

1/9/59

INLAND STEEL COMPANY)	
)	Grievance No. 22-F-35
and)	Docket No. IH 315-306-5/5/58
)	Arbitration No. 296
UNITED STEELWORKERS OF AMERICA)	
Local Union No. 1010)	Opinion and Award

Appearances:

For the Union:

Cecil Clifton, International Representative
F. Gardner, Chairman, Grievance Committee
J. Wolanin, Secretary, Grievance Committee
J. Gyurko, Grievance Committeeman

For the Company:

W. F. Price, Attorney
L. E. Davidson, Assistant Superintendent, Labor Relations
H. C. Cummins, Supervisor, Industrial Engineering
H. R. Kroner, Assistant Superintendent, No. 3 Open Hearth
Department
L. Lee, Industrial Engineering Department

This case was heard on December 2, 1958 and is one of a series of associated cases involving new incentive plans for various occupations in the No. 3 Open Hearth Department which were installed in connection with the expansion and change of facilities in that Department.

The Mould Yard Cranes involved here operate around the clock. The primary duties of the operators involved is to clear moulds, lift moulds from stools, handle inbound and outbound moulds, water dip moulds and general clean up.

The Company based its plan, in dispute here, on time-study data, with respect to two turns, accumulated in February, 1957 during a period of four furnace operation when there was one Crane in operation with one operator per turn. With this data, and employing its customary procedures, the Company computed a work load (adjusted to 94% availability of four furnaces) of 64.6%.

Coincident with the changed conditions (seven furnaces, 320 ton heats, etc.) the Company changed its manning schedule. The new plan contemplates one crane for a four furnace level of operation (as heretofore) and for a five furnace level of operation; and two cranes for a six and seven furnace level of operation. Applying the new time standards to the expected number of heats per turn, produced a work load of 61% for the seven furnace level of operation, or a reduction in work load of 3.6%. The Company proceeded to develop the new plan which as against a previous incentive margin of 13.1% would yield an incentive margin of 21.4%.

The record supports the conclusion that the new incentive, in the light of the new and changed conditions, provides equitable incentive earnings, particularly so in relation to the previous job requirements.

Although the earned incentive margin above base rate was 13.1% before the changes under a four furnace level of operations, it would be 21.4% under a full seven furnace level of operations with two cranes operating. Further adjustments are made on the basis of effort expended. Thus, on a six furnace level of operations with two cranes, the earned incentive margin is 18%; on a five furnace level with two cranes it is 15% but with one crane it is 30%. Under the new plan the earned incentive margin of 25% over base for a four furnace level of operation compares favorably with the 13.1% previously provided.

Some testimony was presented with respect to confusion in shipping operations during a recent period in which seven furnace operation was initiated and to an increase in the number of "stickers". However, this testimony was somewhat vague and subjective and not sufficiently convincing to justify modification of the incentive plan.

The incentive earnings produced by the plan are equitable in relation to previous earnings. This is borne out by the fact that in the 90 day reference period under four furnace operation the average hourly earnings were \$2.316. This amount has been consistently exceeded in every pay period since that ending August 10 during which there has been four, five and six levels of furnace operation. Thus, the average incentive earnings through the pay period ending June 28, 1958 were \$2.541 and for the period encompassing the pay periods ending July 12 to November 1, \$2.606. This compares both equitably and favorably with the expected earnings for full seven furnace operation of \$2.507.

Upon the whole record of the case it is found that the plan under discussion meets the standards in Article V, Section 5.

AWARD

The grievance is denied.

Peter Seitz,
Assistant Permanent Arbitrator

Approved:

David L. Cole,
Permanent Arbitrator

Dated: January 9, 1959