COLLECTIVE BARGAINING PROVISIONS

Incentive Wage Provisions;
Time Studies and Standards of Production

Bulletin No. 908-3
Letter of Transmittal

UNITED STATES DEPARTMENT OF LABOR,
BUREAU OF LABOR STATISTICS,
Washington 25, D. C., April 1, 1948.

THE SECRETARY OF LABOR:

I have the honor to transmit herewith the third bulletin in the series on collective bargaining provisions. The report consists of two chapters: (1) Incentive Wage Provisions, and (2) Time Studies and Standards of Production, and is based on an examination of collective bargaining agreements on file in the Bureau. Both chapters were prepared by, and under the direction of, Abraham Weiss, of the Bureau's Industrial Relations Branch, Boris Stern, Chief. James C. Nix assisted in the preparation of the report.

EWAN CLAGUE, Commissioner.

HON. L. B. SCHWELLENBACH,
Secretary of Labor.
Preface

As early as 1902 the Bureau of Labor Statistics, then the Bureau of Labor in the Department of the Interior, recognized the growing importance of collective bargaining, and published verbatim the bituminous-coal mining agreement of 1902 between the Associations of Coal Mine Operators of Pennsylvania, Ohio, Indiana, and Illinois and the respective districts of the United Mine Workers of America. Since 1912 the Bureau has made a systematic effort to collect agreements between labor and management in the leading industries and has from time to time published some of those agreements in full or in summary form in the Monthly Labor Review.

The first bulletin entirely devoted to collective bargaining agreements was published in 1925 under the title "Trade Agreements in 1923 and 1924." Similar annual bulletins were published in 1926, 1927, and 1928. These bulletins analyzed only outstanding agreements affecting certain industries and certain skilled crafts in which collective bargaining has followed a more or less established pattern.

No bulletins in this field were published by the Bureau between 1928 and 1942—a period during which collective bargaining first lost ground in the depression and then made rapid strides following the enactment of the National Labor Relations Act in 1935. The growth in trade-union membership from fewer than 4,000,000 workers in 1935 to more than 10,000,000 in 1942 not only resulted in a large increase in the number of collective agreements covering industries hitherto not included under collective bargaining, but also extended the scope and area of bargaining in individual industries. In recognition of this development, the Bureau's 1942 report on union agreements (Bulletin No. 686) dealt with provisions and clauses on particular labor-management problems rather than with the agreements of each union or industry separately.

The substance and character of collective bargaining agreements change continuously, and many of the clauses and provisions covered in Bulletin No. 686 underwent significant changes during the war emergency, as a result not only the normal processes of collective bargaining but of the decisions of the National War Labor Board. New problems meant new clauses and new provisions. The Board also gave added impetus to certain forms of union security, and to certain practices, now deeply imbedded in the entire field of labor-management relations.
The liquidation of the Board, and the renewal of emphasis on free collective bargaining after VJ-day, led to a tremendous increase in the demand for information on specific current provisions in agreements. Urgent requests came from employers and unions, from the United States Conciliation Service, and from mediators and arbitrators engaged in settling or preventing labor-management disputes. It was largely in response to these requests that the Bureau of Labor Statistics undertook to revise and bring up to date the material on union agreements.

In this revision two significant departures have been made: (1) Accumulation of data has made possible the use of a larger sample than was possible heretofore. (2) The information is being released in a series of small bulletins, each stressing a major area or significant problem of collective bargaining. Thus the material for each major problem can be published as rapidly as finished without waiting until all of the subjects of collective bargaining are analyzed. It will have the advantage of greater flexibility in handling specific requests for material from employers, unions, and the public. Some clauses are more or less stable and undergo relatively minor changes even over a considerable period of time and therefore need only occasional revision, whereas others undergo rather rapid change. Also, as new issues develop, it will be possible to add new bulletins to the series, without revising those already published.

The clauses used are designed to facilitate, but not to condition, the bargaining process. No special attempt has been made to determine the prevailing industry practice or the most frequently used provisions. The clauses are presented, not as models, but as a source of reference for those who participate in collective bargaining negotiations, by making available to them a wide variety of provisions on the specific subjects under consideration. An index of all the contract clauses quoted, with a brief description of each clause, is appended to each report.

The present report deals with provisions for incentive wages, and with time studies and standards of production. The other bulletins in this Collective Bargaining Provisions series which have been published are as follows:

908-2 Vacations; Holidays and Week-End Work.
**Bulletin No. 908—3 of the**

**United States Bureau of Labor Statistics**

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### Contents

**CHAPTER I.—INCENTIVE WAGE PROVISIONS**

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction</td>
<td>1</td>
</tr>
<tr>
<td>Regulation of method of wage payment: Clauses 1–34</td>
<td>4</td>
</tr>
<tr>
<td>Union participation in establishing or changing incentive rates: Clauses 35–62</td>
<td>9</td>
</tr>
<tr>
<td>Safeguards on earnings</td>
<td>18</td>
</tr>
<tr>
<td>Protection against rate cutting: Clauses 63–83</td>
<td>18</td>
</tr>
<tr>
<td>Guaranteed minimum earnings: Clauses 84–97</td>
<td>22</td>
</tr>
<tr>
<td>Restrictions on temporary incentive rates: Clauses 98–113</td>
<td>25</td>
</tr>
<tr>
<td>Guaranteed earnings under special conditions</td>
<td>27</td>
</tr>
<tr>
<td>Down-time: Clauses 114–129</td>
<td>28</td>
</tr>
<tr>
<td>Faulty materials: Clauses 130–132</td>
<td>31</td>
</tr>
<tr>
<td>Break-in time under group incentives: Clauses 133–139</td>
<td>31</td>
</tr>
<tr>
<td>Special work: Clauses 140–151</td>
<td>33</td>
</tr>
<tr>
<td>Period for computing incentive earnings: Clauses 152–155</td>
<td>35</td>
</tr>
<tr>
<td>Equal opportunity under the incentive plan: Clauses 156–157</td>
<td>35</td>
</tr>
</tbody>
</table>

**CHAPTER II.—TIME STUDIES AND STANDARDS OF PRODUCTION**

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction</td>
<td>37</td>
</tr>
<tr>
<td>Union participation in time studies and in setting production standards: Clauses 1–43</td>
<td>38</td>
</tr>
<tr>
<td>Union safeguards on timing</td>
<td>48</td>
</tr>
<tr>
<td>Selection of workers to be timed: Clauses 44–50</td>
<td>49</td>
</tr>
<tr>
<td>Maintenance of normal operating conditions during time study: Clauses 51–53</td>
<td>50</td>
</tr>
<tr>
<td>Time-study allowances: Clauses 54–60</td>
<td>50</td>
</tr>
<tr>
<td>Protection against secret or concealed time studies: Clauses 61–72</td>
<td>52</td>
</tr>
<tr>
<td>Size and composition of crews: Clauses 73–83</td>
<td>53</td>
</tr>
<tr>
<td>Management safeguards: Clauses 84–104</td>
<td>55</td>
</tr>
<tr>
<td>Index</td>
<td>61</td>
</tr>
</tbody>
</table>

Incentive Wage Provisions; Time Studies and Standards of Production

Chapter 1.—Incentive Wage Provisions

Introduction

An incentive wage plan is a method of wage payment by which workers receive extra pay for extra production. In establishing wage incentive plans, consideration must be given to: (1) the base rate for the job; (2) the amount of work required to earn the base rate; and (3) the relationship between extra work above the base and extra pay for the extra performance.

Incentive wage plans are designed to encourage the fullest possible use of individual ability and thereby to increase individual productivity. They recognize individual capacity and make provision for its measurement and remuneration. Basically, such a plan enables workers to increase their earnings by exceeding specified standards of output. It establishes a norm of output or productivity per man-hour and provides for bonus wage payments on output in excess of this norm.

