

1-21-1971

United States Steel Corporation Sheet and Tin Operations Fairfield Works and United Steelworkers of America Local Union 1013

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BOARD OF ARBITRATION

Case USS-7851-S

January 21, 1971

ARBITRATION AWARD

UNITED STATES STEEL CORPORATION
SHEET AND TIN OPERATIONS
Fairfield Works

and

Grievance No. SFS-69-191

UNITED STEELWORKERS OF AMERICA
Local Union No. 1013

Subject: Incentive Administration: Timeliness of the
Grievance

Statement of the Grievance: "Violation of Section 9-C,
Agreement between U. S. S. Corp. and the U. S. of
A., August 1, 1968.

"Facts: See Attached Sheets.

"Remedy Requested: To adjust
Plan 30-3-3.6, to live up to its integrity and or
present a new plan."

Contract Provision Involved: Section 9-C-5 of the August 1,
1968 Agreement.

Grievance Data:

	<u>Date</u>
Grievance Filed:	September 3, 1969
Step 2 Meeting:	September 18, 1969
Appealed to Step 3:	September 18, 1969
Step 3 Meeting:	January 23, 1970
Appealed to Step 4:	February 24, 1970
Step 4 Meeting:	March 25, 1970
Appealed to Arbitration:	May 21, 1970
Case Heard:	August 18, 1970
Transcript Received:	September 15, 1970

Statement of the Award:

The grievance is dismissed.

BACKGROUND

USS-7851-S

In this grievance from the Plate Mill Slab Yard, Fairfield Steel, the Union protests the alleged failure of the Company to maintain the integrity of the incentive plan covering the Plate Mill Slab Yard--Product Handling crews under Section 9-C-2-a of the August 1, 1968 Agreement.

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The operation of this incentive has been described quite accurately by the Company in its brief as follows:

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"Incentive Application No. 30-3-3.6 is a calculated stand-by allowance type plan, calculated on a pay period basis, which derives earnings (a) from equipment performances under Incentive Application No. 30-3-5.1.1 covering the Plate Mill Reheating and Rolling operation, the primary unit serviced, and (b) from work time values for products handled and reported from the following sources:

1. Stocking slabs received from Blooming Mills.

All slabs handled from either of the Blooming Mills designated for the Plate Mill, as recorded on Blooming Mill rolling records.

2. Charging slabs to the plate Mill furnaces.

All slabs handled for charging into the continuous or in-and-out furnaces, as recorded for the plate Mill Reheating and Rolling plan.

- "3. Servicing the Plate Mill reconditioning operation (scarfing) and the direct selection of slabs.

All slabs that are handled for scarfing as recorded by the Scarfing Inspector and slabs handled for inspection and direct selection on an individual slab basis and recorded by the direct Inspector as O.K. for charging into Plate Mill furnaces."

This grievance, filed September 3, 1969, is directed at the alleged effect certain changes in the operation have had on the application of the third category of standards set forth above. Up to at least August 1966 and periodically thereafter up to March 23, 1968, it was the practice under this incentive to activate the third category of standards, not only for every 10 slabs that were handled by the crew on the reconditioning beds while being scarfed, but also the standards were activated for every 10 slabs that were handled by the crew while an Inspector checked all sides of the slabs in order to determine if any scarfing was needed. If the Inspector determined that no conditioning was needed (meaning that the slab could be treated as "direct selected"), the standards would be activated at that time. If it was determined that conditioning would be required, the standards for those slabs were not activated at that time but would be at the time they were handled on the scarfing beds.

In August 1966 the No. 4 Slab Yard became fully operational. This facility represented an addition to the adjacent No. 2 Slab Yard. At about this time the Company

began instituting a different method of slab inspection that no longer required having a Craneman and a Stocker from the crew handle each slab for the Inspector as he made the direct selection. Rather, more and more of the smaller sized slabs, usually 5" thick or less, were set down in a storage area in lifts with the individual slabs not being inspected on every side as before. Under this method a roving Inspector would look at the entire lift of slabs measuring for correct length and checking for any obvious defects that could be observed with the slabs sitting on top of each other in a lift. No special handling by members of this crew was required for this type of inspection. All larger slabs continued to be taken directly to the scarfing beds as before.

