

9-17-1965

# United States Steel Corporation Fairless Works and United Steelworkers of America Local Union 4889

Sylvester Garrett  
*Chairman*

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BOARD OF ARBITRATION

Case USS-5098-S

September 17, 1965

ARBITRATION AWARD

UNITED STATES STEEL CORPORATION  
Fairless Works

and

Grievance No. SFL-64-212

UNITED STEELWORKERS OF AMERICA  
Local Union No. 4889

Subject: Incentive Administration.

Statement of the Grievance: "We, the undersigned, request  
more hours allotted to our incentive plan."

This grievance was filed in the  
Second Step of the grievance procedure September 15, 1964.

Contract Provisions Involved: Section 9-C-2 of the April 6, 1962  
Agreement, as amended June 29, 1963.

Statement of the Award: The grievance is denied.

BACKGROUND

Case USS-5098-S

This grievance from the Steel Producing Division of Fairless Works claims that the Open Hearth Casting Crew incentive should have been adjusted or revised in September of 1964 to recognize increased manning requirements.

The incentive is of the direct type, covering a variable crew of from 4 to 12 men per turn depending primarily upon the number of furnaces operating. The jobs include First Steel Pourer, Second Steel Pourer, Third Steel Pourer, and Fourth Steel Pourer. The casting crew work includes pouring steel into molds of various sizes, or into ladles, making necessary mold additions, making ladle casts, cleaning ladles after heats have been poured, setting new nozzles and stoppers, and generally preparing ladles for the next heat. Major determinants for both the work time values and the equipment time values under the incentive are (1) hundreds of tons of prime product produced, and (2) number of prime ingots poured. The tons of prime product determinant is classified according to number and rated capacity of the ladles employed, the hearth area of the producing furnaces, the pouring practice (single or double), and oxygen flow rates. The prime ingots determinant is classified by pouring practice and type of deoxidation practice (whether capped, rimmed, semi-killed open top, killed open top, or killed hot top).

The Casting Crew incentive first was installed August 16, 1953. Throughout its life, as well as before its installation, it had been necessary to upgrade Mold Men or Open Hearth Laborers to Fourth Steel Pourer, from time to time, whenever "bunched heat" situations occurred. The bunched heats required more manpower than was available from the scheduled crews, so that enlargement of the crew was essential to meet the peak demand.

In this grievance the Union asserts that the frequency of bunched heats and resultant use of extra men has greatly increased because of changed conditions, such as enlargement of the furnaces in 1960, shorter heat times, and utilization of more mold additions on certain types of steels. There are 9 furnaces in the Fairless Open Hearth, and the problem raised in the grievance relates primarily to furnace operating levels 7 through 9. At these levels the probability of bunched heats is very high; it is a common occurrence for employees to be upgraded from Mold Men or Laborer on each operating turn to assist in casting. 4

Section II of the incentive brochure states as a "maximum crew" per operating turn at the 8 and 9 furnace level, a complement of three First Steel Pourers, three Second Steel Pourers, three Third Steel Pourers, and three Fourth Steel Pourers. The "maximum crew" per operating turn at the 7-furnace level is specified as three men in the First and Third Steel Pourer categories, and two each in the Second and Fourth Steel Pourer categories. These maxima typically are exceeded on almost every operating turn by upgrading additional employees as needed. According to the Union, in three successive pay periods ending October 24, 1964, the Company utilized 688 hours, 788 hours, and 817 hours, respectively, in excess of the maximum crew hours specified in the incentive. The Union asserts that normally the Index of Pay Performance for the Casting Crew had been running about 155%, but that after the onset of the changed conditions complained of here, the incentive yield has been under 150%. Specifically, moreover, the Union asserts that during the pay period ending September 12, 1964, the Index of Pay Performance was 151%, with 341 heats poured, while in the pay period ending September 26, 1964, the Pay Performance was only 147%, although 343 heats were poured. These figures confirm the Union belief that the incidence of bunched heats tends to depress incentive earnings for the Casting Crew. 5

The Company notes that Section II of the incentive brochure does not set forth a "standard crew" for casting at each of the various operating levels, but rather represents the basis on which employees are to be scheduled for the various levels. Throughout the life of this incentive, and even earlier, employees have been upgraded temporarily to augment the Casting Crew whenever bunched heat situations arose. After the bunched heats are handled, the upgraded employees normally are returned to the Mold crew or Laborer group. The Company emphasizes that this long standing practice is recognized in Section III-E of the incentive in the following:

"The work time values in this section shall apply only to the crews not exceeding the maximum crew shown in Section 2. For periods of operation with a crew larger than that specified for the product being processed, the work time values shown previously in this section shall be applied without change provided the written approval of the Department Superintendent has been secured."

In view of long established practice and the above treatment of the problem in Section III-E of the incentive brochure, the Company stresses that the "maximum" crew complements set forth in Section II cannot be deemed to set forth rigid ceilings on crew sizes for incentive purposes, but rather provide the basis for scheduling employees to constitute the Casting Crew at the various levels.