Although incentive methods and particularly piece rates are most easily adapted to standardized, repetitive labor operations, the use of such methods has not been confined to a homogeneous group of industries, whether considered from the point of view of products, production processes, or type of labor employed.

Incentive wage plans vary from a simple price-per-piece program (piecework) to a very intricate and complex method of calculation. An employee's earnings under an incentive wage plan may be geared directly to his own productivity, to the performance of a small group or team of which he is a part, or to the performance of the entire mill, plant, or shop. The plans may vary from a relatively haphazard, rough estimate of a reasonable rate per unit of production to a program resulting from years of careful break-down, analysis, and time study by industrial engineering methods.

The simplest form of incentive wage payment is straight piecework, whereby workers are paid a fixed amount per piece produced. Under more complex incentive wage systems, workers receive a base rate and an additional sum for each added unit or piece produced above an estab-
lished norm or standard of production. Most plans establish a direct relation between extra pay and above-standard production; others, less frequently, pay less per piece for extra production than for normal production.

Unlike individual incentive plans, under which individual earnings fluctuate with individual output, group incentive plans tie an individual’s earnings to the output of the group as a whole. Piecework plans are sometimes converted into group incentive plans by the pooling of individual earnings. Bona fide group bonus plans are generally established for jobs on which measurement of individual output is difficult and the incentive earnings are based on the performance of the group as a whole. Groups may vary in size from two to several hundred. In this type of incentive plan careful provision is usually made to protect group earnings against decreases due to the low productivity of new or inefficient workers.

A group incentive plan on a plant-wide scale came into prominence during the war. This type of plan is usually easier to install and simpler to administer than most of the individual and group plans. In general, under such a plan all employees in the plant receive a percentage bonus for the plant output above standard. The standard is usually expressed in physical terms, e.g., pounds of aircraft per month, number of cars per year.

The apparel trades, including clothing, shoes, hats, and millinery, have long been characterized as “piece rate” industries. Much of coal mining is on a tonnage basis. In the rubber, glass, and electrical-products industries, the “point” incentive systems, such as “standard hour” or “measured day rate” and others, have been widely introduced. Construction, printing, and the service trades, on the other hand, are examples of industries where time rates prevail.

Although many unions have traditionally opposed incentive wage plans in principle, there is a wide divergence in union attitudes toward them. Unions generally appraise the situation in their industry and their position reflects and is conditioned by the problems they find in each case. In many plants collective bargaining has substantially modified the incentive plans, while in other cases the unions have hedged existing incentive plans with safeguards and guarantees for better protection of the workers.

Much of the opposition of workers to incentive plans is due to past experience with rate cutting and the speed-up. The claim has been made that whenever workers became adept at an operation and increased their output, and thereby their earnings, management would re-time the job and cut the rate for the operation so that workers turned out more with no corresponding increase in pay. Piece rates were sometimes lowered without clear justification, or on the ground
that some adjustment in machinery or process had warranted a re-timing of the work. Even where rate changes were justified by some change in operations, workers often felt that a more than proportionate reduction in rates had been made. Management also would re-time jobs after workers had hit their stride and then set the new, high production level as the normal standard for base pay, resulting in a speed-up.

Other reasons for worker antagonism to wage incentives include: General distrust of the impersonal nature of time study methods; fear of loss of jobs resulting from expanding output per man; dilution of skills caused by the break-down of crafts into semiskilled operations; competition among workers and variations in earnings, leading to splits and divisions tending to break up the cohesiveness of the union, etc.

Some union leaders, on the other hand, recognize that the reduction of unit labor costs of production which may be achieved through incentive wage plans provides them with the opportunity to press for higher wages and higher labor income. What these leaders ask is elimination of the abuses which have accompanied these plans in the past and union participation in their administration. The completeness and stability of bargaining relations in industries like men’s and women’s clothing and hosiery where piece-rate methods are the rule would seem to indicate that labor can be quite satisfied with such methods where its interests are properly safeguarded.

Employers generally favor incentive wage plans because they are assured of a relatively stable unit labor cost and greater employee efficiency and productivity. It is unfair to pay the same wage to a slow worker as to a more efficient one, employers contend, and a system which rewards the individual worker according to his skill and industry is therefore both more equitable and more desirable.

Employers often reserve the right to change rates on the ground that piece rates cannot be permanent and that some flexibility is necessary where continuous changes in product or production methods take place. Time passes, conditions change, and workers become more expert at their jobs. The cumulative effect of many small changes and improvements in process, material, and equipment may be an increase in productivity which renders existing incentive standards quite inaccurate, even though no single change is important enough to justify a rate change. These continuing changes in factory techniques and production schedules mean constant strife between foremen interested in increased production and union-shop stewards on guard against the “speed-up.” Conflict over union standards is perhaps one of the greatest sources of irritation in industry.
Collective bargaining agreements include a wide variety of provisions pertaining to incentive plans. In only rare instances, however, do they indicate in full the type of plan used or the technical details of its operation and administration. Most of the detailed provisions in the agreements are concerned with establishing safeguards and controls against abuse of the incentive wage principle. The principal safeguards include: (1) participation in rate setting, either by joint negotiation of new rates before they are put into effect, or by appeal through the regular grievance procedure if incentive rates are found to be unsatisfactory; (2) guaranteed minimum rates and maintenance of a normal incentive differential above the base rate; (3) guarantee of earnings when a worker's output is reduced through no fault of his own, such as machine break-down, transfers at the request of management, work on unrated operations; (4) assurance that rates will not be cut unless changed conditions warrant such adjustment; (5) provision for computing extra pay on a daily basis so that poor days do not reduce extra pay earned on days when the workers exceed the standard.

Equally important, where incentive plans are involved, are agreement safeguards on time study. (See chapter on “Time Studies and Standards of Production,” p. 37.)

**Regulation of Method of Wage Payment**

Where the system of wage payment has been the subject of dispute and negotiation, the agreements often contain provisions specifying the form of payment that is to be used or stipulate the conditions under which changes are to be made. Some agreements either prohibit the establishment of any form of incentive or piecework payment or contain restrictions against its reintroduction. Occasionally agreements provide for the outright abolition of an existing incentive plan or prohibit its extension to operations presently not covered.

On the other hand, some unions, after an appraisal of the situation in their particular industries or plants, have concluded that incentive systems are either inevitable or else not objectionable. This attitude often finds expression in agreement clauses specifically sanctioning the continuance of existing incentive plans or the introduction of new ones only through joint action, or at least after the union has been properly consulted.

When the incentive wage system is applied to only a part of the plant, the disparity in earnings between incentive and nonincentive workers may create unrest and dissatisfaction, particularly where the day workers service the incentive production employees and work beside them in the plant. In accepting the principle of incentive wage payment, unions have sought in various ways to cope with this problem.
Many agreements, therefore, provide for the extension of incentive pay to as many operations as possible, sometimes resulting in plans which cover both production and nonproduction workers.

Clerical and supervisory workers are very seldom included under incentive plans, since their productivity cannot easily be measured in terms of output. Under some agreements these workers are expressly excluded from the coverage of the incentive plan.

Sometimes the whole issue of the method of wage payment or the type of incentive plan is subject to review and renegotiation by both parties. A shift from one type of incentive to another is generally allowed only by mutual consent of the company and union.

When wages are paid on a time basis or a straight piecework basis, workers usually have no difficulty in determining their earnings. Under many incentive plans, however, the computation of earnings may be complicated, and workers often complain that they have no way of checking management's calculation of their pay. In order to meet this objection, agreements sometimes require the employer to furnish incentive workers with a daily or weekly statement of earnings and an explanation of the method of computation.

