

Award No. 729
In the Matter of the Arbitration Between
INLAND STEEL COMPANY
AND
UNITED STEELWORKERS OF AMERICA
AND ITS LOCAL UNION NO. 1010
Grievance Nos. 20-P-1, -2, -3, -4, -5, -6 and -7
Appeal Nos. 1333 thru 1339
Arbitrator: Bert L. Luskin
March 25, 1983
INTRODUCTION

An arbitration hearing between the parties was held in Harvey, Illinois, on November 15, 1982. Pre-hearing statements of position were filed on behalf of the respective parties.

APPEARANCES

For the Company:

Mr. R. T. Larson, Arbitration Coordinator, Labor Relations
Mr. H. Thullen, Attorney for the Company Vedder, Price, Kaufman & Kammholz, of Counsel
Mr. W. C. Wingenroth, Assistant General Manager, Administration
Mr. W. L. Ryan, Assistant General Manager, Industrial Relations (retired)
Mr. R. H. Ayres, Manager, Labor Relations, Industrial Relations
Mr. D. D. Byrne, Manager, Industrial Relations
Mr. W. P. Boehler, Superintendent, Labor Relations
Mr. P. R. Arsenault, Superintendent, Central Mechanical Maintenance
Mr. G. Ross, Assistant Superintendent, Central Mechanical Maintenance
Mr. J. Santini, Assistant Superintendent, Central Mechanical Maintenance
Mr. R. Balka, Superintendent, Electrical
Mr. L. Cartwright, Superintendent, Process Automation
Mr. G. Halkias, Assistant Superintendent, Process Automation
Mr. J. Stoddard, Superintendent, Field Forces
Mr. R. Vela, Assistant Superintendent, Labor Relations
Mr. R. B. Castle, Staff Assistant, Labor Relations
Mr. J. J. Spear, Coordinator, Labor Relations
Mr. M. M. Roglich, Coordinator, Labor Relations

For the Union:

Mr. Theodore J. Rogus, Sub-District Director
Mr. Thomas L. Barrett, Staff Representative
Mr. William Andrews, President, Local 1010
Mr. Joseph Gyurko, Chairman, Grievance Committee
Mr. Don Lutes, Secretary, Grievance Committee
Mr. Bobby Thompkins, Second Vice Chairman, Grievance Committee
Mr. Mike Mezo, Griever
Mr. Phil King, Griever
Mr. Daniel Rios, Griever (Steward)
Mr. Luis Aguilar, Griever (Steward)

BACKGROUND

The Central Mechanical Maintenance Department consists of ten separate shops that specialize in the repair and/or fabrication functions performed by craft employees. There is no labor pool attached to the Central Mechanical Maintenance Department. In the week of July 20, 1980, some of the shops scheduled job sequence employees on a 32-hour work week.

Machine Shop sequential employees in the repair sequence were scheduled to work a 32-hour work week.

In the machinists sequence the least senior twenty apprentices were scheduled to work 32 hours in the work week. All other sequential employees in that sequence were scheduled to work 40 hours per week.

In the Rigger Shop all apprentices were scheduled to work 32 hours in the work week.

In the Carpenter Shop all sequential employees were scheduled to work 32 hours in the work week.

In the Mobile Equipment Repair Shop several apprentices with the least seniority were scheduled to work 32 hours in the work week.

In the Locomotive Repair Shop approximately half of the apprentices with the least seniority in the diesel inspection sequence were scheduled to work 32 hours per week. All other employees in that sequence were scheduled to work 40 hours.

In the Pipe Shop all apprentices in the pipe fitting sequence were scheduled to work 32 hours in the work week.

The Union instituted an oral complaint in the first step contending that the Company improperly failed to establish a fifteen-turn complement number in the machine repair, rigger, mobile equipment repair, carpenter, diesel inspection, pipe fitter and the machinists sequences. The Union contended that the Company had violated applicable provisions of Article 3, Section 1, and Article 13, Sections 1 and 9, of the August 1, 1977, Collective Bargaining Agreement. The Union contended that the Company had also violated the provisions of the August 4, 1977, Local Settlement Agreement entitled "Reduced Operations Mechanical and Electrical Sequences."