With this change to a more cursory type of inspection there was no longer any need to have any member of the crew covered by this incentive involved in the handling of slabs for direct selection and therefore the standard for this work was activated less often. It was presumed by the Company that the time that the crews had previously spent in handling product for direct selection could now be spent performing other duties generating earned standard time values under the incentive. Although the direct selection of slabs fell off after August 1966, it continued to be performed periodically until the pay period ending March 23, 1968. There have been no slabs handled by the crews under the "direct selection" method since that time. The earnings under this incentive by year from 1962 up through 1969 appear as follows:

<u>Year</u>	<u>Performance</u>	
	<u>Measured</u>	<u>Pay</u>
1962	136	136
1963	140	140
1964	139	139
1965	142	142
1966	141	141
1967	137	137
1968	129	129
1969	129	129

The earnings, including the equipment performance and work performance, under this incentive by pay period for the years 1967, 1968 and 1969 appear as follows:

<u>Pay Period Ending</u>	<u>% Equip. Perf.</u>	<u>Work Perf.</u>	<u>% Meas. Perf.</u>	<u>% Pay Perf.</u>
1-14-67	105	1.14*	135	135
1-28	104	1.19	135	135
2-11	111	1.29	145	145
2-25	105	1.14*	135	135
3-11	108	1.16*	138	138
3-25	101	.96*	126	126
Average	<u>106</u>	<u>1.15</u>	<u>136</u>	<u>136</u>
4- 8-67	103	1.32	137	137
4-22	116	1.42*	153	153
5- 6	109	1.28	142	142
5-20	107	1.09	135	135
6- 3	113	1.15	143	143
6-17	106	1.10	135	135
Average	<u>110</u>	<u>1.23</u>	<u>141</u>	<u>141</u>

<u>Pay Period Ending</u>	<u>% Equip. Perf.</u>	<u>Work Perf.</u>	<u>% Meas. Perf.</u>	<u>% Pay Perf.</u>
7- 1-67	95	1.28	128	128
7-15	103	1.28*	136	136
7-29	103	1.17*	133	133
8-12	100	1.14*	130	130
8-26	97	1.23*	129	129
9- 9	106	1.42*	143	143
9-23	97	1.35*	135	135
Average	<u>100</u>	<u>1.27</u>	<u>134</u>	<u>134</u>
10- 7-67	104	1.34*	139	139
10-21	99	1.25*	132	132
11- 4	104	1.33*	139	139
11-18	106	1.25*	139	139
12- 2	107	1.41*	144	144
12-16	106	1.32*	140	140
12-30	102	1.32*	136	136
Average	<u>104</u>	<u>1.32</u>	<u>138</u>	<u>138</u>
1-13-68	98	1.34*	130	130
1-27	103	1.28	136	136
2-10	103	1.42*	142	141
2-24	92	1.18*	123	122
3- 9	100	1.14*	130	130
3-23	95	1.03*	122	122
Average	<u>99</u>	<u>1.23</u>	<u>130</u>	<u>130</u>

<u>Pay Period Ending</u>	<u>% Equip. Perf.</u>	<u>Work Perf.</u>	<u>% Meas. Perf.</u>	<u>% Pay Perf.</u>
4- 6-68	103	1.04	130	130
4-20	104	1.06	132	132
5- 4	106	1.06	131	131
5-18	97	.93	121	121
6- 1	102	.99	128	128
6-15	99	1.06	127	127
6-29	<u>103</u>	<u>1.06</u>	<u>131</u>	<u>131</u>
Average	102	1.03	129	129
7-13-68	96	1.01	122	122
7-27	100	1.03	127	127
8-10	96	.96	121	121
8-24	91	.91	115	115
9- 7	101	1.04	128	128
9-21	<u>104</u>	<u>1.00</u>	<u>130</u>	<u>130</u>
Average	98	.99	124	124
10- 5-68	102	.85	124	124
10-19	102	1.04	129	129
11- 2	112	1.14	142	142
11-16	104	1.19	135	135
11-30	105	1.17	135	135
12-14	98	1.17	128	128
12-28	<u>98</u>	<u>1.12</u>	<u>127</u>	<u>127</u>
Average	100	1.09	129	129