Illustrative clauses dealing with the regulation of wage payment methods follow:

1. **Incentive System Prohibited**
   
   There shall be no piece, contract, or incentive work by the employees, and all work performed shall be paid for on an hourly basis.

2. **Incentive System Abolished**
   
   The employer and the union agree that the piecework system heretofore in effect, shall be abolished upon the execution of this agreement.

3. **Union Consent Required**
   
   The employer agrees that it will not institute any piecework bonus or other incentive system except by mutual consent between employer and union.

4. **No Extension of Piecework Except by Mutual Agreement**
   
   There shall be no extension of piecework except by mutual agreement.

5. **Inauguration of Incentive System by Mutual Agreement**
   
   Nothing herein shall be construed to prevent the inauguration of an incentive plan providing it is mutually satisfactory to the employer and the union.

6. **Modification or Establishment of Incentive Plan Requires Joint Approval**
   
   In this article are the recognized incentive plans in effect, and before any changes in these incentive plans are made or new plans established, they will be agreed upon by the parties.

7. **Employer May Discontinue Incentive System at Any Time**
   
   Attached hereto as exhibit B is the wage incentive plan of the employer, it being understood that the institution of this plan is purely voluntary on the part of the employer and does not obligate the employer to maintain the plan in existence during the life of this contract or for any definite period of time. Its
provisions have been agreed to by the union with the understanding that so long as it remains in effect it is not to be changed or altered except in accordance with the conditions stated in the plan or by agreement of the union.

8. Either Party May Discontinue Incentive System on 30-Days' Notice

On thirty (30) days' written notice, either party to the within agreement may cancel the incentive method of payment plan.

9. Continuation of Incentive Plan in Force

The premium or bonus incentive plans presently in force shall continue.

10. Piecework at Management's Discretion

Piecework may be used at the option of the canner, based upon the minimum wage scale.

11. Employer to Establish Incentive System Wherever Practicable

It is agreed that the company will install a wage incentive plan in all departments where such a plan is practicable, as promptly as possible. Such incentives when established may be made applicable to individuals or groups of individuals depending upon the nature of the work and the number of employees involved in each department or group.

12. Incentive Plan Extended to Measurable Jobs

All production work which can be measured with a reasonable degree of accuracy and otherwise lends itself properly will be placed on incentive at piece rates which will provide the employee working 100 percent efficiently the opportunity to earn the incentive rate for that job classification listed in the schedule of piecework incentive rates.

13. Incentive Plan Extended, Provided Unit Labor Costs Not Increased

All classifications shall be placed upon the incentive system as quickly as possible whenever the unit cost of labor is not thereby increased.

14. Joint Committee May Request Survey to Extend Incentive Plan to Indirect Workers

Upon request of the industrial relations committee, operations not now on incentive but connected with or serving incentive operations shall be studied for inclusion in the incentive system and a report made to the subsequent monthly meeting of such committee.

15. Company Survey of Incentive Plan for Indirect Workers; Application Subject to Joint Approval

The company will begin a study for the purpose of determining the feasibility of an over-all incentive for those employees not covered by direct incentive. If a feasible plan is developed it will be put into effect upon approval of the parties.

16. Incentive Plan Covers Production and Nonproduction Workers (Nonproduction bonus varies with department output.)

It is understood and agreed that the company will install a wage incentive plan which will cover both productive and nonproductive classifications * * *.

Each man or woman performing work classified as nonproductive labor shall be paid at his or her hourly rate of pay. Any bonus earned will be determined by the percentage of excess over the departmental standard of production in his or her department for the preceding week.

17. Sliding Group Bonus Plan with Stated Maximum for Indirect Workers

Group bonus plans paying up to 20 percent of the base rates shall be used in indirect operations on mechanized molding units 1, 2, 3, and 4 and shall be
based on the number of molds handled. Workers on these units will receive
when the unit is producing molds at the normal or less than normal rate of per­
formance their regular rate of pay as determined in paragraph 26. As produc­
tion on these units increases above normal, they will be paid additional amounts
in accordance with a scale which shall be published and posted.

18. Temporary Bonus Plan for Nonincentive Workers Pending Establishment of
Standards

The company agrees to install a bonus plan for nonincentive workers. As an
immediate plan all regular nonincentive workers will be paid one-third ($\frac{1}{3}$) the
average efficiencies of the incentive workers in each plan. As soon as possible,
probably by [date], a plan based on past records, as distinguished from actual
time study, will be set up. By this plan the workers' bonus will be determined
by their own efforts rather than those of present incentive workers and this plan
will be substituted for the temporary plan. This plan will start out as a plant­
wide group and later if possible, be worked out for departments. It must be
remembered that this is new and patience and cooperation will be required until
it is worked out.

Incentive workers temporarily doing nonincentive work will draw the same
bonus for this work as the regular nonincentive workers.

19. Savings in Indirect Labor Costs Distributed Among Indirect Workers

All savings in indirect labor costs arising from increased production shall be
distributed pro rata among chargeable indirect labor. Chargeable indirect labor
shall include in any given group all employees who make an actual contribution
to the job or work in that group.

20. All Employees Given Opportunity to Earn Bonus; Group Bonus Plan Preferred

The company will give all employees covered by this contract the opportunity
of earning a bonus whenever possible, and will wherever possible adopt the group
or departmental bonus plan for the entire department.

21. Supervisory, Clerical, and Office Employees Excluded

In addition to the pay provided elsewhere in this agreement, the association
agrees to pay to --------- plant employees, as that term is defined in article 1, sec­
tion 1, hereof (all men and women employed by the association at its ---------
plants * * *, excluding supervisory, clerical, and office employees), incentive
pay for above-normal production, in accordance with the formula set forth in
this article.

22. Change to Piecework Payment Through Joint Negotiation

It is agreed when any company member of the [association] elects to work
conveyors on tonnage, footage, yardage or other piecework rates, it shall be
taken up by the company with the president of the district organization or his
representative, to be agreed upon mutually.

23. Time Operations May Be Converted to Piece Operations with Approval of
Union; Arbitration Provided

All operations now being performed on a time or hourly basis may be con­
verted to a piece-rate operation with the approval of the union, it being agreed
that such approval shall not be arbitrarily withheld by the union. Any dispute
with respect thereto shall be referred to arbitration as herein provided for in
cases of dispute.

24. Change in Method of Payment Subject to Arbitration

Changes in basic methods of pay may be made by mutual written consent of the
parties or by arbitration award.
25. No Change in Method of Payment Except by Consent of Company, Union, and Employee

There shall be no change from piecework to day work, or from day work to piecework unless by mutual consent of the company, the bargaining committee, and the employee on the job.

26. Employer May Change Method of Payment Provided Hourly Earnings Not Reduced

The company shall have the right to change basis of payment from hourly rates to piece rates or vice versa, provided, that this shall not be done in such a manner as to result in a reduction in hourly earnings on the operation.

27. Change To or From Individual or Group Bonus by Mutual Consent

Whenever mutually regarded as desirable and practical, units working under any incentive system may be changed to or from either group or individual type of bonus, as may be determined after fair consideration.

28. Individual Incentive System Used Wherever Possible; Final Decision With Employer

The employer reserves the right to decide what jobs shall be placed on incentive, the sequence in which the operations shall be considered and whether or not the incentive shall be on an individual or group basis. Wherever possible to break down a job into clearly defined operations, which are not affected by the output of preceding or subsequent operations, individual bonus rates will be applied.

29. Type of Incentive Plan—Individual or Group—at Employer's Discretion

There shall be established throughout the utensil department incentive plans. In a few cases individual incentive plans may be adopted, but generally group plans will be established. The management will, in each case, decide on the type of plan to be set up, individual or group.

30. Current Information on Operation of Incentive System Posted

It is recognized that the extra compensation plan offers the employees an opportunity to earn, in addition to the hourly wage rates, extra compensation for more effective work.