There is no doubt that heat time has been reduced in recent years and that the furnaces were enlarged substantially in 1960, nor is there any denial that these changes increased the possibility of bunched heats. It also seems clear that the relative number of mold additions has increased somewhat for certain steels, and that a fifth man is needed for pouring rimmed heats and some capped heats.

The Company stresses, however, that all of these changes occurred some years before the present grievance was filed, and that there is no evidence that these changes actually depressed earnings under the incentive. The earnings fluctuations which have occurred seem to be much more controlled by equipment performance in the Open Hearth, and not appreciably affected by temporary enlarging of the Casting Crew because of bunched heats. In 1962 and 1963, the Index of Measured Performance under the disputed incentive averaged about 158%, but the equipment performance level also was comparatively high, as appears in the following table:

INDEX OF MEASURED PERFORMANCE  
AND EQUIPMENT PERFORMANCE  
RECAPPED BY YEAR

<u>Year</u>	<u>I.M.P.</u>	<u>Equipment Performance</u>
1955	138%	116%
1956	153	128
1957	153	130
1958	151	130
1959	150	129
1960	153	131
1961	153	131
1962	158	136
1963	159	136
1964	153	132
1965*	156	134

\* 1965, thru P.P.E. 6-5-65

In like vein, the Company explains the earnings contrast between the two September, 1964 pay periods cited by the Union. In the pay period ending September 12, 1964, when Pay Performance was 151% and 341 heats were poured, the equipment performance was 132%. In the following pay period, ending September 26, 1964, when Pay Performance was 147% and 343 heats were poured, the equipment performance was only 127%.

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The Company also sets forth the following tabulation of incentive performances for representative periods before and after the grievance was filed September 15, 1964:

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INDICES OF MEASURED PERFORMANCE  
UNDER INCENTIVE APPLICATION NO. 3310-42  
FROM PAY PERIOD ENDING JANUARY 4, 1964  
THROUGH PAY PERIOD ENDING JUNE 5, 1965

Before Grievance

<u>Pay Period Ending</u>	<u>I.M.P.</u>
1- 4-64	162%
1-18-64	154
2- 1-64	157
2-15-64	154
2-29-64	156
3-14-64	159
3-28-64	162
4-11-64	159
4-25-64	150
5- 9-64	152
5-23-64	153
6- 6-64	150
6-20-64	146
7- 4-64	146
7-18-64	154
8- 1-64	154
8-15-64	154
8-29-64	146
9-12-64	151
<b>Average</b>	<b>154%</b>

After Grievance

<u>Pay Period Ending</u>	<u>I.M.P.</u>
9-26-64	147%
10-10-64	150
10-24-64	151
11- 7-64	154
11-21-64	151
12- 5-64	154
12-19-64	155
1- 2-65	157
1-16-65	159
1-30-65	160
2-13-65	154
2-27-65	158
3-15-65	158
3-27-65	157
4-10-65	158
4-24-65	155
5- 8-65	158
5-22-65	149
6- 5-65	<u>146</u>
Average	154%

FINDINGS

There is no doubt that the Fairless furnace enlargement program around 1960 and the greatly increased use of oxygen in the Fairless Open Hearths substantially tended to increase the incidence of bunched heats. Other steel-making requirements also have tended to increase the need for temporary enlargements of the Casting Crew, particularly at the 7, 8 and 9 furnace operating levels. 1

The hard problem faced by the grievants, however, is that these changed conditions for the most part occurred long before this grievance was filed, and there is no other evidence which might establish a changed condition for purposes of requiring revision of the present incentive under Section 9-C-2. The furnace enlargement program and the significant increase in use of oxygen occurred four years or more before filing of this grievance. The standard time values which appear in Section III of the incentive, moreover, were established to cover the conditions which existed as of April 30, 1961. 1

There always have been bunched heat situations at Fairless, requiring temporary enlargements of the Casting Crew, and the incentive was developed and administered over the years in light of this obvious fact. Moreover, there is no evidence to show a definite adverse impact upon earnings attributable to any changed conditions properly within the scope of the present grievance. It may be the incentive is somewhat ambiguous for purposes of the present problem, in view of the language of Section II and Section III-E in the brochure. But the long standing practice through the life of the incentive unmistakably supports the Company's interpretation and application of the disputed provisions. In these circumstances there is no tangible basis in this record to sustain the present grievance. 1

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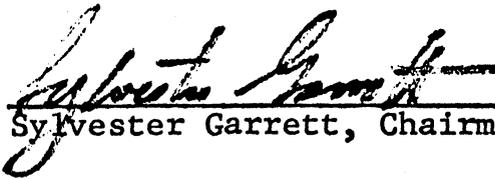
USS-5098-S

AWARD

The grievance is denied.

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BOARD OF ARBITRATION

  
Sylvester Garrett, Chairman