Grievance No. 16-E-16
Appeal No. 133
Arbitration No. 153

INLAND STEEL COMPANY)
)
and)
)
UNITED STEELWORKERS OF AMERICA)
Local Union 1010)

Opinion and Award

Appearances:

For the Company:

Henry M. Thullen, Attorney of Vedder, Price and Kaufman

For the Union:

Cecil Clifton, International Staff Representative
Fred Gardner, Chairman Grievance Committee

In this grievance the Union charges the Company with violating Article V, Section 1 of the 1954 Agreement by denying the No. 23 A Crane Operators in the Cold Strip Department on and after January 3, 1955 the average total hourly earnings agreed upon by the Company and the Union under Wage Incentive Plan, File No. 77-0507-1.

This Wage Incentive Plan in its modified form was dated May 25, 1953 and stipulated that the No. 23 A Crane Operators in the Cold Strip Department would receive average total hourly earnings of $2.25 "until a new incentive plan has been developed." These Crane Operators were then servicing the No. 2 Anneal Area and had previously been paid on the basis of the tons annealed in this area. In May, 1953 the Company began to dismantle and remove the annealing bases and furnaces in the bay serviced by the 23 A crane, thus making the tonnage payment method inappropriate, and on or about May 25, 1953 the Union agreed with the Company on the average hourly earnings payment described in File No. 77-0507-1 for these Crane Operators. By the end of December, 1954 all but ten of the 39 bases and five of the 13 furnaces had been removed and new Tin Mill equipment was installed in their place. The remaining bases and furnaces were left there on a stand-by basis, and the 23 A Crane Operators were placed under the direction of the Tin Mill supervisors.

Considering this a new job, or one in which the job content of the existing job had been so changed as to call for a new job classification, the Company prepared and presented to the Union representatives, in accordance with Section 6 of Article V, a new job description and classification to become effective January 3, 1955. The occupation was formerly in job class 10; the Company evaluated and placed it in job class 8 as of January 3, 1955.

The Union did not challenge the new job description or classification, although the grievance under discussion was filed on January 18, 1955 complaining that this constituted a violation of the Agreement to freeze the $2.25 average total hourly earnings rate until a new incentive plan was agreed upon, relying, as stated, on Article V, Section 1.

It was decided by Management that from time to time it would be necessary to have the 23 A Crane Operators service the remaining annealing furnaces and bases. Consequently, on January 17, 1955, considering this a reactivation of the No. 2 Anneal - Cold Strip Department, the Company presented to the Union representatives the classification and job description to cover such work. This amounted to a reinstatement of the prior classification and job description, together with its incentive plan and frozen average hourly rate, and the Union accepted this. These Crane Operators thus have a different classification and wage payment plan when working for the Cold Strip Department from what they have while operating the same crane for the Tin Mill.

It is not necessary to the decision in this case to point out the differences in job duties of the 23 A Crane Operators when doing No. 2 Anneal work and Tin Mill work. There are material differences evident in the job descriptions. If the differences did not warrant new or different job descriptions and a different classification, it was incumbent on the Union to protest and challenge the new classification within 30 days after it was installed, pursuant to Section 6 D of Article V.

The Union's case rests squarely on the last paragraph of Section 1 of Article V which provides:

> "All incentive plans used in computing incentive earnings (including all methods, bases and guaranteed minimums under said plans) which were in effect on June 30, 1954, shall remain in effect for the life of this Agreement, except as changed by mutual agreement, or pursuant to the provisions of Sections 4, 5, and 6 of this Article."

The perpetuation for the life of the Agreement of the incentive plan and guaranteed minimum of the 23 A Crane Operators is made subject to the possible exception that the plan may be changed pursuant to Sections 4, 5, and 6. In this instance the Section 6 exception applies. The pertinent parts of this section are:

> "Description and Classification of New or Changed Jobs. The job description and classification for each job as agreed upon under the provisions of the Wage Rate Inequity Agreement of June 30, 1947, and the Supplemental Agreement relating to Mechanical and Maintenance Occupations, dated August 4, 1949, shall continue in effect unless (1) the Company changes the job content (requirements of the job as to training, skill, responsibility, effort or working conditions) so as to change the classification of such job under the Standard Base Rate Wage Scale or (2) the description and classification is changed by mutual agreement between the Company and the Union.

"When and if, from time to time, the Company at its discretion establishes a new job or changes the job content of an existing job (requirements of the job as to training, skill, responsibility, effort or working conditions) so as to change the classification of such job under the Wage Rate Inequity Agreement of June 30, 1947, as amended and supplemented, a new job description and classification for the new or changed job shall be established in accordance with the following procedure:

A. The Company will develop a description and classification of the job in accordance with the provisions of the aforesaid Wage Rate Inequity Agreement.

B. The proposed description and classification will be submitted to the grievance committee of the Union for approval.

C. If the Company and the grievance committee are unable to agree upon the description and classification, the Company shall install the proposed classification and such description and classification shall apply in accordance with the provisions of the aforesaid Wage Rate Inequity Agreement, subject to the provisions of subparagraph D below.

D. The employee or employees affected may at any time within thirty (30) days from the date such classification is installed, file a grievance alleging that the job is improperly classified under the procedures of the aforesaid Wage Rate Inequity Agreement. Such grievance shall be processed under the grievance procedure set forth in Article VIII of this Agreement and Section 9 of this Article. If the grievance be submitted to arbitration, the arbitrator shall decide the question of conformity to the provisions of the aforesaid Wage Rate Inequity Agreement, and the decision of the arbitrator shall be effective as of the date when the disputed job description and classification was put into effect."

The meaning of these contractual provisions is perfectly clear, in light of the specific exception mentioned in Section 1 (marginal paragraph 26). Obviously, the incentive plans and guaranteed minimums which are to remain in effect for the life of the Agreement are those connected with specific jobs. When there is a new job or a job so changed as to merit a different job description and classification, as stipulated in Section 6, such a new or changed job does not carry with it the incentive plan or guaranteed minimum of the former job. It could not be stated more clearly that the

Company has the discretion to establish new jobs or to change the job content of the existing job so as to change the classification of such job under the Wage Rate Inequity Agreement, and the reference in Section 1 to Section 6 as an exception to the requirement that an existing wage incentive plan must remain in effect leads to only one conclusion, under the facts of this case.

The award is that the Union's appeal is dismissed.

February 18, 1957

David L. Cole
Permanent Arbitrator