# ARBITRATION

Inland Steel Company

and : Grievance No. 14-E-3

United Steelworkers of America :
Local 1010 :

## Submission to Arbitration

The parties submitted the above-numbered unresolved grievance to the Arbitrator by joint letter dated October 28, 1955. By agreement the hearing was held at the Company's offices, East Chicago, Indiana, December 9, 1955.

The following appearances were made:

For the Union —

Mr. Cecil Clifton, International Staff Representative

Mr. Joseph Wolanin, Assistant to International Staff Representative

For the Company —

Mr. W. T. Hensey, Jr., Assistant Superintendent, Labor Relations Department

Mr. L. R. Barkley, Divisional Supervisor, Labor Relations Department

Mr. E. R. Reed, Assistant to Superintendent No. 3 Blooming and Hot Strip Mills

Mr. R. Peterson, General Foreman No. 3 Blooming and Hot Strip Mills

The parties read prepared briefs into the record, gave testimony and reserved the right to make further rebuttal comments subsequent to the release of the transcript. On January 16, 1956, the Arbitrator received a post-hearing memorandum from the Company, and on January 23, 1956, the record was closed after receiving a final statement from the Union that no further argument was to be presented.

## The Issue

The question before us is whether or not the Company properly denied Grievance No. 14-B-3 (No. 3 Blooming Mill), filed October 19, 1954, which contended that the Company had violated the provisions of Article VII, Section 3, of the July 1, 1954, Collective Bargaining Agreement.

## Background of the Dispute

At the time of the parties' first agreement in 1942, it was understood that, "It will be the policy of the Company in each of its several departments to establish by actual diagram a proper arrangement of promotional sequence. Because of the many differences in opinion as to a proper definite line of promotion, it is believed that an established promotional plan will be a most satisfactory arrangement. It is recognized that this will require considerable time to work out, but when worked out and agreed upon by the Company and the Union will serve as the definite promotional sequence which will be adhered to." (Article VII, Section 12, of the Agreement of August 5, 1942.)

In the parties' 1945 Agreement, Article VII, Section 6, some of the above language was repeated, particularly that part pertaining to the necessity of the parties agreeing on promotional sequences, and the following language was added: "Changes resulting from application of sections 1, 2, 3, of Article IV may require revision to the several sequences and this can be effected through the grievance procedure when not mutually agreed upon. [Article IV, Sections 1, 2, and 3, provided for the setting up of new occupations (with the privilege of filing a grievance within 12 months if the rate appeared inequitable); for reviewing rates where changed conditions, methods or equipment were present; and for the adjustment of intra-plant inequities by agreement, under War Labor Board directive order in Case No. 111-6230-D.]

Article VII, Section 6, of the 1945 Agreement also provided as follows:

"(a) An employee, in order to apply his length of departmental service to a promotion must necessarily be employed in the sequence of work wherein the promotion occurs.

"(b) An employee may not be promoted to any position in a sequence as provided in Section 1, without first performing the immediate subordinate position in the sequence, in order to establish his eligibility to a promotion in regards to the 'ability to perform the work' clause, except in cases where the employee entitled to the promotion makes this impossible by declining it.

"(c) An employee transferring from one sequence to another must begin at the bottom of the new sequence.

"(d) Employees may be demoted on request, in reverse order of the established promotional sequence in which they work, provided all other employees to be displaced either are promoted or remain in the same status in the sequence."

Section 3, of Article VII, of the parties' 1947 Agreement carried forward the provision for seniority sequences. And Article VII, Section 3, of the July 1, 1954 Agreement, under which the instant grievance arose, provides as follows:

"Section 3. Seniority Sequences. Within a reasonable time after the signing of this Agreement, but not later than ninety (90) days, the various jobs in the bargaining unit within each department shall be arranged by the Company into definite promotional sequences in accord with logical work relationships, supervisory groupings and geographic locations, and such sequences shall be set up in diagram form. It shall be a specific objective to establish such promotional sequences, insofar as possible, in such manner that each sequence step will provide opportunity for employees to become acquainted with and to prepare themselves for the requirements of the job above.

.....

"The promotional sequence diagrams, together with a list of employees in the sequence and their relative relationship therein, shall be given to the grievance committeeman for the department involved within said ninety (90) day period, and such grievance committeeman shall confer with the Company regarding any changes therein he deems necessary or desirable. The diagrams and lists proposed by the Company shall be posted

upon the bulletin boards in the department involved. Such diagrams and lists shall take effect at the time of posting, subject to being revised under the grievance procedure of Article VIII hereof, beginning with Step 2.

