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BEFORE

JOHN W. VANDERSLICE

IMPARTIAL ARBITRATOR

INLAND STEEL COMPANY)

and)

UNITED STEELWORKERS OF AMERICA)
LOCAL UNION 1010)

Grievance No. 16-C-289

ARBITRATOR'S AWARD

Question To Be Decided

Does Incentive plan, File No. 77-0326, installed February 5, 1951, on Cranes #15 and #15-A provide equitable incentive earnings in relation to other incentive earnings in the department?

Decision of the Arbitrator

The incentive plan, File No. 77-0326, does provide equitable incentive earnings in relation to other incentive earnings in the department.

Respectfully submitted,

/s/ John W. Vanderslice

John W. Vanderslice
Impartial Arbitrator

OPINION

Summary of Facts of the Case

During the period from 1949 to 1952, the Company installed three new continuous pickling lines (#1, #2, and #3) to replace three old lines (A, B, and C). In October, 1950, the welding unit was removed from A Line in order that it might be rebuilt and installed in #3 Line which started operation in March, 1951. The welding unit removed was replaced with a stitcher. The Lean-to Cranemen (#15 and #15-A) handled the coils produced from all lines except #3 Line, which is located in a different bay from the bay in which the cranes in question operate. Coils from the #3 Line are handled by tractor.

On October 18, 1950, the cranemen stated that the then existing wage incentive plan, File No. 53-W-9, had become inappropriate because the removal of the A Line Welder and the substitution of a stitcher had resulted in production of single rather than multiple coils from the unit. The other three lines were not changed, but the change increased the number of coils handled per turn by #15 and #15-A Cranes from 178 in September, 1950, to 214 for the last quarter of 1950. A corresponding reduction of coil weight was also experienced.

The Company prepared a wage incentive plan, File No. 77-0326, and presented it to the Union on January 26, 1951. The plan was installed February 5, 1951, under the provisions of Article V, Section 5, of the Collective Bargaining Agreement with retroactivity to October 18, 1950.

Grievance No. 16-C-289, was filed June 21, 1951, which read as follows:

"Incentive rate installed on No. 15 and 15-A Cranes is insufficient. We request comparable incentives existing in the department installed on these cranes."

The replaced wage incentive plan, 53-W-9, provided equal incentive earnings for both #15 and #15-A and was based on Tandem Mill tonnage because coils from all pickling units, prior to the installation of #3 Line, were handled by #15 and #15-A Cranes.

Incentive Plan 77-0326 provides for higher expected earnings for #15 Crane than for #15-A Crane, and was based on tonnage from Pickling Lines A, B, #1 and #2.

Pickling Lines A and B were dismantled in February, 1952, after the Grievance under dispute was filed.

The Union's Position

The Union's position is based on the following excerpt from Article V, Section 5, of the Collective Bargaining Agreement:

"If the Grievance be submitted to arbitration, the Arbitrator shall decide the question of equitable incentive earnings in relation to other incentive earnings in the department or like department involved. . . . shall be effective as of the date when the new incentive was put into effect."

Union Exhibit No. 3 shows current incentive earnings of the departmental cranes to illustrate that the present earnings are the lowest in the department.

The Company's Position

The Company supports its denial of Grievance 16-C-289 by the following statement:

"The previous Wage Incentive Plan File No. 53-W-9 was based on a tons per crane man hour measurement. The tonnage under that plan was recorded at the three Tandem Mills (40" 5 Stand, 54" 4 Stand, and the 72" 3 Stand). With the proposed installation of the new #3 Continuous Pickling Line in March of 1951, the flow of material would be changed to the extent that #15 and #15A Cranes would not handle the tonnage from this new Pickling Line to the Tandem Mills since that tonnage was to be handled by tractor. In other words the Tandem Mill tonnage no longer reflected the tonnage handled by these cranes. This fact alone made the existing method of measurement of production inappropriate for the new conditions.

"The studies conducted during November and December of 1950 referred to above showed that for the conditions existing at the time of rate installation the #15 Crane would have the opportunity to work at an incentive rate of performance for 60% of the turn and #15A Crane for 49% of the turn including rest and personal allowance. The work is restricted in that the tonnage handled is dependent upon the coil pickling and tandem rolling processes serviced by these cranes. Because of the above facts, the Company on February 5, 1951, established Wage Incentive Plan File No. 77-0326 based on the tonnage produced by Continuous Pickling Lines #1, #2, A and B; this tonnage was related to the man hours used by the #15, #15A Cranemen in the same manner as under the previous plan (53-W-9)."

Arbitrator's Opinion

The Arbitrator recognizes that #15 and #15-A Cranes are realizing less incentive earnings than other cranes in the department under conditions as they now exist. However, at the time the Grievance was filed (June 21, 1951), A and B Pickling Lines were in use. Company Exhibit "F" sets forth margin earnings for the cranes in dispute which appear equitable with others in the department.

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