The company will continue to post the daily or weekly index of each employee under the plan and to make available to employees the details of the plan.

31. Weekly Written Computation of Earnings to Incentive Employees

Sufficient written information shall be given all employees on incentive at least once per week on a job basis so that employees will know how their earnings were determined. This information shall include job number, or description; number of pieces produced; and the amount of money if on piecework, or premium hours if on standard hour incentive. Such information shall not be considered as binding on the employer in respect to the ultimate determination of the total amount earned during any one pay-roll period.

This clause shall not be construed to be the cause of change of existing practice with respect to notification of employees at lesser intervals than 1 week.

32. Employees Informed of Method of Computing Incentive Earnings

Adequate provision shall be made at each of the plants and works whereby each employee thereat shall be currently informed of his rate of pay, and, in the case of an employee who is paid on an incentive basis, of the method of computing his incentive earnings.
33. **Piece Rates Posted; Translated Into Dollars and Cents**

All piece rates shall be posted in the departments affected, and said rates shall be translated into dollars and cents wherever possible in order to enable the employees to figure their wages.

34. **Employer To Furnish Union Information on Operation of Incentive System**

The company agrees to furnish the union with job description, job evaluations, and full and detailed information on the operation of the incentive system.

**Union Participation in Establishing or Changing Incentive Rates**

The use of a piece rate or incentive system involves the problem of determining the proper rate per piece or unit of output or the determination of production standards. Because these rate determinations are intimately connected with the workers' earnings (earnings of incentive workers depend not only on output but on the rate per unit of work), unions are greatly concerned with the method of such determination. The degree of the union's participation in rate determination is dependent on the relative strength of the parties and the nature of their particular problems with respect to the incentive system.

Union attitudes toward participation in rate-setting vary. Some unions do not wish to participate directly in setting rates, though they wish to establish certain safeguards on management's right to institute and change rates, and desire a ready procedure through which to seek adjustment of unsatisfactory rates. However, they often do seek advance notice of rates, or the opportunity to give informal prior advice, with the objective of correcting immediately obvious deficiencies in the new rate. The guiding principle behind this attitude is that the acceptance of a joint role in rate setting is an unwarranted responsibility which may become a burden rather than a boon. Jointly set rates which the union membership finds unsatisfactory may lead to friction within the union and make it difficult for union representatives to handle grievances that may arise from these rates. This attitude applies only to incentive rate setting and determination of production standards, and not to the determination of general wage levels and wage minimums, the establishment of which is regarded by unions as a joint function.

In some industries, the union shares equally with management in the initial setting of incentive rates. This right of advance participation and of full union-management cooperation is recognized in most of the agreements in the clothing, millinery, hosiery, and shoe industries. In some cases the agreement contains only the brief statement that piece rates are to be a subject of bargaining during the life of the agreement. In other agreements the joint rate-setting machinery and procedure are set forth in some detail.
In most industries, however, management sets the rate unilaterally, puts it into effect either immediately or after a specific trial period, and then handles protests over the accuracy or justice of the rate through the grievance procedure. Ordinarily this is not expressly set forth in the agreements, but is implicit in the established grievance procedure set up under the management.

Intermediate between these extremes of union participation in rate setting are an increasing number of agreements which grant the union rights of partial determination and review of management decisions. This procedure permits the union to protest any rate considered unfair before it becomes effective. Basically, there are two distinct variations in this type of procedure. The first calls for both parties to discuss or consult on a new rate before management sets the rate. Apparently, at this prior discussion the parties attempt to work out the rate, with management retaining the right to make the decision. The other variation calls for management to determine the rate, consult with the union, and then put that rate into effect, subject, of course, to union appeal through the grievance procedure. Participation in these situations, therefore, means that all new and revised rates must be submitted to the union for approval or that the union receive advance notice of new or changed rates. In some cases the union must approve the new rate before it can be installed; in others, the rate may be installed after prior notice to the union which may present its objections through the grievance procedure. In still others, it is not specified whether joint agreement on the rates is required or whether management is obliged only to hear and discuss worker objections and counterproposals and then use its discretion in reaching a final decision. Nor is there clear indication, in some cases, on how long management must withhold rates for purposes of clarification and negotiation.

Some agreements set up special procedures for setting and revising rates, specify the conditions under which rates may be revised, and provide that rate changes shall be proportionate to the change in job content. Others provide special procedures for handling grievances over incentive rates, some allowing arbitration of such disputes, others excluding them. Sometimes there is a provision for consultation with outside technical advisers.

### 35. Union Price Committee To Negotiate With Employer

There shall be established in the shop of the employer a price committee, selected by the workers in the said shop under the supervision of the union, and all piecework prices shall in the first instance be adjusted upon the premises of the said shop between said committee and the employer.

### 36. Union Price Committee; Negotiating Procedure Outlined Under Association Agreement

Piecework prices shall be settled by the price committee and each employer in the association, in conferences which are to take place outside of the regular
working hours of the shop, and at such times as are agreed upon by the committee and the employer; such piecework prices so fixed and agreed upon shall be reduced to writing, and copies of such writing shall be delivered to each party and to the office of the union and shall be final and binding upon both; whenever piecework prices cannot be agreed upon by the committee and the employer, such dispute, in the first instance, shall be referred to a representative of the union and the association; if such representatives fail to agree, the matter shall be referred within the forty-eight (48) hours to the impartial chairman who shall have the right to take such evidence and order such tests to be made, procure such data, take such other steps as in his discretion may be necessary in order to reach a just and fair conclusion as to such dispute, and the decision then made by the impartial chairman shall be binding upon all parties hereto; pending determination of such dispute, however, all garments shall be put in production with the understanding that the piecework price thereon shall be settled and fixed before the next ensuing pay day; workers shall not be required to make garments if not settled as stipulated above.

37. Piece Rates Adjusted by Employer and Union Price Committee (No employee is assigned work for which rate is not settled.)

All piece prices shall be adjusted between the representative of the employer and a price committee of three workers engaged in that particular branch of work selected or designated by the union. The employer shall not withhold from the pieceworkers any settled work which may be on hand pending disputes between the employer and the price committee about prices.

No workers shall be asked to work on unsettled work.

38. Union Approval Required Before Piece Rates Put Into Effect

The employer shall furnish a competent time study man to restudy such rates as are in effect and all new rates. No piecework rates shall be put into effect unless agreed to by this union.

39. Mutual Agreement on Piece Rates and Bonuses

All piecework rates, incentive pay and production bonuses shall be agreed upon by the company and the union.

40. Joint Negotiation when Improved Machinery Introduced

If, during the term of this agreement, the company installs new and improved machines in a department for which piecework rates are hereinabove provided, which machines permit an accelerated rate of production, company and union agree to negotiate for the establishment of a rate therefor other than the rates herein set forth.

41. Joint Committee to Recommend Rates on New Machinery

During the life of this contract, it is agreed that upon the installation of new types of equipment not already in use for which no wage rates are now established, a commission of two miners and two operators shall be selected by the joint State executive board; said commission to report its findings and recommendations to the joint State executive board as quickly as practicable after appointment. From the report of the Commission, the joint State executive board shall determine the proper wage rates applicable, and the effective date thereof.

42. Union Approval Required Before Rates Are Put into Effect

Any piecework rates compiled shall be approved by the union representative before being put into effect.
48. Separate Procedure for Routine, Technological, and Other Rate Changes.
(Management has the right to make day-to-day and technological changes. The union has the right to protest day-to-day changes through the regular grievance procedure. It must receive prior notification of technological changes, discuss them, and have a trial period before subjecting protests to regular grievance procedure. Changes outside the field of day-to-day and technological are subject first to collective bargaining, then to the test of actual operation, and finally to arbitration.)

