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ARBITRATION AWARD

In the Matter of the Arbitration between

.....
INLAND STEEL COMPANY INDIANA HARBOR WORKS .
EAST CHICAGO, INDIANA .

and .

Grievance No. 16-E-10

.....
UNITED STEELWORKERS OF AMERICA, .
EAST CHICAGO, INDIANA .
.....

Introduction

This Arbitration was heard in the Labor Relations Conference Room in the south annex building of the Company in East Chicago, Indiana.

Appearances

The following appeared on behalf of the Union:

Cecil Clifton, International Representative
Fred A. Gardner, Chairman of Grievance Committee
Harold King, Aggrieved
James Edgman, Grievance Committeeman

The following appeared on behalf of the Company:

H. E. Muller, Superintendent, Roll Shop
W. T. Hensey, Jr., Asst. Superintendent,
Labor Relations
A. W. Kapshull, General Foreman, Roll Shop
W. A. Dillon, Divisional Supervisor, Labor
Relations

The entire matter was taken down and transcribed by a Court Reporter.

The Arbitrator was Harry Abrahams.

Issue

Whether or not the Company violated the provisions of Article VII Section 2 of the July 1, 1954 Collective Bargaining Agreement in issuing a Reprimand to Harold King, No. 13167 on October 22, 1954, because of his work performance on that turn.

Reprimand

Register No. 141187

Date October 28, 1954

To Harold King Check No. 13167 Dept. Roll

You are hereby advised that you have violated Company Rules and Regulations as noted below:

DATED: October 22, 1954 TIME: 11-7 Turn PLACE Strip Mill Roll Shop

OUTLINE OF VIOLATION:

On the above date you ground five (5) - 19-1/2" x 42" size rolls with the following stock removal and bonus earnings.

<u>Roll #</u>	<u>Stock Removal</u>	<u>Bonus</u>
26176	.020"	.3 (Including Wheel Change)
7784	.015"	.2
24980	.015"	.2
14159	.010"	.35(Including Wheel Change)
32337	.010"	.35

A total of five (5) rolls and two (2) wheel changes.

This performance is not acceptable as a day's work being below par in the number of rolls ground and below par in bonus earnings.

Sub standard work output will not be tolerated. If your production does not come up to standard we must interpret this as your inability to produce acceptable work at the nominal pace. Future performances at this level may lead to disciplinary action.

/s/ Arthur W. Kapshull
Foreman - Strip Mill Roll Shop

/s/ H. E. Muller
Superintendent

Grievance

"Believe reprimand given to Harold King, No. 13167, on October 28, 1954, was unnecessary."

Company's Answers

Step 1" The reprimand referred to in this grievance, register #141187, was issued by H. King, Check #13167, on October 28, 1954, because his work performance on the 11-7 turn on October 22, 1954 was below the acceptable standard for an experienced and qualified roll grinder.

A check of the Daily Grinding Report for October 22, 1954 establishes that the aggrieved's performance on this date was below the level of performance turned in by other

roll grinders for the same type of work and below the level of performance considered adequate for a qualified and experienced roll grinder.

In view of the above there has been no violation of Article VII, Section 2 of the contract and the request of this grievance is denied."

Step 2 "The circumstances out of which this grievance arose were thoroughly reviewed in the Second Step hearing. No legitimate circumstances, which would justify the level of performance turned in by the aggrieved, were brought to light by the Union representatives during this hearing. Therefore, it must be concluded that the reprimand issued to the aggrieved was proper, and the request of this grievance is denied."

Step 3. "The Third Step hearing relative to the above captioned grievance was held January 5, 1955. The Union was represented by you, International Representative; W. Young, Vice-Chairman, Grievance Committee; J. Sargent, Secretary, Grievance Committee; and H. King, Grievance Steward and aggrieved employee. W. T. Hensley, Jr., Assistant Superintendent, Labor Relations, represented the Company.

This grievance alleges that the Company was in violation of Article VII, Section 2 of the Collective Bargaining Agreement when H. King, #13167, was reprimanded for inadequate workmanship. The aggrieved contends that the issuance of this reprimand was not warranted under the circumstances of this case.

During the Third Step hearing no evidence was presented which supported the aggrieved's claim that under the circumstances his work performance on the turn in question was justified. A review of the Daily Grinding Report, together with other pertinent circumstances, establishes that the reprimand issued to the aggrieved was warranted.

There has been no violation of Article VII, Section 2 as alleged and the request of this grievance is denied.

