IN THE MATTER OF ARBITRATION BETWEEN:

INLAND STEEL COMPANY, EAST CHICAGO, INDIANA

and

UNITED STEELWORKERS OF AMERICA, LOCAL UNION NUMBER 1010, C.I.O., EAST CHICAGO, INDIANA

DECISION AND AWARD
GRIEVANCE NUMBER 7-3-2

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Hearing at office of company, East Chicago, Indiana, November 18, 1955.

ARBITRATOR: Clarence M. Updegraff, appointed by mutual action of the parties.

APPEARANCES:

FOR THE EMPLOYER:

W. L. Ryan, Assistant Superintendent, Labor Relations Department
R. J. Stanton, Divisional Supervisor, Labor Relations Department

FOR THE UNION:

Cecil Clifton, International Staff Representative
Joseph Wolanin, Assistant to International Staff Representative
S. Antanovich, Grievance Committeeman
R. Juarez, Aggrieved.

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All agreed steps preliminary to arbitration as contracted by the parties having been observed, waived, or modified by mutual agreement a hearing was held at the office of the company, East Chicago, Indiana, on November 18, 1955, at which written and oral evidence and arguments were received and heard. It was agreed by the parties at the hearing that post-hearing briefs would not be filed.

THE ISSUE

It is contended by the union and the individual signing the grievance that the company violated Article VII, Section 9 of the contract by scheduling certain senior employees for only three working turns during the week of September

20, instead of laying off a sufficient number of junior men regularly employed in the area so that the senior men could have been scheduled and allowed to work not less than four working turns or thirty-two hours during the week in question.

The union requests that all senior people who would have worked a full thirty-two hours during said week of September 20 had the juniors been laid off as above indicated, be paid the difference between the amount which they earned and were paid and which they would have earned and would have been paid had they been scheduled to work and actually worked thirty-two hours in said week of September 20, 1954.

The company asserts that the provisions in the contract do not require that the type of lay-off and scheduling demanded by the union be followed in the circumstances which existed during the week of September 20, 1954. It relies upon the fact contention that only part of the workers in the department were scheduled for three turns during the week in question and that during all the prior and subsequent weeks during the year four turns or more per week were worked by all employees in the department in question.

Position of the Union.

The union relies strongly upon the text of Article VII, Section 9, which reads as follows:

> "Section 9. Layoffs--Force and Crew Reductions Due to Lack of Business.— When it becomes necessary to lay off employees because of decreased business activity, the following procedure shall be followed, unless otherwise mutually agreed between the Company and the Union:
>
> A. Sequential Jobs:
>
> (1) Employees within the sequence having no length of service credit (probationary employees) shall be laid off.
>
> (2) The hours of work within a sequence shall be reduced to thirty-two (32) hours per week before anyone with continuous length of service standing in a sequence is displaced therefrom.

(3) Should there be further decrease in force, employees will be laid off according to the seniority status as defined in the following paragraphs of this Section in order to maintain the thirty-two (32) hour week.

Employees will be demoted in the reverse order of the promotional sequence in accordance with factors (a), (b) and (c) defined in Section 1 of this Article. Where factors (b) and (c) are relatively equal, continuous service in the department shall govern. No question may be raised with respect to factor (b), "Ability to perform the work," where the employee has held and performed the duties of an occupation for six (6) months or more.

B. Labor Pool:

(1) Employees in the labor pool shall be laid off in accordance with their departmental seniority."

The union emphasizes its belief that since the company knew in advance sufficiently to schedule the same that only nine turns would be worked by certain employees of the Number 2 Blooming Mill during the week of September 20, and that the affected employees on the three respective shifts would only work three turns each, management should have laid off a sufficiently large number of junior employees so as to schedule at least four turns for all of the senior men retained at work.

Position of Company.

The company's contention is that the portion of the contract relied on by the union becomes effective only after management, because of decreased business activity, has unilaterally decided to lay off employees. It contends that management did not decide to lay off any employees at the time in question and hence it concludes Section 9 of Article VII has no application in the matter.

DISCUSSION OF EVIDENCE AND CONCLUSION

The evidence offered by the company clearly establishes that in the present situation the week of September 20, 1954 was the only week during the entire .

year in which only nine turns (that is, three turns of eight hours each per shift or the total of twenty-four hours) was scheduled for any of the groups in the department in question. The number of turns worked during each week of the year was shown on Company Exhibt Number 4. The exhibit follows:

"NO. 2 BLOOMING MILL DEPARTMENT
NO. OF OPERATING TURNS BY WEEKS - 1954

Week of:	No. of Turns	Week of:	No. of Turns
1/4	19	7/5	13
1/11	19	7/12	13
1/18	19	7/19	12
1/25	20	7/26	12
2/1	18	8/2	12
2/8	16	8/9	12
2/15	14	8/16	13
2/22	13	8/23	16
3/1	12	8/30	16
3/8	13	9/6	15
3/15	14	9/13	12
3/22	13	9/20	9
3/29	15	9/27	15
4/5	14	10/4	13
4/12	14	10/11	14
4/19	14	10/18	14
4/26	16	10/25	12
5/3	19	11/1	14
5/10	18	11/8	17
5/17	20	11/15	16
5/24	20	11/22	20
5/31	20	11/29	20
6/7	19	12/6	18
6/14	20	12/13	18
6/21	19	12/20	20
6/28	16	12/27	19

Average Operating Turns for 1954: 14.3"

The portion of the contract relied upon by the union and also the first part of Article VII both refer to the necessity of reduction of forces because of "decreased business activity." There was no evidence sufficient to sustain the conclusion that the company was reducing the total hours in the work weeks of part of the men working in the Number 2 Blooming Mill during the week of September 20, 1954 on account of "decreased business activity." In fact such

evidence as was offered at the hearing seems to indicate that the unusually limited scheduling of turns took place during the week in question because of purely temporary conditions growing out of managerial discretion to reduce the activities of the department in question during that one week. There was no evidence offered which linked the decision of management to work some of the people in the department only three turns during the week in question with any "decrease of business activity." The number of turns worked in the week immediately prior to the week of September 20 and the week immediately thereafter clearly indicates that substantial production was maintained both immediately before and after such week and would rebut any inference that management had, in that one week, systematically reduced production because of "decreased business activity."

The union spokesmen were certainly correct in their contention that they are not required to withhold filing an arbitration until formally notified that the company is reducing production because of "decreased business activity." If the company were to schedule a decreased number of turns for even a comparatively short number of successive weeks the inference could properly be drawn that the reduced scheduling was because of decreased business activity and if the provisions of Article VII, Section 9 were not followed under such circumstances, a grievance because of such neglect should be sustained.

A temporary curtailment of the work of a few people or even of a substantial number in a department to less than thirty-two hours and for some purely temporary purpose not clearly linked with "decreased business activity" but perhaps associated rather with temporary shortage of materials, mechanical repairs or important basic alterations of production machinery or routines in a given department, apparently should not be considered to be governed by the provisions of Section 9 of Article VII. To decide so would deprive the limiting terms "decrease of business activity" of all significance.

THE AWARD

It is awardod that under the circumstances of the particular case as reviewed above, Grievance Number 7-E-2 must be and the same is disallowed and dismissed.

Iowa City, Iowa

Arbitrator

NOV 30 1955