The employer shall have the right to change or introduce machine processes, methods of manufacture, to make time studies and work assignments and job specifications in accordance with sound rate setting practices and principles for the purpose of insuring the efficient operation of the mill and utilizing the employees time effectively. The affected employees and management have the duty and responsibility to cooperate in giving the workload a fair test during the trial periods. In making changes to effectuate the above it is agreed as follows:

1. Routine Changes:
Routine changes may be made by the company to meet the necessities of its day-to-day operations; it being further understood that such changes may result in grievances which shall be subject to the grievance procedure. When a grievance has been filed concerning the job, job specification will be furnished by the company upon request.

2. Technological Changes:
(a) Three weeks prior to the date of installation of the proposed change, the company will notify the union on the form now in effect. In case of an emergency, the 3 weeks' provision is not to apply, but discussions of the proposed change are to take place as soon as practicable, prior to the institution of the change. The company will furnish job specifications with the notification, or not later than 3 days prior to the initial discussion with the union.
(b) Two weeks prior to installation the company will discuss their proposed change with the union. Two weeks after such discussion the company may install the proposed change for a 4- to 6-weeks' trial period (or a longer or shorter period by mutual agreement) during which the employees will receive their average hourly earnings for the previous 4-week period, or their actual earnings, whichever are higher. The company will furnish a summary of check studies to the union upon request.
(c) After the trial period, a grievance, if filed, shall be referred to the grievance procedure, except that the procedural steps may be expedited by the elimination of the time requirements in the first two steps of the grievance procedure.

3. All Other Changes:
(a) The company will notify the union 2 weeks prior to installation of change on the form now in effect. During the 2-week period, discussion will take place with the union. At the request of either party, a 4- to 6-week trial period (or a longer or shorter period by mutual agreement) will be applied, during which the employees will receive their average hourly earnings for the previous 4-week period or their actual earnings, whichever are higher.
(b) The company will furnish job specifications upon request.
(c) The company agrees to make check studies of the job, if requested, and furnish the union with a summary.
(d) Changes in methods of payment from hourly or piece rates to incentives shall follow the procedure specified in this subsection.
(e) Grievances resulting from changes under this subsection may be expedited as provided for in subsection 2, "Technological Changes," of this section.
44. Consultation with Union Prior to Rate Change, No Limitation on Employer

The company agrees to consult with the union prior to putting into effect any change in a piecework rate; this shall in no way be construed as limiting any of the company's rights as hereinabove set forth.

45. Discussion with Employees and Union Prior to Rate Change

The company shall discuss contemplated changes in job classification and incentive rates with the employees affected and representatives of the union prior to making them effective.

46. New or Changed Bonus Values First Discussed with Union; Differences Settled Through Grievance Procedure

Before new bonus values or changes affecting the earning capacity of an employee or group are put into effect, the matter shall be discussed with their representative, their shop foreman and the head incentive official in the plant, and upon any failure on their part to reach a mutually satisfactory agreement, the matter shall be referred to the industrial relations committee for settlement with the plant management.

47. Detailed Procedure for Rate Establishment and Adjustment (For both new and changed jobs, management sets the rate, and consults with the union in an effort to reach agreement. Management can put the rate into effect over the union's opposition, on a permanent or trial basis, subject to appeal within 90 days. Negotiations on disputed rates are handled through the regular grievance-arbitration procedure, with any modification retroactive to the date the employee is assigned to the job.)

It is recognized that changing conditions and circumstances may from time to time require the installation of new wage rates, adjustment of existing wage rates or modification of wage rate plans because of the creation of new jobs, development of new manufacturing processes, changes in equipment, changes in the content of jobs, or improvements brought about by the company in the interest of improved methods and product. Under such circumstances the following procedure shall apply:

1. New Wage Rates for New Jobs

When a bona fide new job or position is to be established:

(a) Management will develop an appropriate hourly, tonnage, or piecework rate.

(b) The proposed rate will be explained to the grievance committee with the objective of obtaining its agreement to the installation of the proposed rate, or, to the installation of the proposed rate for an agreed upon period which will serve as a trial period. Management may therupon install such rate. If the rate is installed without agreement, it shall subsequently be subject to adjustment as provided below.

(c) When a wage rate for a new job is installed, the employee or employees affected may, at any time within ninety (90) days, (except where the parties otherwise mutually agree) file a grievance alleging that such new rate does not bear a fair relationship to other jobs in the same plant. Such grievance shall be adjusted under the grievance and arbitration machinery of this agreement. If the grievance be submitted to the arbitration machinery, the decision shall be effective as of the date when the employee was assigned to the new job.

2. New Wage Rates for Changed Jobs

When changes are made in equipment, method of processing, material processed, or quality or production standards which would result in a substantial...
change in job duties or requirements; or where over a period of time an accumulation of minor changes of this type have occurred which, in total, have resulted in a substantial change in job duties or requirements, adjustments of hourly, incentive, piecework and tonnage rates, may be required. In such cases new wage rates shall be installed in the following manner:

(a) Management will follow the procedure outlined in 1 (a) above. In addition, the rate proposal so developed will be fully explained to the union representatives with the objective of obtaining their agreement to the proposal on the basis of equity. Negotiations may be instituted by the grievance committeeman representing affected employees or by management. If subsequent rate studies are necessary, management will acquaint the grievance committeeman or committee regarding such study and seek their cooperation. When the study has been completed and the proposed new wage rates computed, management representatives will again confer with the committeeman or committee and fully explain the study. The procedure involved in explanation and negotiations will be that procedure outlined in section 9 of this agreement under which the first contacts will be with the foreman with negotiations continuing through the successive steps of such procedure.

(b) If management and the union representatives are unable to agree upon the new rate for the changed job, management shall have the alternative of (1) establishing the new rate; (2) setting a temporary rate for a reasonable trial period.

If management elects to set the new rate for the changed job, the employee may file a grievance at any time within ninety (90) days (except where the parties otherwise mutually agree) from the installation of the new rate, and any change in the rate so determined shall be retroactive to the date of the assignment of the employee to the changed job. If management adopts the alternative of a trial period, the employees, during such trial period, shall be guaranteed his straight-time average hourly earnings for the 3 months immediately preceding the change in the job content. After the expiration of the trial period, the employee or employees affected may, at any time within thirty (30) days, file a grievance and any change in the rate so determined shall be retroactive to a date no earlier than the date of the assignment of the employee to the changed job but no later than the date immediately following the expiration of the trial period. Such grievance shall be adjusted under the grievance and arbitration machinery of this agreement.

If any grievance under this paragraph (b) is submitted to the arbitration machinery, the decision shall be governed by the principle that the new rate shall be in line with other rates in the plant.

48. Alternative Procedure when Parties Unable to Agree on New Rate for Changed Job
(Management may either establish a rate, subject to protest through the grievance procedure within 90 days, or set a temporary rate for a trial period.)

If management and the union representatives are unable to agree upon the new rate for the changed job, management shall have the alternative of (1) establishing the new rate; (2) setting a temporary rate for a reasonable trial period. If management elects to set the new rate for the changed job, the employee may file a grievance at any time within ninety (90) days (except where the parties otherwise mutually agree) from the installation of the new rate, and any change in the rate so determined shall be retroactive to the date of the assignment of the employee to the changed job. If management adopts the alternative of a trial period, the employee, during such trial period, shall be guaranteed his
straight-time average hourly earnings for the 3 months immediately preceding the change in the job content. After the expiration of the trial period, the employee or employees affected may, at any time within thirty (30) days, file a grievance and any change in the rate so determined shall be retroactive to a date no earlier than the date of the assignment of the employee to the changed job but no later than the date immediately following the expiration of the trial period. Such grievance shall be adjusted under the grievance and arbitration machinery of this agreement.