On August 25, 1980, Grievance Nos. 20-P-1, 20-P-2, 20-P-3, 20-P-4, 20-P-5, 20-P-6 and 20-P-7 were filed. Since all of the grievances raised identical issues based upon a similarity in facts, the parties agreed (at the Step 3 hearings) to hear all of the grievances jointly and within one hearing. The agreement of the parties resulted in a combined grievance which was thereafter processed through the third and fourth steps of the grievance procedure. When the grievance could not be resolved, all of the grievances were then submitted to arbitration to be heard in a single proceeding. The issues arising from the filing of the grievances became the subject matter of this arbitration proceeding.

DISCUSSION

The provisions of the Agreements cited by the parties as applicable in the instant dispute are hereinafter set forth as follows:

"ARTICLE 13 - SENIORITY

"Section 9. Force and Crew Reductions Due to Lack of Business. When it becomes necessary to reduce operations because of decreased business activity, the procedures set forth in paragraphs 'a', 'b' and 'c' shall be followed, unless otherwise mutually agreed between the superintendent of the department and the grievance committeeman of the Union for that area involved:

"a. Noncontinuous Operations Except Truck Driver Sequence and Yard Department (Mobile Equipment and Hooker Sequences)

"(1) Sequential occupations (multiple occupation sequences)

"(a) In reducing operations within a sequence or portion of a sequence, employees will be first stepped back within a sequence toward a 15-turn level of operation in accordance with their continuous length-of-service standing except that in such a sequence or portion of a sequence where operations have reached a twenty (20) or more turn level and is manned by scheduling four (4) crews, the department superintendent may elect to schedule employees in such sequence or portion of sequence for not less than thirty-two (32) hours per week until two (2) consecutive weeks have been worked for less than twenty (20) turns and more than fifteen (15) turns per payroll week; it being understood, however, that at any time when such a sequence or portion of a sequence is scheduled for fifteen (15) turns per payroll week employees shall be displaced from the sequence to a 15-turn level and scheduled on a three-crew basis.

"(b) Should a further reduction in operations below fifteen (15) turns per week take place, where practicable, the hours of work within a sequence shall be reduced to not less than thirty-two (32) hours per week before anyone with continuous length-of-service standing in a sequence is displaced therefrom.

"(c) Should there be a further decrease in work, employees will be demoted in the reverse order of the promotional sequence in accordance with the provisions of this Article."

"LOCAL AGREEMENT

"REDUCED OPERATIONS MECHANICAL AND ELECTRICAL SEQUENCES

"In cases where not now established, each department will establish the number of employees in mechanical and electrical sequences at the 15 turn level of operations for the purposes of Section 9, Article 13 only and will advise the grievance committeeman involved."

The ten separate shops within the Central Mechanical Maintenance Department perform specialized maintenance, repair and fabrication functions. For seniority purposes each shop is in a separate seniority sequence. Each shop is composed almost exclusively of skilled craftsmen. A small group of unskilled employees act in a support capacity. Skilled craftsmen achieve that status after completion of an apprenticeship program which varies in length from two and one-half to four years, depending upon the specific craft involved.

The evidence indicates that the level of operations in the Central Mechanical Maintenance Department bears no direct relationship to the level of operations of any other facility at the plant. The various production departments have their own group of craftsmen who generally perform the day-to-day work necessary to maintain operations within those departments. The primary purpose for the Central Mechanical Maintenance Department is to provide a repair, maintenance and fabrication operation separate and apart from the day-to-day maintenance needs arising in operating departments.

Some jobs have high priorities and are promptly completed. Other maintenance tasks could generally accumulate until such time as the appropriate crafts could be assigned to perform the needed functions. Unlike other departments in the plant, the Central Mechanical Maintenance Department has no labor pool from which it can draw when operations increase. For a number of years there had been a steady and continuing increase in the complement of forces within the Central Mechanical Maintenance Department as skilled personnel became available. As a result thereof very few lay offs, if any, have occurred in the department over the last twenty years.

