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

Grievance No. 16-F-231
Docket No. IH-378-369-10/3/58
Arbitration No. 323

Opinion and Award

Appearances:

For the Company:

William Price, Attorney
W. A. Dillon, Assistant Superintendent, Labor Relations
K. H. Hohhof, Supervisor, Industrial Engineer
J. L. Federoff, Divisional Supervisor, Labor Relations
M. J. Mezey, Industrial Engineer
E. G. Mullen, Industrial Engineer
R. S. Miller, General Foreman, Tandem Mill
F. T. Primich, Foreman, Hallden Shear and Slitter

For the Union:

F. Gardner, Chairman, Grievance Committee
Cecil Clifton, International Staff Representative
Peter Calacci, President, Local 1010
James Stone, Grievance Committeeman

The issue is whether Incentive Plan 77-0633, Revision 1, installed for certain operations on the 74" Wean Slitter in No. 1 and No. 2 Cold Strip Department provides equitable incentive earnings as judged by the criteria of Article V, Section 5.

This incentive plan was installed November 15, 1957 and relates solely to the various kinds of processing of coils which require welding. Other operations carried on by the grievants, who are the crews on this 74" Wean Slitter, are paid for either under another incentive plan or by special rates which have long been in effect, and the incentive plan in question does not affect those operations or the earnings thereon. Thus, the slitting of cold rolled coils is paid for under Incentive Plan 77-0633, the equitability of which was sustained in Arbitrations Numbers 240 and 294. The rewinding of both cold and hot rolled coils and the slitting of hot rolled are all paid for under a special rate which is a flat 13.7% over the base rates.

To a substantial extent the 74" Wean Slitter is used to salvage material, as distinguished from production work. At one time, some years ago, it was on production work, and the quantities processed per turn were considerably greater. The welding process was added to further the salvaging or repair aspects of this work. Paid for originally at base rates, the Company developed this incentive plan in 1957, calling it Revision No. 1 of Incentive Plan File No. 77-0633 already in effect as to the slitting of cold rolled coils. Provision was made for an added rate to cover "additional coil in," which varies with the width of the coils. The speeds used in the development of the plan vary depending on the width and the gauge. In other respects, features of the original plan covering the slitting of cold rolled coils were simply continued.

The Company's purpose was to have the incentive earnings on welded material equal those under the existing incentive plan which applies to slitting cold rolled. This was amply accomplished. In the first six months of 1957 the Operator's margin on Cold Roll - Slit was 7.4%; in August, 1957 it was 7.8%; in the quarter ending March, 1958 it was 2.7%; and in the same quarter of 1959 it was 9.4%. In the first quarter of 1958 the Operator's margin on welded material was 7.0% (compared with 2.7% on Cold Roll - Slit); and in 1959 it was 27.7% (compared with 9.4% on Cold Roll - Slit).

On behalf of the grievants, the Union contends, however, that the instant incentive plan should produce earnings comparable with those produced by the incentive plan on the Streine Slitter in the same department, where margins of approximately 50% have been achieved. It also argues that the over-all operations on the Wean Slitter should be considered in making this comparison, and, finally, that the enlarged size of this machine has increased the workload of the crews. The Union relies on the provisions of Article V, Section 5 contained in Paragraph 57, and more particularly the criterion of other incentive earnings in the department. At the same time it tries to meet in part the Company's argument that the proper criteria are the previous job requirements and the previous incentive earnings, by asserting that the workload has gone up.

In some of the earliest incentive cases considered by this Arbitrator, it was pointed out that an order of priority must reasonably be applied to the several criteria listed in this provision of the Agreement, depending on the facts and circumstances. Here this rule means that one should not look further than at the operations on this very machine by these very grievants to determine the equitability of the earnings under the new incentive. To search out some other incentive plan in the department, because it happens to produce superior incentive earnings is plainly not within the indicated contemplation of the parties in writing the provisions that appear in this section of the Agreement. It would be as illogical as would be the reverse position which conceivably could be advanced by the Company: that the most inferior incentive earnings in the department be used as the proper measure. When there has been an incentive plan in force for these very employees, that is the plan to look to for the testing of the earnings under the new or revised plan.

The Union contends that the over-all earnings of these grievants, including those produced by the existing incentive plan for slitting cold rolled and the tasks covered by the special rate, should be compared with other comparable earnings. The existing incentive, however, has been held in prior cases not to be inappropriate, and the special rate has not been questioned. By this means, then, the Union would have its previous arguments in Arbitration 240 reviewed. It would also involve a reconsideration of the principles stated in Arbitration 184. This the Arbitrator does not believe to be warranted by the facts, nor by any other consideration at this time.

The evidence as to the enlargement of the workload leaves doubt as to whether the workload of this crew was raised to a significant extent. The Operator has a higher degree of occupancy apparently than the Feeder or Inspector. The latter two have less coils to handle, with less banding,

recording and removing to do, although offsetting this there is the work of shearing down to gauge. It seems that on this crew operation while the Operator is busy on the welding or repair work the other two must stand by. On balance, for the crew as a whole, there does not appear to be an appreciably enlarged workload.

This being so, in view of the observations above, the question becomes a simple one. The previous job requirements and those under the incentive plan in question are similar; how do the incentive earnings compare?

This question the earnings figures cited above answer effectively. Moreover, the Union representatives candidly stated that the earnings on the various weld operations covered by the new incentive plan surpass those under the incentive plan covering the Cold Roll - Slit operations.

This disposes of this grievance, under the applicable contract provisions. Parenthetically, it should be mentioned again that the mere fact that more tons are produced when equipment or process changes are made does not necessarily mean either that the workload has gone up or that incentive earnings should automatically be greater than they were under the prior incentive plan.

AWARD

This grievance is denied.

Dated: May 8, 1959

/s/ David L. Cole

David L. Cole
Permanent Arbitrator