49. Notice to Union Steward of Rate Changes; 48 Hours Allowed for Checking Rates Before Posting

The department steward or division steward of the department affected will be notified of all piecework price proposals or establishment of rates on new jobs. If so requested, he will be allowed forty-eight (48) hours maximum for checking time studies and facts before posting a proposed rate. If mutually agreed, the rate may become effective immediately. If not, the rate will be posted three (3) working days before becoming effective. Upon written objection being presented to the company by the union, the same shall constitute a grievance to be negotiated through the regular established channels, but subject to the limitations contained in section 9 of "Handling of Grievances." In these negotiations, the union’s representative shall have the right to observe the company’s file pertaining thereto for the purpose of determining a proper rate. Should the negotiation result in an agreement on a rate higher than the proposed rate, it shall be made retroactive to the date the written objection is filed, but for not longer than a period of sixty (60) days. Any exception to the sixty (60) day retroactivity clause must be negotiated and mutually agreed to.

50. Notice of Revised Rate Given to Worker Before Starting Work

It is the company’s policy to establish firm piecework rates. On all piecework jobs where a rate has already been established, the management will make no reduction of such rate, unless the conditions upon which the rates were based have been changed or a clerical error was made. The operator will be advised of any new rates before he begins to work on the same.

51. One Week’s Notice to Employee and Union of Decrease in Standard Rates

Standard rates which have been definitely established shall not be decreased without giving 1 week’s advance notice to the employee and to his representative.

52. Rates Set by Management Subject to Challenge Through Grievance Procedure

The company will continue to set incentive rates. Any dispute over such rates may be taken up through the regular grievance procedure.

53. Union or Employer May Initiate Grievance on Established Piece Rates

Either the union or the employer may institute a grievance concerning any established piece rate.

54. Employees or Employer May Enter Grievance on Present or Future Incentive Rates

The right to enter grievances for present or future incentive rates will apply equally to employees and to company.

55. Union May Reopen Present Piece Rates when “Necessary”

Piecework rates now in effect may be reopened for adjustment when the union feels it is necessary. No "incentive plan" or group piecework system will be permitted unless agreed to by the union.
56. Quarterly Revision of Group Incentive Quotas on Request by Either Party

The company and the union have agreed that commencing with the pay week beginning [date], there shall be installed in the plant a group incentive plan based upon standards which have been agreed upon between the company and the union. It is recognized that this plan may be subject to modifications from time to time as experience accumulates. Either the company or the union shall have the right on any of the following dates to ask for a revision of group incentive quotas either upward or downward within 10 days of the end of any quarter, i.e., June 30, September 30, December 31, or March 31. It is the intention of the group bonus plan that opportunity be given employees to earn a bonus as a reward for extra effort expended, and that opportunity be given the company to obtain the higher levels of production necessary to maintain profitable operations. The union agrees to impress upon its members the need for full cooperation regarding both quality and quantity of work so that this intention may be properly achieved. It is recognized that revisions in the bonus plan should, in fairness, be made in the event there is any methods change, new machinery installed or some other circumstance that results in compensation to the employees not the result of extra effort. It is also recognized that changes may be required in the future as the result of extra work that may be required in connection with the process change. Any changes in the bonus plan may only be made for the quarter following the date when the request for change is made. No request for a change in bonus shall be made during a quarter to affect that quarter’s compensation. In the event that the parties are unable to agree upon the question of any change in the bonus plan, then either party shall have the right to submit the matter to arbitration as a grievance, with the general understanding, however, that both the company and the union have agreed to plant operation under an incentive plan. The incentive plan being installed on [date], is intended to replace the present incentive bonus plan in operation during the month of [date].

57. Time Limit on Appeal of Contested Rates: 5 Days

Any employee or employees who consider piecework price or prices inequitable may bring same up as a grievance within a five (5) day period after the establishment of the piece work price or prices.

58. Time Limit on Appeal of Contested Rates: 30 Days

The wage classifications and rates on new and changed operations shall be established by the company and unless objected to by the union within thirty (30) days after establishment shall be considered as approved and shall become the standard wage classifications and rates. If any new wage classifications or rates established by the company and objected to by the union within thirty (30) days after establishment, are revised as the result of negotiation or arbitration, the revised wage classifications or rates shall become the standard wage classifications or rates and payment on revised basis shall become retroactive to the time of the establishment of the original basis.

59. Special Committee to Adjust Grievances Pertaining to Piece Rates

A committee, which shall be known as the Special Rates Committee shall be set up to adjust any disagreements pertaining to rates of pay. This committee shall be composed of three members appointed by the union and three representatives appointed by the company.

When a piece rate is found to be unsatisfactory the operator shall inform the foreman who shall make out a written application for a re-time. This shall be signed by the operator, and presented to the time study department. If the
matter is not taken care of promptly or the rate is still unsatisfactory the operator shall call for the special rates committee and the matter shall remain in their hands until a final settlement is reached.

If after checking the job twice the rates committee decides that the operator was not justified in his request for adjustment, no more requests for re-time shall be made by that employee on that job, unless conditions on the job have changed making adjustment necessary.

60. Rate Setting Procedure Excluded From Scope of Arbitration (Alleged improper piecework prices are subject to arbitration.)

Where it is alleged that improper piecework prices exist, the matter may be taken up through the grievance procedure: Provided, however, That the jurisdiction of the grievance procedure does not include any question of changing the company's piece price setting procedure, including the remuneration chart attached hereto and marked "Exhibit C," and any arbitrator under the terms of this contract in making his decision as to the correctness or incorrectness of a piecework price shall have no power or authority to change any part of the company's piece price setting procedure, including the remuneration chart, but shall have the authority and power to determine, subject to the provisions of this contract, whether or not the piece price has been set properly within the framework of the company's established piece price setting procedure.

61. Aid of Technical Expert Invoked for Conciliation and Arbitration

When the content of a job is changed as the result of a change in method, production, tools, material, design, or production conditions, or when a new job is created, the company will evaluate and classify the job in accordance with its job evaluation and classification plan; or if an incentive rate is changed under similar conditions, or a new incentive rate is established, the company shall set the rate in accordance with its incentive plan. If the union does not accept the rate set by the company for a changed job or a new job, the rate established by the company shall be put into effect without prejudice to the union's position to refer the matter to the grievance procedure. If a written complaint is filed, it shall be processed promptly through the first four steps of the grievance procedure. As the result of this effort, if no agreement is reached, the parties shall call upon the services of a technical commissioner of the United States Conciliation Service to consider the problem and help the parties to reach an agreement. If the difference of opinion is not settled by this procedure, then it shall be referred immediately to arbitration as established in section IX of this agreement: Provided, however, That in cases of dispute arising under this paragraph the United States Conciliation Service shall appoint a technically qualified arbitrator in the event the parties fail to agree within 1 week upon the selection of an arbitrator. The award of the arbitrator shall be based upon whether or not the company has ranked the job in its proper relationship to other jobs in the plant or has uniformly applied the incentive plan. Any change in the rate of pay that may be made as the result of the operation of this procedure shall be retroactive to the date of receipt by the company of the written complaint.

62. New Rate Retroactive to Date of Change or 30 Days, Whichever Is Shorter

In the event a new operation for which no established rate exists is created, or an existing operation is substantially changed and no established rate exists for the operation as changed, or a new rate is established on any particular job, or a change is made from day work to piecework or vice versa, the employer shall establish the rate or change and shall inform the department steward
thereof. Unless objected to by the union within thirty (30) days after establishment, the rate or change shall be considered as approved and shall become standard schedule. If objected to within thirty (30) days and following a conference between the parties hereto, it is determined that the rate is incorrect, it shall be adjusted and the adjustment shall become retroactive to the date when the rate or change first became effective or for a period of thirty (30) days, whichever is the shorter of the two periods.