This constitutes a Third Step reply."

July 1, 1954 Contract Provision
Involved Article VII, Section 2

"Personnel Records. Records and ratings as to each employee's service with the Company shall be maintained in the department in which he is employed, and such records and ratings shall include matter relative to an employee's work performance and length of service in such department and in the sequences therein. Each employee shall at all times have access to his personnel record and in case of those employees whose record indicates unsatisfactory workmanship, the superintendent of the department or his assistant will call the employee in and acquaint him with the reasons for unsatisfactory rating.

The superintendents of departments will, when necessary, continue the program of acquainting the employee with written notices of discipline or warning to stop practices infringing on regulations or improper workmanship. These letters are recorded on the personnel cards. In all cases where one (1) year elapses after a violation requiring written notice, such violation will not influence the employee's record.

These records of the employee's individual performance have much influence on the "ability to perform the work" clause in Section 1 of this Article, but in no case will the Company contend inability to perform the work when the procedure as outlined in this Section has not been strictly complied with. Should any dispute arise over the accuracy of the personnel record, it shall be disposed of through the normal grievance procedure."

Background of the Dispute

The above Reprimand was issued by the Company to the Grievant, Harold King, on October 28, 1954, because of his work performance on the 11-7 turn on October 22, 1954. The Grievant is employed in the Roll Department Strip Mill Roll Shop as a Roll Grinder. He started working for the Company on September 1, 1938.

On October 22, 1954, the Grievant was working on the No. 10 Cold Strip Grinding Machine, grinding 19½" x 42" Cold Strip Tandem Mill Rolls. On that date, he finished five rolls and made two wheel changes. The Company contended that he should have completed six rolls and therefore issued its reprimand.

On November 29, 1954, a grievance was filed requesting that the Company remove its reprimand from King's personal record. No settlement having been reached between the parties as to this grievance, it was submitted to this Arbitrator for a final and binding decision.

Contentions of the Union

1. The Company superintendent nor his assistant never told Mr. King the work he was performing for the Company was unsatisfactory prior to the Reprimand now before the Arbitrator.

2. The Company is holding all letters against the employee after an elapse of one (1) year which also is a violation of this Article.

3. Mr. King did a good day's work on the day in question. He ground five rolls and made two wheel changes.

4. If you notice J. Brantner ground six rolls and had one wheel change, and the stock he removed was much less than what Mr. King removed.

The same applies for C. O'Neal and J. Suddler; the stock they removed was much less than Mr. King's stock removal, and they only ground six rolls.

5. Although the Union never contended the Company was putting pressure on Mr. King because of his Union activity, they must have been guilty as Mr. Clifton stated at the Arbitration.

It is true that Mr. King had received only one (1) reprimand before he became Steward, but has received three (3) since.

6. The reprimand is erroneous because Mr. Kapshull signed the reprimand as the foreman, and Mr. J. Queer was the foreman on the turn in question; Mr. Kapshull was in Canada.

7. Mr. Queer had stated Mr. King had done a good day's work and had approved his grind reports.

8. The Company could have had Mr. Queer at this arbitration to refute our allegations, but for some unknown reason he was not at the hearing.

9. In conclusion the Union contends they have proved that the Inland Steel Company has violated Article VII, Section 2 and the reprimand should be stricken from his record.

10. Mr. King had worked at an incentive pace because he earned 1.4 bonus on the day in question.

11. The Company has never issued any rule or regulation saying the employees must perform a certain amount of work and earn a certain amount of bonus.

12. The Company was uncertain of their position when they waited until November 9, 1954, to give Mr. King the reprimand.

Company's Contentions

1. The action taken in this case was in compliance with the provisions of Article IV, Section 1 of the July 1, 1954 Collective Bargaining Agreement.

2. The issuance of the reprimand letter to Harold King because of his work performance on October 22, 1954 was issued for just cause.

3. The issuance of this reprimand letter was in compliance with the provisions of Article VII, Section 2 of the Agreement.

4. There has been no violation of Article VII, Section 2 of the Agreement as contended by the Union.

Discussion

Many contentions and arguments were presented by both the Company and the Union which were collateral to the real issue involved, and will therefore not be discussed in this award.

The real issue is whether the Company had just cause for issuing its said Reprimand to King.

In that Reprimand, the Company stated; that King's performance on October 22, 1954, was not acceptable as a day's work as it was below par in number of rolls ground and below par in bonus earning; that substandard work output will not be tolerated, as production must come up to standard. The other reprimands against King shown on his service were for poor work performance.