<u>Pay Period Ending</u>	<u>% Equip. Perf.</u>	<u>Work Perf.</u>	<u>% Meas. Perf.</u>	<u>% Pay Perf.</u>
1-11-69	104	1.15	134	134
1-25	100	1.08	128	128
2- 8	100	1.09	128	128
2-22	103	1.06	131	131
3- 8	101	1.07	129	129
3-22	<u>102</u>	<u>1.04</u>	<u>129</u>	<u>129</u>
Average	102	1.08	130	130
4- 5-69	104	1.05	131	131
4-19	99	1.10	128	128
5- 3	97	1.06	125	125
5-17	105	1.04	132	132
5-31	99	1.05	126	126
6-14	105	1.11	134	134
6-28	<u>100</u>	<u>1.03</u>	<u>127</u>	<u>127</u>
Average	101	1.06	129	129
7-12-69	92	.89	115	115
7-26	94	.88	117	117
8- 9	97	1.05	124	124
8-23	104	.99	130	130
9- 6	99	1.09	127	127
9-20	<u>105</u>	<u>1.00</u>	<u>131</u>	<u>131</u>
Average	98	.98	124	124
10- 4-69	103	1.03	130	130
10-18	99	.97	124	124
11- 1	105	1.06	133	133
11-15	98	1.00	124	124
11-29	113	1.08	141	141
12-13	108	1.12	137	137
12-27	<u>102</u>	<u>1.04</u>	<u>129</u>	<u>129</u>
Average	104	1.04	131	131

* Pay periods involving direct selection of slabs.

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The Union points to the loss of earnings under this incentive that occurred beginning in 1967, but particularly that incurred in 1968 and 1969, compared to prior years. It attributes this loss to the elimination of the direct selection of slabs, i.e., the method of utilizing members of the crew to handle product while it was inspected which in turn activated a standard for every 10 slabs that were handled and not sent to the scarfing beds. It is said that the earnings generated through the years were in part based on the existence of the method of direct selection of slabs and with the elimination of this method of operation the incentive should have been adjusted in order to maintain its integrity.

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The Company's primary position here is that the instant grievance was not filed in timely fashion under Section 9-C-5. The Company points out that since 1966 there have been several change authorizations issued with respect to the instant incentive the most recent of which occurred on September 8, 1968. Although this grievance is not directed to the subject matter of any of these change authorizations, the Company makes the point that neither this nor any other grievance was filed within 30 to 60 days after the issuance of any such changes. Noting that this grievance really protests the failure of the Company to adjust the incentive after it ceased the direct selection of slabs, the Company points out that this method of operation has not been utilized since March 23, 1968 but despite this fact the instant grievance was not filed until September 3, 1969 over 17 months later. Thus the Company views this grievance as not having been filed promptly as required by Section 9-C-5-d and therefore should be dismissed.

On the merits, the Company would hold that the cessation of the direct selection of slabs simply did not call for an adjustment of the incentive under Section 9-C-2-a. In its view the direct selection of slabs involves the performance of work by this product handling crew which generated earned standard time values. This particular work is no longer required of the crew and the workmen can now use the time otherwise spent in handling product for direct selection in the performance of other duties that generate earnings under the incentive such as handling product on the scarfing beds. The Company sees the problem raised here as a typical product mix case where there has been a drop in the volume of one type of work that generated incentive earnings with an increase in another type of work that also generates incentive earnings. The real cause, according to the Company, for the drop in earnings in recent years has been the reduction in the number of operating turns at the Plate Mill with a concurrent reduction in the equipment performance generated by the Plate Mill Reheating and Rolling Plan. Under the terms of the instant incentive, this equipment performance is a substantial factor in the earnings of the Product Handling Crew and therefore the reduction in such equipment performance along with a reduction in the total of slabs handled at the Slab Yard is said to be the true reason for the loss of earnings experienced under this plan. It is admitted that the Company has been unable to reduce the product handling crew in the same ratio to the reduction in work that has occurred in the Slab Yard. It is said that, when equipment performance on the Plate Mill Reheating and Rolling Plan returns to the averages enjoyed in the past and the volume of slabs handled and the number of Plate Mill rolling turns per week return to the levels upon which the past earnings were based, then the