Safeguards on Earnings

In addition to rights of participation in rate setting under the incentive system, unions customarily seek a wide variety of safeguards against loss of earnings or hardship that may result from the application of an incentive system. The most general are those which guarantee workers against rate cuts, guarantee some minimum earnings under the incentive plan, and protect workers in connection with time study.

Protection against Rate Cutting

Probably the most common protection is a guaranty against changes or cuts in existing rates unless there is a bona fide change in job content or method of operation, or if it is demonstrated that a clerical error was made in calculating the original rate. Interpretation of clauses of this sort, however, is a frequent source of conflict. Much bargaining time is spent in discussion of what constitutes a change in method or product and when a change in job elements is substantial enough to warrant a change in the incentive rate. Many agreements, therefore, regulate the conditions under which rate changes may take place. Some agreements indicate in general or in detail what changes in job method or content are to be considered bona fide reasons for restudying the job with a view to revising the incentive rate.

Some agreements prohibit changes in rates once they have been set and approved. Where re-timing and rate changes are allowed because of changes in job content or improved technique, they are usually accompanied by a provision that the rate set after re-timing must permit earnings approximately equal to those in effect before the change, for the same amount of effort. This guaranty of the former earning level, aside from serving as some form of protection against rate cutting, is seen as a means of measuring and assuring the propriety of the new rate as against the old. Similar provisions specify that the change in rate shall be commensurate with the change in the nature of the job or that only that part of an operation which has been changed shall be re-timed.

63. Piece Rate Cuts Prohibited

It is mutually agreed that there shall be no reduction in the present established piecework rates.
64. **No Changes in Piece Rates**

All piecework rates to remain as they are at present, and all employees on piecework will be guaranteed their hourly rate for the workweek.

65. **Employer Not Permitted to Revise Incentive Standards**

The company will not re-time or question the basis of incentive rates which have been set in the past. The same rule will apply to incentive rates established hereafter on new or changed jobs.

66. **Employer May Revise Piece Rates in Event of Job Changes**

It is understood and agreed that the company may at any time change piecework rates because of mechanical improvements, changes in specifications, or engineering changes.

67. **No Reduction in Rate Unless Job Duties Substantially Change**

The company will continue to establish incentive rates on all production and maintenance jobs where it has been the practice to provide incentive earnings for employees. Once an incentive rate has been established as fair, after a fair trial period under normal operating conditions, there shall be no reduction in such rate during the term of this agreement, unless there is sufficient change in the operation to substantially change job duties or requirements.

68. **Rate Adjustment Commensurate with Job Change**

It is agreed that no reduction in pay standards will be made unless changes in operations are made or unless mutually agreed to. Such rate adjustments will be commensurate with the change in operations.

69. **Rate Revision Limited to Job Elements Affected by Change in Method**

All permanent piecework prices in effect are accepted during the life of this contract with the following exceptions:

Permanent piecework prices may be increased or decreased where either a change is made in design or in material specifications of the part or where a change in method of manufacture changes the work element required to do the job. Where such change affects only part of the operations of the job, re-timing and price changes will apply only to the changed or affected elements.

70. **Revision Applies Only to Operation Affected**

All permanent piecework prices now in effect may be increased or decreased where either a change is made in design or in material specifications of the part or where a change in method of manufacture changes the work element required to do the job. Where such change affects only part of the operations of the job, re-timing and price changes will apply only to the changed or affected operations.

A new piece price may be reduced or increased during the life of this contract where either a change is made in design or in material specifications of the part or where a change in method of manufacture changes the work element required to do the job. Where such change affects only part of the operations of the job, re-timing and prices changes will apply only to the changed or affected operations. However, where a newly established piece price is found to be in error due to the use of the wrong base rate, arithmetical errors in calculations of the rate, or clerical errors in the transferring and posting of a piece price, such erroneous rates shall be corrected and the corrected rate made effective, retroactive to the date the erroneous price was originally set. Where such change or error affects only part of the operations, the correction will only apply to the part of the operation affected.
INCENTIVE WAGE PROVISIONS

71. **Proper Rates Will Not Be Changed Regardless of Earnings**

Once rates are properly established they must be maintained regardless of the earnings achieved under those rates.

72. **Earnings Not To Be Cut by Rate Revision**

When a piecework price has been set for any job or operation, and later on more work is required of the employee within a given time because of certain changes or rearrangements made by the company, the operation shall be re-studied and the piecework price shall be adjusted proportionately to the additional amount of work involved. It is understood in instances where the facilities for the performance of the operation are improved in tooling or otherwise, from which change greater output results within a given time, such operation is also to be restudied and the piecework prices adjusted proportionately, however, earnings will not be reduced below the original level.

73. **High Earnings on One Job No Basis for Requesting Change in Standards for Other Jobs**

High percent earnings on one job or number of jobs shall not be used as a basis to request increases in standards on other jobs above the normal established in paragraph * * *

74. **Piecework Prices Continue for Life of Agreement Except When Design or Operation Changes**

All piecework prices now in effect will be maintained during the life of this contract, except where either a change is made in the design of the part, or in the method of manufacture.

75. **Union May Challenge Permanent Rates at All Times; Employer Limited to 60 Days; Disputes Arbitrable**

The company may revise permanent rates on incentive jobs in instances where gross inequities are deemed to exist; but the right to so revise permanent rates is limited to a sixty (60) day period after the setting of such permanent rates. If the union (a) challenges the existence of a gross inequity, or (b) claims the revision is excessive, and if the parties cannot reach a mutually satisfactory settlement of the dispute, the matter may be submitted for arbitration in accordance with the provisions of section 7, grievance procedure, (A) (5) of this agreement.

The union may challenge the adequacy of any permanent piece rate at any time and, if the parties are unable to reach an agreement, the matter may be submitted to arbitration in accordance with the provisions of section 7, grievance procedure, (A) (5) of this agreement.

76. **Conditions for Rate Revision Itemized**

Permanent bonus work standards shall be guaranteed for the duration of this agreement unless:

(a) The tools, jigs, fixtures, machines, machine feeds and speeds, or method of operation are changed.

(b) Work is added or taken away from the operation.

(c) Quality requirements are raised or lowered from the original specification.

(d) A genuine clerical error has been made in computing the standard.

77. **Rates Adjusted when Earnings Exceed Specified Level**

When new piecework rates have been once set as permanent, or old piecework rates adjusted at the beginning of this contract, and also at the beginning of the
SAFEGUARDS ON EARNINGS

company’s fiscal year starting September 1, of each year hereafter, they will be
decreased only when found to have been set in error, operating conditions changed,
or earnings found to exceed their basic rate by more than thirty (30) percent.

78. Indirect Effect of Job Change Taken into Account in Rate Revision

With respect to revising existing standards due to changed job content, and in
establishing rates in connection therewith such changes shall only be made in the
portion of the job content which has been changed unless it can be shown that
such a change affected other elements of the job. In revising any standards or
in changing rates hereunder, no employee will be penalized for skill acquired
since the existing standard was established.

79 Minor Changes Cumulated Until Revision Justified (Union steward notified
of minor changes not deemed sufficient to warrant re-timing.)

Permanent rates once established will not be increased or decreased unless such
action is justified by change in materials; change in tools or equipment; change
in methods; change in quality standards; work added to or removed from a job;
mathematical error in setting the timing or the rate.

It is agreed that the above changes may take place gradually or may be of
such a small nature as not to warrant a re-timing when such small change takes
place. The effect of such gradual change or of minor changes may accumulate
to the point where a re-timing of the job is required, at which time all previous
gradual or minor changes will be taken into consideration. The union steward
will be notified of each particular change as the result of which a new time study
is not then being made.

