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Report of Arbitrator

C. Robert Egry

Between

Inland Steel Company

and

Grievance No. 17-C-89

United Steel Workers of America,
CIO
Local Union 1010

Findings in the above named Grievance No. 17-C-89
--- Tin Mill --- Wage Incentive Plan for Tractor
Operators --- Continuous Electrolytic Tinning Units.

The Issue as stated by the Union, and denied by the Company in all steps is as follows:

The Incentive Rate File No. 78-1405 installed March 19, 1951, and applied retroactive to April 17, 1950, does not provide equitable incentive earnings as provided in Article V, Section 5 of the Collective Bargaining Agreement dated May 7, 1947, and Supplemented and Revised December 1, 1950.

- A. The Incentive Rate file No. 78-1405 does not make for Equitable Incentive Earnings to other Incentive Earnings in the Department.
- B. The Incentive Rate file No. 78-1405 does not make for Equitable Incentive Earnings in Relation to Previous Job Requirements.

To better understand the various claims and counter-claims we shall define several points of interest in the Issue.

1. Defining the term "Incentive Rate":

From Section V, "to apply some form of incentive to the earnings of the employees when their efforts can readily be measured in relation to the overall productivity of the department or a subdivision thereof, or on the basis of individual or group performance." Incentive must be defined then, as something extra and beyond the basic rate of pay, and must be some measurable device to stimulate, or incite to action, beyond the ordinary routine encountered when performing a task. It is very well understood by both

concerned groups, to be an additional rate of pay beyond a standard hourly basic rate, for extra performance beyond a fixed standard of task, and standard to be set by the Company and agreed on by the Union since the contract quite definitely states this to be the case. We are not defining the task nor the Incentive Rate attributed to it, in this case. The task is completely defined under "Method or Process" of File No. 78-1405 - Wage Incentive Plan (Union Exhibit No. 1).

2. Defining the term "equitable":

The legal accepted definition for this term is that of "pertaining to, or valid in equity" -- where equity is defined as the application of the dictates of conscience or the principles of natural justice to the settlement of controversy, usually shown as a system of a body of doctrines and rules as to what is "equitable and fair". We therefore presume that "fairness" alone is not the full meaning for "equitable" and that interpretation of this term must rely on already established procedures, particularly in relation to "previous job requirements" and the "incentive effort required".

3. Defining the term "the Department":

According to both the Company and the Union the Tin Mill Department is the only one to be considered.

4. Defining the term "previous Job Requirements":

The previous Job Requirements had to be modified because of a change in method and set-up, and this is amply defined by description and diagram.

Consideration of the arguments and facts then leads us to examine the statements as to Equitable Incentive Earnings to other Incentive Earnings in the Department.

Since the job description, and rate, are set by consideration of a proper proportion of time, based on the Electrolytic Unit Outputs, your Arbitrator must conclude that the Tractor Operators are not working full Incentive time because of an unbalance between the total shift time, and that required to perform the necessary task associated with the Electrolytic Units. Those working full time on the Electrolytic Units would necessarily earn at a higher Incentive Rate than would those Tractor Operators who are not required to work full time -- and by job description do other work in the assorting room or warehouse at the direction of the Warehouse Foreman. It is quite evident to your Arbitrator that this man really has two tasks -- that of servicing the Electrolytic Units and that of general trucking, accordingly we shall decide that there is no unfairness and that he is being paid for the proper

proportion of his time spent in servicing the Electrolytic Tin Units. Full normal effort has been defined and is not being required for this task.

The second consideration of equity then becomes one to consider since it has to do with "equitable Incentive Earnings in relation to previous Job Requirements". Previous Job Requirements were considerably different from those in effect when this No. 78-1405 rate was filed, and since they are acknowledged as changed conditions we do not believe they are to be considered.

The Decision:

We find that the Inland Steel Company, Indiana Harbor Works, were not in violation of Article V, Section 5, when they installed the new Rate File No. 78-1405 Tin Mill Tractor Operator, and that we believe it to be equitable and fair for the Operator Task as defined.

/s/ C. Robert Egly

C. Robert Egly
Arbitrator
15 February 1955