The evidence would indicate that under prior contract provisions and practices, all employees in the sequences involved are established at the fifteen-turn level of operations. That fact becomes significant since, prior to the August 1, 1977, Collective Bargaining Agreement, employees could be established in sequences by filling vacancies beyond the fifteen-turn level of operations. Those were referred to as "extended operations." As a result thereof employees who had achieved sequential standing by filling vacancies beyond a fifteen-turn level could be displaced during periods of force reductions. Those persons, in effect, became available to fill temporary vacancies in the sequences where they had been established. The evidence indicates that the Central Mechanical Maintenance Shop sequences did not have vacancies beyond the fifteen-turn level and no employees had ever been established in the sequences as a result of extended operations. All posted seniority lists showed all employees to be established within the fifteen-turn level of operations (the normal level for the Central Mechanical Maintenance Department).

A major change in the procedures relative to the "standings" within the sequences took place as a result of the 1977 Collective Bargaining Agreement. The parties agreed in that Contract that vacancies beyond the fifteen-turn level of operations would thereafter be considered as "temporary." Since the 1977 Agreement did not provide for establishing employees beyond the fifteen-turn level in a sequence, it would appear that the parties intended that the normal or fifteen-turn level force would be afforded sequential rights.

When the parties reached their Local Issues Agreement in 1977, employees who had been established beyond the fifteen-turn level were specifically designated as being "established" only beyond that level. As a result, one group of employees became established at the fifteen-turn level, and those who were established beyond that level became known as "extended operations employees." Although the designation continued to appear on seniority lists, the Central Mechanical Maintenance Department seniority lists showed all employees as having been permanently established in the sequences.

The 1977 Collective Bargaining Agreement provided a single avenue for establishing sequential standing. That standing could only be achieved through the bidding procedure (Article 13, Section 6). That procedure required that permanent craft vacancies be posted plant-wide and, since they were to be permanent in nature, they would of necessity have been vacancies that were created by a fifteen-turn operation. That would have included non-continuous operations that would have covered the Central Mechanical Maintenance Department, since all vacancies in that department after 1977 were posted as permanent vacancies, thereby indicating that the employees within those sequences were within the fifteen-turn level. In the instant grievances the Union contended that there should be a line drawn within the sequences indicating which employees are fifteen-turn employees. All others would then necessarily constitute a supplementary group of extended operations employees. Under the concept advanced by the Union, employees who would fall within the definition of "extended operations employees" would have the right to share the work when operations were reduced to thirty-two hours per week.

The Company contended (and the record would support the Company's contention) that within the Central Mechanical Maintenance Department employees within those sequences had been provided with full sequential rights after 1977. They had always been scheduled in that manner, both prior to and subsequent to the 1977 Collective Bargaining Agreement.

It is significant to note that in the period between 1977, when the new provisions were negotiated, and the time of the filing of these grievances in 1980, the Company continued (without objection) to consider the employees in the sequences in the Central Mechanical Maintenance Department as permanent employees. No artificial line was drawn or created that would indicate that some were permanent and some were extended operations employees who would have rights only when work was available beyond fifteen turns.

As a result of the 1977 Agreements the parties did, through an established procedure, work out arrangements whereby lines were drawn within other sequences that served to distinguish employees who had fifteen turns or normal level rights as distinguished from those who had rights only on extended operations. No such lines or distinctions were established for the sequences in the Central Mechanical Maintenance Department, and no demand was ever made by the Union for the establishment of such distinctions until the oral complaints were registered in these cases followed by the submission of written grievances in 1980.

The parties were able to make the appropriate designations in the operating departments' production sequences. In those cases the Company could quickly determine the number of employees whose services would be necessary to maintain the operations at a fifteen-turn level. It was much more difficult, however, to make such a determination for the support personnel in the mechanical and electrical sequences.

The demand for job security on the part of employees who had achieved sequential standing arose following the long, protracted lay offs that occurred in 1971. In 1974 the Union sought the inclusion of a provision that would require the establishment of a normal work force for all maintenance and electrical personnel. No such provision was incorporated, however, in the 1974 Agreement. The issue was again raised by the Union in 1977 (Local negotiations), and agreement was ultimately reached on that issue in July, 1977, and incorporated in the August, 1977 Local Agreement.

