive plan - denied

UNITED STEELWORKERS OF AMERICA, C. I. O. ON BEHALF OF LOCAL 1010

-vs-

INLAND STEEL COMPANY

GRIEVANCE NO. 13-D-10

ARBITRATION NO. 75

Hearing was held on Friday, April 10, 1953, in the Annex Building of the Inland Steel Company, Indiana Harbor, Indiana.

Decision rendered by arbitrator on May 29, 1953.

The issue before the arbitrator arose with the filing by the Union of a grievance dated December 15, 1952, and identified by the number 13-D-10. The statement of the grievance is quoted in full:

> "On February 16, 1944, the Inland Steel Company installed a Shipping Bonus File 60-X-6A. This rate has never been paid according to the rate sheet. The rate was set up to cover Hookers on Cranes 1 - 2 - 1A and #3 Plate Cranes. The Company added the Hookers from 7 - 8 - 9 Cranes into the pool causing the Shipping Hookers to lose money due them."

The following relief was sought by the Union as stated in the above grievance:

> "Aggrieved request the Company pay rate as it is set up on rate sheet retroactive to February 16, 1944."

In the written statement submitted by the Company in support of its position in denying the grievance and in the testimony presented during the hearing, the Company maintained that the Wage Incentive Plan 60-X-6A was being properly and uniformly applied from the

date of its installation to the present date.

During the processing of this grievance, the question of whether or not the provisions of Article V, Section 1, of the Collective Bargaining Agreement of July 30, 1952, was violated arose. The pertinent part of this Section reads as follows: "All incentive plans used in computing incentive earnings (including all methods, bases and guaranteed minimums under said plans) which were in effect on February 29, 1952, shall remain in effect for the life of this Agreement, except as changed by mutual agreement, or pursuant to the provisions of Sections 4, 5, and 6 of this Article." Similar provisions were contained in Collective Bargaining Agreements dating back to April 30, 1945. The Company pointed out in its arguments that for a period of eight years and ten months during which seven agreements containing such provisions were signed by the Union and the Company the Union did not question the application of the Wage Incentive Plan involved here; thus the Plan had been accepted and furthermore no violation of Article V, Section 1, existed.

The arbitrator contends that the grievance might be properly filed even if Article V, Section 1, was not violated. The Wage Incentive Plan as written up might not be changed at all, and the provision in Section 1 of Article V might be lived up to the letter; but if the calculations of the employes' earnings were changed through an accounting or timekeeping procedure, reason for filing the grievance would exist.

During the hearing, the arbitrator attempted to establish whether or not such a change had taken place, because it is clear from the exhibits

presented during the hearing that the Plan was not changed and that Article V, Section 1, was not violated. In the original statement of the grievance, the Union does not allege violation of this part of the agreement; rather, it charges that the Company has never paid according to the rate sheet and that the Hookers from cranes identified as 7, 8, and 9 were added to the pool causing loss of earnings.

The source of the Union's allegation contained in the grievance was, it appears to the arbitrator, a notice sent out by the Assistant to the Superintendent of #3 Blooming & Hot Strip Mills. This notice is quoted below:

> "The following occupations are entitled to back pay for the period from July 18, 1948 to March 2, 1952. The occupations are:
>
> HOOKERS
> CRANEMEN
> WEIGHERS
> CHECKERS
> MEMO CLERKS
> LOADER FOREMAN
>
> "Anyone working these occupations during this period, who did not receive back pay for these jobs on March 30, 1952, should notify Earl Schwenk immediately."

Unfortunately, it was not made clear in this notice that, although all occupations covered by Wage Incentive Plan 60-X-6A in Groups "A," "B," and "C" were listed in it, Group "A" was not entitled to a wage adjustment. The Company stated during the hearing that these groups are arranged as follows:

Group "A" - 1st Hooker - 44118
Crane Hooker - 44118
1st Hooker - 44119-442
Crane Hooker - 44119-442

Group "B" - Craneman (1-2-1A) - 44118-442
Craneman (#3 Plate) - 44218

Group "C" - Weigher
Memo Clerk
Checker
Loader Foreman

The Union did not question this arrangement of these groups but it contended during the entire hearing that the number of manhours charged into the pool out of which come the earnings in question were excessive and thus the earnings were smaller than they correctly should be. The Company contended that the account numbers established to segregate the labor manhours into the proper pools so that the tonnage handled could be properly credited would prevent any "loading" or "padding" of any pool with manhours.

In his study of the dispute, the arbitrator was unable to find proof that manhours were indeed erroneously charged into the pool from which the aggrieved draw their earnings. The arbitrator has knowledge of the techniques of timekeeping wherein account numbers are established for the accumulation of manhours worked at different tasks and in different groups, and he believes that the Union can check this accumulation to be sure that no "padding" is going on from day to day. A charge that a wage incentive plan is not being properly administered must be supported by factual evidence that was lacking in this case. Therefore the arbitrator finds in favor of the Company.

Respectfully submitted,

E. A. Cyrol, Arbitrator