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Job Combinations and Speed-up in Steel

Abstract

[Excerpt] The Rail Mill Manning Agreement at South works in not unique. Reducing labor costs by combining jobs is a key part of the steel companies' strategy for regaining profitability. MCLR has conducted a survey of five other mills to find out what the companies are doing to reduce the work force, and speed up work. We print here a summary of our preliminary findings.

Keywords

labor movement, steel industry, job combinations, union, United Steelworkers of America, USWA, productivity, profitability

Job Combinations and Speed-up in Steel

by David Bensman

The Rail Mill Manning Agreement at South works in not unique. Reducing labor costs by combining jobs is a key part of the steel companies' strategy for regaining profitability. MCLR has conducted a survey of five other mills to find out what the companies are doing to reduce the work force, and speed up work. We print here a summary of our preliminary findings.

But WE NEED YOUR HELP if we are ever to amass a complete report on job combinations and speed-up, we need information from all of the mills. If you have any information about company demands for changes, about local negotiations, agreements, or significant grievance or arbitration cases, please send the information to the Job Research Committee at MCLR.

Here is a summary of our findings:

Inland Steel—East Chicago, Indiana, USWA Local 1010

At Inland significant job eliminations have been accomplished by the company through technological changes, deletions of job titles, job combinations, and speed-up.

In the crafts, Inland has been creating, over time, two "supercraft" classifications, one for electrical work and the other for mechanical work. The company has been pushing in this

direction for twenty years, and has made significant headway, but has not yet succeeded.

In two-thirds of the mill's departments, the company has created the classification of "mill mechanic," which combines the crafts of pipefitting, millwright, and rigging. Once management instituted this new craft category, it began working on the skilled workers to do welding.

In addition, the company has installed new technology with a view to eliminating rigging as a separate craft. The mobile "pettibone" cranes eliminate much of the work riggers used to do.

Inland's current push is to institute the craft of "mill mechanic" in the plant's remaining departments. To do so under the local contract, management needs "mutual agreement." Doing so would eliminate 200 jobs for skilled workers in the mill. In return, management has offered to raise some people's incentives by 3-4 per cent. Local 1010 is opposing creation of the mill mechanic job in the remaining 10 departments in order to save jobs; no agreement has been reached. In order to put pressure on the union, Inland management is threatening to institute a new millwright apprenticeship, which is provided for in the industry's Master Labor Agreement. The company could



do this, but the change would take 10 years to implement fully.

When it comes to production work, Inland is trying to reduce its work force through a variety of means: labor-displacing technology, speed-up, job combinations, and taking work out of the bargaining unit.

New Technology

1. Inventory used to be done by pad and pencil by 620 USWA members in each of Inland's departments. Inland has announced plans to assign this inventory work to junior management personnel who will use radio transmitters to beam information into computer terminals located in the supervisory offices.

Local 1010 is grieving the company's decision to reclassify this clerical work as "managerial."

2. The company is installing automatic controls, such as electronic eyes and automatic relays, to eliminate jobs in the bar mill and other departments.

3. Inland has also installed electronic controls on the trains carrying material through the mill complex.

Job Combinations & Speed-Up

In order to reduce labor costs, Inland has been eliminating quality control jobs in steelmaking and the rolling process. When the company declares that it doesn't need inspection, the union cannot grieve this decision.

In other cases, management hasn't eliminated inspection; instead, it has ordered production workers to do the checks inspectors once performed.

In other cases, the company has not combined jobs or eliminated job titles; it has simply laid people off and ordered

the remaining workers to get the job done. For example, two people used to wrench billets after a crane had delivered them to a charging skid. The company now assigns one person to do the work, on the ground that the billets are lighter.

*Jones and Laughlin—East Chicago,
Indiana, USWA Local 1011*

J & L management has negotiated with the local for agreements to combine and eliminate jobs. The first agreement was reached in May 1980. It allowed the company to reduce crew sizes, giving additional incentives to remaining workers. In the No. 2 tin mill, for example, the company reduced a three-person crew to two people. The remaining workers had to work faster, which made it hard for older men and for women to do the work.

In addition, J & L management signed a two-year experimental agreement with Local 1011 that allowed the company to combine the jobs of welders, mill electrician and millwright, as well as to eliminate the craft of rigging

To compensate the union for jobs lost as a result of the combinations, J & L increased incentives, raised job classifications, and offered sweeter pension plans to induce older workers to take early retirement. In May of 1982, the local voted to approve a new agreement, which included many of the provisions of the experimental plan.

For the past two years, J & L also has been eliminating jobs, primarily through technological change, where the local hasn't much language in its contract to protect workers. For

example, in March of 1982, the company put its locomotives under electronic control, which eliminated 60 jobs. The union grieved and the case will soon be arbitrated.

Similarly, the company recently put its overhead cranes on radio control, eliminating the crane operator's work. And late in December, the company requested local approval for a new job description in the hot strip mill. The company wanted to combine the jobs of hand banders and coil makers, reducing the total work crew from 9 to 4. Although the company offered to boost the workers' incentives, Local 1011 rejected the proposal.

*Jones and Laughlin—Aliquippa,
Pennsylvania, USWA Local 1211*

At J & L's Aliquippa Works, management and Local 1211 officials signed manning agreements for the steel works in May 1982 and for the tin mill in September.