The Company contended that no agreement was ever reached, however, which would have included (within the scope of coverage) the Central Mechanical Maintenance Department or Electrical Department. The Company pointed to the fact that the heading of the Agreement refers to "reduced operations mechanical and electrical sequences." The body of the provision refers to establishing within each department the number of employees in mechanical and electrical sequences at the fifteen-turn level of operations . . ." The Company contended that "mechanical and electrical sequences" are found only in operating departments, and that fact has been established as a result of practice and custom. In support of that contention the Company pointed to the fact that when the parties reached a Local Agreement in 1977 establishing a steady day turn pick system for all craft employees, the coverage was identified as "steady day pick system trade, craft and maintenance sequences." The Company contended that the steady day pick agreement clearly and unambiguously included within the coverage thereof all of the trade, craft and maintenance sequences.

The parties entered into Local negotiations in 1980. The Union did not (during those negotiations) request the inclusion of language which would have specifically included the Central Mechanical Maintenance Department or Electrical Department sequences in any manner different from the procedures followed by the parties in the period between 1977 and 1980.

The actual number of employees considered within the fifteen-turn or normal level varied throughout the plant, and ranged within the mechanical or electrical sequences from fifty percent to as many as 100 percent of all of the established employees within the mechanical or electrical sequences. The individual circumstances in each department determined the level of coverage. In each instance the Company made the initial determination subject to the right of the Union to file a grievance. In some instances the Union would raise objections to a Company proposal, and in other instances the specific numbers were reached by agreement.

The Company offered testimony to support its contention that there is sufficient work available that would require the services of all employees on a full-time basis within the Central Mechanical Maintenance Department. The reduction in some instances to a thirty-two hour work week for sequential employees, was occasioned by the Company's need to preserve its cash position. The Company merely delayed the performance of maintenance functions that it believed could be safely delayed until economic conditions improved. That situation is distinguishable from the operating departments where the need for the services of craft employees decreased by a substantial degree when operational levels within those departments were substantially reduced or shut down.

What the grievances sought to accomplish was to remove apprentices from the sequences whenever the work was reduced to a point where forty hours of work per week was not available for all sequential employees. It could not achieve that result in these cases since the apprentices were considered, at all times, to have achieved sequential rights on a fifteen-turn level of operations.

The arbitrator must find from all of the evidence in the record that the Central Mechanical Maintenance Department has always functioned on a basis whereby all of the employees therein were considered to have achieved sequential standing based upon a fifteen-turn level. None of those employees had ever achieved standing by virtue of having worked on an extended operational basis. There is a primary distinction

between the mechanical and electrical sequences covering production operations and those operations performed by the Central Mechanical Maintenance Department. That distinction is made clearly evident by the fact that the parties agreed that for a period of some twenty years there have been practically no lay offs within the Central Mechanical Maintenance Department, with an almost constantly expanding work force within the respective sequences. Employees who entered those sequences did so through hire, completion of apprenticeship training, or by a successful bid.

There is a definite ambiguity with respect to the term used by the parties in the 1977 Local Issues Agreement relating to "reduced operations mechanical and electrical sequences." Such an ambiguity becomes apparent when the language is compared with the language used by the same parties in establishing the steady pick system. Under the steady pick system coverage definition, there could be no question but that the Central Mechanical Maintenance Department was included within the scope thereof. No such clear-cut definition is evident by the use of the term "reduced operations mechanical and electrical sequences."

Since the evidence in the record would support the Company's contention that the Central Mechanical Maintenance Department had always functioned on a fifteen-turn level and since the evidence will support the Company's contention that all employees within the sequences were considered to have achieved standing by virtue of fifteen-turn operations, the arbitrator could not find that some of the employees had achieved sequential standing as a result of extended operations.

The arbitrator must, therefore, find that the Company did not violate Article 3, Article 13, Sections 1 and 9, or the applicable provisions of the 1977 Local Issues Agreement, when it did not establish a specific number of employees at the fifteen-turn level operations for the Central Mechanical Maintenance Department shop sequences.

For the reasons hereinabove set forth, the award will be as follows:

AWARD NO. 729

Grievance Nos. 20-P-1, -2, -3, -4, -5, -6 and -7

The grievances are hereby denied.

/s/ Bert L. Luskin

ARBITRATOR

March 25, 1983