earnings under this particular plan will also return to the levels experienced in earlier years even with the continued elimination of the direct selection of slabs. On this basis the Company contends that the integrity of the instant incentive has been preserved.

FINDINGS

The protest presented here, as it was refined during the grievance procedure and at the hearing, relates to the fact that the Company did not adjust the instant incentive when it ceased using the so-called "direct selection" of slabs in the Slab Yard. This system of slab inspection, utilizing the services of two of the members of the crew covered by this incentive to handle slabs for the Inspector, did result in the activation of one of the standards in the plan with greater frequency than has been the case since the direct selection has been used less frequently or not at all. It appears that in 1965 up until August 1966 essentially all of the smaller slabs were direct selected. After the latter date direct selection was not used all the time and the different method of inspection, not requiring the services of any of the employees covered by the incentive, used with greater frequency. Finally, on March 23, 1968 the direct selection of smaller slabs ceased completely.

The critical fact presented here is that the significant drop in earnings, upon which the protest is based, began early in 1968. The average IPP earned in 1967 was 137 percent; during the first quarter of 1968 this average dropped to 130 percent even though the direct selection of slabs continued in that quarter for 5 out of the 6 pay periods. Direct selection ceased at that time and has not been utilized since.

During the second quarter of 1968 the IPP averaged 129 percent and for the third quarter of 1968 that average was 124 percent, as low a quarterly average as was suffered at any time after 1966. Yet despite the fact that the earnings of the crew had dropped to the protested level early in 1968 and the alleged reason for that drop in earnings--the elimination of direct selection--occurred on March 23, 1968, the instant grievance was not filed until 17 months later, on September 3, 1969.

Where, as here, the Union contends that Management has improperly failed to adjust an incentive under Section 9-C-2-a, the grievance must be filed promptly under the provisions of Section 9-C-5-d. The Board cannot view a grievance filed over 17 months after the alleged reason for the claimed adjustment occurred as having been promptly filed under that provision. There is no indication of any significant change in the operation that occurred after March 23, 1968 that would justify the requested adjustment nor does the record establish any other justification for the undue delay in filing the instant grievance.

Accordingly, the instant grievance must be dismissed.

AWARD

The grievance is dismissed.

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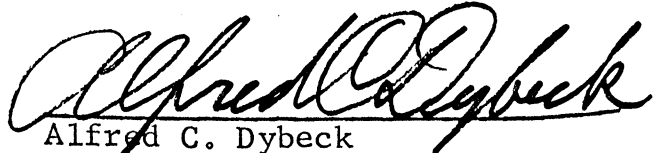
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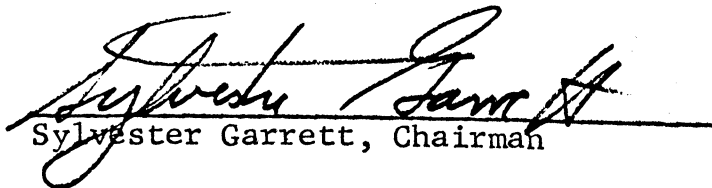
12.

USS-7851-S

Findings and Award recommended
pursuant to Section 7-J of the
Agreement, by


Alfred C. Dybeck
Assistant to the Chairman

Approved by the Board of Arbitration


Sylvester Garrett, Chairman