"The diagram lists of employee relationships shall be posted and shall be kept up-to-date by the departmental management. Where a permanent change in the relationship of jobs in a sequence takes place or new jobs are installed, the sequence diagrams and lists referred to in this Section shall be revised under the principles set forth above." (Emphasis added).

Following the signing of the July 1, 1954 Agreement the Company, as provided by the first paragraph of Article VII, Section 3, arranged the various bargaining unit occupations in the No. 3 Blooming Mill Department into promotional sequences and set them up in diagram form and submitted them to the grievance committeeman. On September 28, 1954 the diagrams were posted on the bulletin boards in the department and were made effective as of that date. The sequence which created the problem now before us is known as the Rolling Sequence. This sequence, under the prior agreement, had been an inverted forked sequence, i.e., there were two lines of promotion upward which merged into one line at the position of the Slab Piler Operator (Company Exhibit "B"). The new Rolling Sequence, as posted on September 28, 1954, (Company Exhibit "A") was a straight line sequence from the labor pool at the bottom to the Manipulator at the top.

The Union filed Grievance No. 14-E-3, October 19, 1954, contending that the posting of the revised sequence chart was in violation of Article VII, Section 3, of the Agreement (Union Exhibit 1; Company Exhibit "C"). This grievance was processed in the Second and Third steps of the grievance procedure, without settlement, and is now properly before the Arbitrator as provided by Article VIII, Section 2, Step 4, and Article VII, Section 3, paragraphs 1 and 2.

The Union's Position

As brought out in the earlier steps of the grievance procedure (Union Exhibits 1B and 1C), the Union contends that, since there was no "permanent change" in the total average earnings of the Hot Steel Hooker occupation and Table Transfer Operator occupation, there was no proper basis for a realignment of jobs within the No. 3 Blooming Mill sequence. It is contended that the unilateral posting of the new sequence is in violation of Article VII, Section 3. The Union asks that the former Rolling Sequence (showing the Hot Steel Hooker and Table Transfer Operator occupations in one leg of the sequence and the Auxiliary Group occupations in the other leg of the sequence) be restored.

The Company's Position

The Company points out that the Rolling Sequence posted September 28, 1954, was a newly established sequence under Article VII, Section 3, of the July 1954 Agreement. It is claimed that this sequence was diagrammed and established in accordance with the provisions of Article VII, Section 3, and not in violation thereof.

Discussion

The Union calls our attention to a special agreement made by the parties in 1949 and known as the M and M Agreement (Mechanical and Maintenance Agreement of August 4, 1949; Union Exhibit 3). This was a supplement to the general agreement of 1949, and it provided that:

> "Promotional sequences previously established shall remain in effect unless and until permanent changes in the relationships of the jobs take place subsequent to their establishment. Sequences shall be established within the provisions of Article VII, Section 3, of the Collective Bargaining Agreement, it being understood, however, that where the principle of preparation for the requirements of the jobs above is in conflict

with the principle that occupations shall be arranged in ascending order of total earnings, the principle of preparation for the jobs above may be given precedence." (Emphasis supplied).

Also in 1949 the parties agreed that sequences were to be established to meet the following criteria: (1) Logical work relationship; (2) Supervisory groupings; (3) Geographical locations; (4) Opportunity to train for the next occupation; and (5) Alignment of jobs in order of ascending total average hourly earnings. These criteria were met. Sequences were established and agreed upon by the parties. And the Union now contends that, by reference, this situation is continued in the language of the final paragraph of Article VII, Section 3 of the 1954 Agreement which states that, "...Where a permanent change in the relationship of jobs in a sequence takes place or new jobs are installed, the sequence diagrams and lists referred to in this Section shall be revised under the principles set forth above." Thus, it is contended by the Union, without some "permanent change", or the introduction of new jobs in the sequence, there is no basis for the unilateral revision of the sequence.

The Company's position, if we interpret it correctly, is that the first paragraph of Section 3 sets up the proper procedure. The first sentence of this paragraph says that "Within a reasonable time after the signing of this Agreement, but not later than ninety (90) days, the various jobs in the bargaining unit within each department shall be arranged by the Company into definite promotional sequences in accord with logical work relationships, supervisory groupings and geographic locations, and such sequences shall be set up in diagram form..." (Emphasis supplied).

