

INLAND STEEL COMPANY

- and -

UNITED STEELWORKERS OF AMERICA
Local Union No. 1010

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)
) Grievance No. 9-F-8
) Docket No. IH-151-149-3/22/57
) Arbitration No. 222
) Opinion and Award

Appearances:

For the Company:

H. Thullen, Attorney
W. Price, Attorney
W. A. Dillon, Assistant Superintendent,
Labor Relations Department
J. Herlihy, Superintendent, Industrial Engineering
Department
G. Jones, Supervisor, Industrial Engineering
Department
J. Johnstone, Shop Foreman, Plain Roll Shop
Department

For the Union:

Cecil Clifton, International Representative
F. Gardner, Chairman, Wage Rate & Incentive
Review Committee
J. Wolanin, Acting Chairman, Grievance Committee
L. Zugbaum, Grievance Committeeman

The Contour Lathe Operators in the Roll Shop grieve that a year has elapsed since the job of "Operator - Tracing Lathe" was described and classified and that the Company has had ample time to install an incentive plan, as requested, but has not done so. They request that "immediate steps" be taken to install an incentive plan.

In the Roll Shop, prior to the introduction of the contour lathes, there were approximately 19 piano rest lathes used to machine and recondition mill rolls to rigid and exact specifications. These machines are of a conventional type in common use in the basic steel industry. According to the Shop Foreman in the Roll Shop who has had about 45 years experience in that location, the working procedures, tools and methods applicable to the operation of the piano rest lathes in the processing and reprocessing of mill rolls are the same today as when he started work in the shop. An incentive plan covers the work of the operators of the piano rest lathes.

A 48" electronic contour lathe was installed in November, 1955 and a 36" hydraulic contour lathe was installed in January, 1956. The grievance relates to the failure of the Company to install an incentive plan with respect to the operation of this new equipment.

The Union's position based on the provisions of the first paragraph of Article V Section 5 (Marginal Paragraph 52) is that it is "practicable to measure the efforts of the employees on this occupation readily in relation to the overall productivity of the department or on the basis of individual group performance." It states that the work is of a repetitive nature and "presents no problems to a Incentive rate to cover the work performed on the contour lathe". The Union observes that during the grievance steps the Company "did not * * * give any reasons as to why it was not practicable to install an incentive on this occupation."

The Company did not deny this statement but answered it with the explanation that the reasons why it was not regarded as practicable, at that time, to install an incentive plan had been given to the Union representative of the Roll Shop at meetings held prior to the time this grievance was filed. It asserts that there was no doubt on the part of the Union representative in the Roll Shop during the grievance steps as to why it was impracticable to install an incentive plan.

Marginal Paragraphs 195 and 196 require that meetings be held "for the purpose of discussing the grievance" in the second and third steps of the grievance procedure. This requirement is not satisfied by a formal statement of position such as that contained in the third step answer in this case that

"While the Company is investigating the possibility of installing an incentive on the Contour Lathe Operator occupation, the Company has not determined that it is practicable to install an incentive at this time."

It is not suggested that this statement is inadequate for the purpose of the third step answer, but rather, that it is not an adequate substitute for the discussion/"discussing" required by Marginal Paragraphs 195 and 196. It is not enough to rely upon reasons and explanations for Company action or inaction communicated to Union representatives at some earlier date or in some other connection. The purpose of the specific provisions of the Agreement can only be served if those officials of the Union authorized to represent it at the grievance step meetings are furnished with the reasons for the position taken at the discussions which take place at such meetings.

The Company may not assume that reasons expressed to a grievance committeeman or steward were, in fact, adequately communicated to the officials of the Local Union or the International Staff Representative who bear the responsibility of discussing the grievance in the steps of the procedure prescribed or of presenting the case in arbitration. If the reasons for the Company's position are not communicated personally to the responsible officials at the grievance meetings and discussed with them, the grievance procedure will not serve its function of enhancing the possibilities of a resolution of disputes prior to the arbitration step. Manifestly, the obligation of the Company to "discuss", as stated above, is shared by the Union in equal degree.