In the steel works, the new agreement eliminated 22 job titles. Ten job titles were created to describe the work formerly done by workers in the abolished titles. The new positions had higher job classifications and incentive rates, worth 28 cents per hour to the surviving workers.

Altogether, the job combinations in the steel works eliminated 122 people out of a work force of 324. In addition, older workers will have a hard time doing the new jobs.

The May agreement also created a new position, called repairman, at Job Classification 12. The repairman title, which will include former crane oilers, millwright helpers, general oilers, and

the oilers will be used to supplement maintenance workers on repairs.

This change means that oilers will now do general repair work that only millwright (Job Class 15) used to do. Diluting the millwright's job is a step in the creation of "master craftsmen," which is J & L's goal.

Furthermore, the May agreement enlarged the company's right to assign work to outside contractors.

Four months after Local 1211 President Peter Eritano signed the steelworks manning agreement, he signed an agreement covering the tin mill. This agreement terminated 20 job titles, and eliminated 50 workers in a crew of 105. Most of the jobs lost were laborers' entry-level jobs.

As for craft work, the new agreement created two new job titles—repairman mechanical and repairman electrical, replacing the four former titles of millwright, motor inspector, pipefitter and welder.

As they did at East Chicago, J & L sweetened the job combination at Aliquippa with incentive increases and early retirement plans.

***Sharon Steel—Sharon, Pennsylvania,
USWA Local 1197***

Local 1197 represents employees of Sharon Steel, an independent producer of specialty steel. On June 1, the company told local officers that it was combining and eliminating jobs unilaterally. The greatest loss was in the elimination of unskilled jobs. Overall, 137 jobs were eliminated.

The local has grieved the company's actions. With Sharon Steel's approval, the grievances started out on the third

step of the procedure, and are now in the fourth step. Some will be arbitrated.

Management is now discussing with the union how to settle the issue of eliminations and combinations to the satisfaction of both parties. The company's terms are simple: If the union will agree to eliminate a job, the person affected would get a pension supplement amounting to \$400 per month until he or she is eligible for Social Security. If a worker decides not to retire early now, and then decides in a year that he can't keep up with the faster pace of work, he or she can retire later.

While 1197 leadership agreed to present this proposal to their membership for a vote, they refused to consider management's proposal to create "supercraftsmen." Local 1197 will vote soon on the company's proposal.

***U.S. Steel—Johnstown, Pennsylvania,
USWA Local 1288***

At U.S. Steel's Johnstown Works the company and the union have been bargaining for more than five months. Threatening to close the mill, which in peak periods employs 1,300 people, USS presented Local 1288 with a 50-page booklet outlining a complete reorganization of job titles and job classifications in the mill.

Beside demands for super crafts, the company proposed job combinations

***What is happening in your local?
We want to know. Please send us a
report or articles clipped from your
union paper or local newspaper.***

for the different departments of the mill. In the maintenance department, for example, U.S. Steel management asked for:

— The elimination of six job titles—material handler (Job Class 9), first power engineer (14), production welder (10), expeditor (10), power house oiler (5), and bricklayer's helper (3).

— A new job title, *mobile equipment operator* (8), would combine the duties formerly performed by eight other job titles—shipper shops (10), shop product loader (6), truck craneman (8), truck driver (8), tractor operator (8), swing loader (8), tractor operator (7), and sweep operator (4).

— A new job title, *equipment utilityman* (9), would include the duties now performed by the maintenance oiler (6), equipment inspector (9), and maintenance spares attendant (8).

— Another new job title, *maintenance utilityman* (6), would replace painters (13), car repairmen helper (6), boiler-maker's helpers (6), pipefitter's helpers (6), carpenter's helper's (5), machinist's helpers (5), and track laborers (4).

Many of the job combinations USS would reduce the job clarifications and, thus, the pay of the workers affected. Others would keep the workers at the same job level, but would broaden their duties to include work formerly done by lower-rated employees.

Besides eliminating jobs and reducing wages, these job combinations would change the nature of almost everybody's work who remained on the job. Some of these changes would be minor. A heat treater in the Upper Shop, for example, would still do

basically the same work, but he would be reduced from a Job Class 12 to a Job Class 10. But a tractor operator in the Upper Shop would not only be reduced from a Job Class 8 to a Job Class 4, he would also have to do the work of a burner, spacer helper, threading machine operator, press helper, form press helper, stand grinder, bolt pointer and bending roll helper.

U.S. Steel's proposal at Johnstown appears to differ from the management moves at the other mills in that the Johnstown proposal would decrease the job classifications of many employees. This differs from J & L's approach at East Chicago and Aliquippa, where management "bought" worker acceptance of job combinations and eliminations by boosting incentive rates and sweetening early retirement packages.

Conclusions

Any conclusions must be tentative until we have information on all the mills. A preliminary conclusion follows:

The steel companies appear to be attempting to reduce employment levels through a concerted program of: speed up, elimination of job titles, job combinations, and technological innovation. The companies' efforts aim both at production and craft jobs. Management tools include threats to shut down mills, threats to shift work to other mills, early retirement sweeteners, and incentive increases. A primary goal seems to be amalgamation of the crafts into 2 supercrafts, electrical and mechanical. While company strategy varies from plant to plant, the general direction seems widely followed.