It is the contention of the Company that the promotional sequence which it posted on September 20, 1954, met the criteria required and was

within the stipulated ninety day period. Therefore, it has acted in accord with the provisions of the Agreement and not in violation of these provisions.

It is further claimed by the Company that on several previous occasions new promotional sequences have been posted, without protest from the Union. In fact the promotional sequence chart for the department here involved was revised in January 1951 (Union Exhibit 4), in November 1952 (Union Exhibit 5), and in January 1953 (Union Exhibit 6). No objection was raised by the Union until the posting of the promotional sequence following the 1954 Agreement.

Apparently the objection was raised because the Hot Steel Hooker, whose position on the old sequence chart was at approximately the same level as that of the Pit Clerk (when the two were on parallel lines of the forked sequence), was now placed below the Pit Clerk in the single line sequence (Company Exhibit "A"; Union Exhibit 6). The previously posted sequential charts in this department, those of 1951, 1952 and 1953, showed only minor changes; but there were changes. Our question then is: Under the language of Section 3, must the Management wait for a permanent change in the relationship of jobs? Or may it post a new sequential chart within ninety days after the execution of the new agreement, regardless of whether any permanent change has taken place?

## Conclusion

At the risk of being repetitious in requoting the pertinent language of Section 3, let us consider that part of it which has been stressed by both sides.

"Within a reasonable time after the signing of this Agreement, but not later than ninety (90) days, the various jobs in the bargaining unit within each department shall be arranged by the Company into definite promotional sequences in accord with logical work relationships, supervisory groupings and geographical locations, and such sequences shall be set up in diagram form ..."

"The promotional sequence diagrams ... shall be given to the grievance committeeman for the department involved within the said ninety (90) day period and such grievance committeeman shall confer with the Company regarding any changes therein he deems necessary or desirable. The diagrams and lists ... shall be posted ... Such diagrams and lists shall take effect at the time of posting, subject to being revised under the grievance procedure of Article VIII hereof, beginning with Step 2.

"The diagram lists ... shall be kept up-to-date by the department management. Where a permanent change in the relationships of jobs in a sequence takes place or new jobs are installed, the sequence diagram and lists referred to in this Section shall be revised under the principles set forth above." (Emphasis added).

As we see it, this Section provides for two points at which the sequential diagrams and lists of each and every department may or must be changed: First, such diagrams and lists must be posted within ninety days after the signing of the new agreement. It may be the same as the previous diagram, but the language of this Section provides for a review of sequential diagrams and posted lists within the ninety day period. The Union may file a grievance, as it has in this instance. But as we see it, any attack on the new diagrams or lists, to be pursued successfully, must show that the Company has not complied with the properly prescribed criteria.

Second, the final paragraph of Section 3 provides for the same procedure, during the life of the Agreement, if "a permanent change in the relationship of jobs in a sequence takes place or new jobs are installed ..." If we understand the Union's position in this case, it

is contending that the conditions named in this final paragraph are conditions precedent to any change in sequential arrangements. With this we cannot agree.

After reading and rereading the language of Section 3, after considering the historical background of this language, and after due consideration of the arguments of the parties, it is our conclusion that the Company was authorized to post a new list and a new sequential diagram for the No. 3 Blooming and Hot Strip Mills (and all other departments), within ninety days after the signing of the July 1, 1954 Agreement. It is our understanding that the grievance committeeman was shown a copy of the Rolling Sequence before it was posted, as the Agreement requires. If this is correct, the procedure was "according to Hoyle."

If the Union felt that the Company had not properly observed the criteria to be followed in establishing its new sequential diagram and list in the Rolling Sequence, it had a perfect right to challenge the list on that ground. But it is our understanding that the grievance as written challenges the Company's right to set up new sequential charts within the ninety day period after the signing of the Agreement. If we should sustain this claim, we would, in effect, wipe out the first paragraph of Section 3. We cannot ignore the plain meaning of that paragraph. And we do not believe that the language of the final paragraph of Section 3 states a condition precedent to the application of the first paragraph. Rather, we think it provides for changed situations arising during the life of the Agreement, after the ninety day period has passed.

## Award

The grievance is denied. The action taken by the Company in posting the Rolling Sequence in the No. 3 Blooming Mill within ninety days after the adoption of the July 1, 1954 Agreement was in accord with Article VII, Section 3, and not in violation thereof.

John Day Larkin
Arbitrator

Chicago, Illinois
February 24, 1956