In order to make a determination of the issue involved it will be necessary, among other things, to ascertain (1) what is below par in the number of rolls to be ground; (2), what is below par in bonus earnings and (3) what is standard production or work output from the viewpoint of the Company.

The Company stated that King should have produced at least 6 rolls and that a check of the Daily Grinding reports for October 22, 1954 showed that King's performance was below the level of performance turned in by other roll grinders for the same type of work.

The cold strip grinders received a base rate of \$2.455 per hour plus \$1.115 per hour as an incentive factor on a Halsey-type of incentive plan. (Inland's 50/50 Standard Hour Plan).

The Company in explaining its 50/50 standard hour plan stated that the allowed time rates were developed by first determining standard time for the operation involved at "incentive level" on effort or pace. The said standard time was then inflated by 50% which equalled the allowed time (allowed time - standard time x 1.5). The allowed hours or time - minus the actual hours taken for the job divided by 2 equalled the bonus hours for which the employees were to receive incentive pay. In other words if the standard time for the job was found to be 8 hours, the allowed time was determined by inflating the 8 hours by 50% which would here equal 12 hours. The bonus pay hours would be $\frac{12-8}{2} = 2$.

The basic earnings would be 8 hours x 2.455 (base rate) / incentive earnings of 2 hours x 1.115 (the incentive factor).

The incentive rates used were in the form of allowed hours per roll and varied as to the type and size of the rolls to be ground, the grit or coarseness of the grinding wheel to be used and the amount of stock reduction of the roller.

On the day in question King finished 5 rolls and changed 2 grinding wheels. On his own time ticket he showed that 10 hours and 48 minutes of allowed time was set for the work he completed. He also showed on said time ticket that, that work was completed by him in 8 hours thereby giving him a total bonus in hours of 2 hours and 48 minutes for which he was entitled to bonus pay on the basis of 1 hour and 24 minutes (1.4) being 50% of his total bonus hours (2.8).

J. Brantner, one of the other roll grinders on October 22, 1954, turned out six rolls, with one wheel change and received bonus pay of two hours and 6 minutes (2.1) as his total bonus time was 4 hours and 12 minutes. The 150 grit wheel was used on 5 of the rollers and the 80 grit wheel was used on one roller. The 80 grit grinding wheel is a coarser wheel than the 150 grit grinding wheel.

King made two wheel changes while turning out 5 rollers and used the 80 grit wheel on three of those rollers and the 150 grit wheel on the other 2 rollers. The time allowed for such wheel changes was 30 minutes per wheel. The amount of reduction on each roller by King was greater than the amount of reduction on the rollers handled by employees, Brantner, O'Neal and Sudler except for one of Brantner's rollers #24190, which had .018 reduction.

Another employee, O'Neal, who was also working on the 19" x 42" rolls using a 150 grit grinding wheel with reductions from .006 to .008 produced 6 rolls in 8 hours. His total allowed time was 12 hours and he received 2 hours bonus pay. He had no wheels to change.

King stated that he was never told the number of rolls which had to be completed in any 8 hours of actual time. That the reason he completed only 5 rolls was that he had to remove 2 grinding wheels for which he was allowed 1 hour and some large stickers which was on one set of the rolls he was to grind. These stickers were not shown on his time ticket where it would normally appear. He stated however, that he called the foreman's attention to these rolls who told him to use the 80 grit wheel which he did, on one of the rolls, after removing the large stickers. He stated that his foreman said that he had done a fair day's work. The foreman was not called by the Company to testify.

There was no direct evidence submitted denying the testimony of King as to the stickers which he stated he removed and it was clear from the evidence submitted that King did remove 2 grinding wheels; that he did have a greater amount of reduction on the rollers than the said other employees even where he used the 150 grit grinding wheel, that he did

finish 5 rolls, and that he earned bonus pay for 1 hour and 24 minutes.

The Company never set a standard based on the number of rolls to be produced or put out by the grinders in either hours of actual work or a standard on bonus earnings.

In any event, not having set such standards, it would be unjust to permit such a Reprimand to now stand against King where he put in 8 hours of actual work and received bonus earnings for the day's work. The Arbitrator is not by these statements indicating either affirmatively or negatively that such standards should or could be unilaterally set by the Company.

A W A R D

That the grievance of the Union herein be and the same is hereby granted, and that the reprimand given to Harold King on October 28, 1954 be removed from his personnel record.

/s/ Harry Abrahams
Arbitrator

August 21, 1956.