Although the Union called attention to the failure of the Company to communicate its reasons for its position at the grievance meetings, it did not object to the introduction of evidence bearing on the merits of the Company's position. Accordingly, this evidence is accepted as part of the record of the case.

The Company raised objections of a jurisdictional character relating to the Union's right to review its determination under Marginal Paragraph 52 similar to those mentioned in Arbitration No. 225. For the reasons set forth in the opinion in that case, I shall proceed to consider this matter on the merits.

The Company asserts its continuing desire and intention to cover the Contour Lathe Operators with an incentive plan as soon as it finds a practicable means of doing so. It points out, however, that it has not been successful to date, despite its efforts, in standardizing the tools, speeds and working procedures for this new equipment. Such standardization was attained decades ago for the operation of the conventional piano rest lathes. However, there are many factors of difference which prevent the experience with piano rest lathes from being utilized in the development of an incentive plan for the operation of contour lathes. Furthermore, the contour lathes are new in the industry and the experience of other companies is not available to be drawn upon by the Company here. Indeed, in the course of its efforts to devise a practicable incentive plan the Company has retained the services of outside and independent consulting industrial engineers -- but to the present no solution of the problems faced has been found.

Those problems result from the following circumstances and conditions:

1. The contour lathes run "about ten times faster than the conventional lathes". Although their maximum speed is about 300 surface feet per minute, they have been operated

at a range of from 50 to 100 feet per minute. The Company claims it is experimenting with different speeds for different tools and variations in the composition of rolls, but has yet to determine a standard. Piano rest lathes operate from 10 to 15 feet per minute. This greater speed of contour lathes is critical to the proper performance of the job, the breaking of tools, the composition of the rolls, etc.

2. Roll turners operating piano rest lathes know the type of tool to be fitted and used. They are standardized as to grade and available in bins. Hardness and composition of those tools is not a critical factor in relation to the turning because of the relatively slow speed.

In the case of the contour lathes, however, tool identification and selection, is still in a highly experimental stage. Usually the tools are of tungsten carbide or titanium carbide. There has been considerable tool breakage. The Company's Supervisor of Industrial Engineering testified:

"We found that the composition or make-up or hardness of the tools was a very critical thing in relation to the hardness of the rolls and also the composition of the rolls and there was a considerable amount of experimenting on the part of the operator and also the direction of the foreman as to the proper feeds in relation to these variable factors and so in all these observations there was a wide range of time taken due to this experimentation and uncertainty."
(Tr., pp. 22,23)

It appears, further, that the character of tool holders is also in an experimental phase.

3. The Company claims that the variations in the metal composition of the rolls to be processed creates a problem not experienced with respect to piano rest lathes because of their operation at slower speeds. On the contour lathes, it is said, the composition of the roll is more critical "because the correct combination of depth of cut, cutting speed

and feed varies with the combination of roll composition and the composition of the tool."

These factors affecting the practicability of the installation of an incentive plan are said to have been based on observations by the Company engineers in February, 1956 for three days, an additional three days of observation in April, 1956 and discussions with outside experts and consultants. Conferences between industrial engineers and supervisory personnel have been held at least once every six weeks and are still being held in an effort to standardize procedures and materials to the end that performance may be measured and an incentive plan installed.

The Union strongly asserts that performance and effort with respect to the contour lathes is measureable; the record however contains no denial of the basic facts outlined above upon which the Company's case was based.

On all of the evidence, I find that it has not been practicable for the Company to install an incentive plan under the circumstances referred to in Marginal Paragraph 52.

AWARD

The grievance is denied.

Peter Seitz,
Assistant Permanent Arbitrator

Approved:

David L. Cole,
Permanent Arbitrator

Dated: December 27, 1957