80. Rate Adjustment in Event of Added Work or Introduction of Timesaving
Method (Increased effort and efficiency by worker may not be the basis
for revision of rates.)

When a change is made in an operation which results in added work the rate
shall be adjusted to take care of such added work without reducing the average
earnings of the operator on the job in question.

When a change is made by the company which results in a saving in time on
an operation, the rate shall not be cut more than is warranted by the actual
saving in time at the time of the change. Advantage shall not be taken of the
operator's own increase in productive efficiency due to long experience on the job.

81. Employee's Improvement in Technique No Justification for Rate Revision

In event that an employee can change the method of operation through some
timesaving device or method, thereby increasing his productive efficiency, such
change shall not affect the bonus rate on that particular operation during the
life of this agreement.

82. No Change in Rate for 3 Months Following Improvement Suggested by Em­
ployee; Immediate Revision When Company Makes Improvement

If an improvement in methods or equipment is suggested by an operator, then
piecwork prices in effect at that time will remain for a period of three (3)
months actual operating time, regardless of magnitude, to compensate the op­
erator for his suggestion. At the end of three (3) months the rates will be sub­
ject to revision. Any one suggestion shall be compensated for only a maximum
of three (3) months actual operating time, regardless of the number of jobs to
which it might apply. If an improvement in method of equipment, or a change
in stock removal is made by the company, the rate, whether temporary or per­
manent, will be subject to immediate change.
83. **Mutual Consent Required for Rate Revision Based on Increased Skill of Employee**

Increased skill of an employee shall not constitute a reason to adjust established piece rates except by mutual consent.

**GUARANTEED MINIMUM EARNINGS**

A common method of assuring incentive workers minimum earnings is the establishment of a guaranteed minimum wage, below which the earnings of no incentive worker can fall. These guaranties may be hourly, daily, or weekly, depending on the method of payment in effect. Such guaranteed minima take many forms: Guaranteed hourly rates of pay; average earnings for a prior period or a percent of these earnings; a percent or specified amount above the employee’s regular hourly rate, etc.

Another type of earnings safeguard found in agreements is a commitment by management to set and maintain incentive rates so as to yield earnings at a specified level above the minimum or the base rate. This differential is generally expressed as a percentage of the base rate, sometimes also in cents per hour. Employers frequently object to having such incentive margins written into the agreement on the ground that the differential base rate soon comes to be regarded as a guaranty rather than a guide to rate setting and that the successive raising of earnings guaranties tends to destroy the incentive principle of payment in proportion to productivity.

Some of the methods specified in agreements for guaranteeing incentive earnings above the minimum include a proviso that the base rate be set to yield a reasonable bonus; or that a restudy will be made when earnings of the average diligent worker fall below a specified amount or fail to yield earnings of a specified percent above base.

While unions may demand upward adjustment of rates when earnings fall below certain levels, on the grounds that the piece rates are “too tight,” management may claim the right to reduce “loose” or out-of-line rates, which consistently result in excessively high earnings. Employers fear “loose” rates will lead to claims of inequity by those not making high earnings and the result will be more “loose” rates. Some agreements also permit a downward adjustment of piece rates where earnings are out of line.

84. **Hourly Rate Guaranteed for Incentive Workers**

The hourly rate is guaranteed for individual or group workers. In other words, if an individual or group incentive worker should earn for any day an

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3 Even under a straight piecework system, with no specified minimum or guaranteed rates, minimum earnings must meet legal requirements and any difference between piecework earnings and the legal minimum rate must be made up by the employer.

Employers subject to the Fair Labor Standards Act are required to pay pieceworkers no less than the minimum wage set by the act. Several States also have minimum wage laws which constitute a minimum guaranty to incentive workers, regardless of actual output and earnings.
amount that averages less per hour than his hourly rate, he will receive his guaranteed hourly rate.

85. Male-Female Differential in Hourly Guarantee

The company agrees to restudy all piecework rates of jobs on which the average male employee cannot earn ninety (90) cents per hour and rates on which the average female employee cannot earn seventy-five (75) cents per hour.

86. Guaranteed Weekly Earnings Equal to Minimum Weekly Rate (Learners, handicapped, and substandard workers exempted.)

The union and the company have agreed that all job classifications shall carry minimum weekly full time, full job rates of pay amounting to 100 percent of the present base rates of pay. Each individual employee working at piece rates shall be guaranteed weekly earnings equal to this minimum weekly rate. The guarantee of minimum earnings to piece rate workers shall not apply to learners or handicapped employees and this clause shall not preclude the exception of substandard operatives upon agreement between the company and the union.

87. Minimum Weekly Rate Equal to 90 Percent of Base Rate, Except for Learners and Handicapped

The union and the employer have agreed that all job classifications shall carry minimum weekly full time, full job rates of pay amounting to 90 percent of the present base rates of pay. Each individual employee working at piece rates shall be guaranteed weekly earnings equal to this minimum weekly rate. The guarantee of minimum earnings to piece rate workers shall not apply to learners or handicapped employees.

88. Basic Rate Not Considered a Guaranteed Minimum

Piece rates for operators and pressers shall be adjusted in accordance with the usual procedure heretofore practiced by the company, the union, and the price committee. In adjusting piece rates it is understood that the rates shall yield seventy (70) cents per hour to the majority of operators and pressers in their respective operations. This basic rate of seventy (70) cents per hour shall not be considered as a guaranteed minimum but a basis upon which the piece rates shall be established.

89. Piece Rate Earnings Must Equal Previous Earnings at Hourly Rates

If piece rates are used, the company agrees that the rates shall be so fixed (based on standards of output now on record in the shop or set up by a fair and competent time-motion study or any mutually adjusted revision thereof) that production at those production rates will result in at least the average wages per hour, or day, or week previously earned at hour rates by skilled workmen.

90. Guarantee Differs for Incentive and Piecework Operators (To qualify, workers must have earned the amount guaranteed for two consecutive full working weeks during the term of the contract.)

Employees on incentive occupations shall be guaranteed on a daily basis the base rate but not less than the plant minimum wage. To qualify for this guarantee, however, employees must have earned at the base rate or better daily for two consecutive full working weeks during the term of this contract.

On piecework jobs, the minimum guarantee on a daily basis shall be 90 percent of the straight time average hourly earnings as shown on the wage schedule of [date], as amended, but not less than the plant minimum wage.

To qualify for this guarantee, however, employees must have earned daily 90 percent of the straight time average hourly earnings as shown on the wage
INCENTIVE WAGE PROVISIONS

schedule of [date], as amended, for two consecutive full working weeks during the term of this contract.

91. Make-Up Pay: Rate Revised if Group Earnings Fall Below Minimum for 4 Weeks

Relation of standard base rates of pay to piece rates: Piece rates shall be set at such a point that sixty (60) percent of all piece-rate workers (exclusive of learners) in the same department and on the same type and method of work will earn the standard base pay on full jobs for a full forty (40) hour week.

Procedure to be followed when less than 60 percent earn the standard base rate of pay: Where there is an established piece rate which does not enable 60 percent of the pieceworkers (exclusive of learners) in the same department and on the same type and method of work on full jobs to earn the standard base rate of pay, due to temporary conditions, the employer shall make up the pay of all the employees in the same department and on the same type and method of work in an amount necessary to bring their earnings up to that amount they would have earned had the piece rate been so established as to enable 60 percent of them to earn the standard base rate of pay.

If 60 percent of the piece-rate workers (exclusive of learners) in the same department and on the same type and method of work do not earn the standard base rate of pay for four (4) consecutive weeks, the piece rate concerned shall be considered subject for review and upward adjustment by an amount which will enable the said 60 percent to earn the standard base rate of pay, unless the union and the employer shall mutually agree otherwise.

92. No Ceiling on Incentive Earnings

Incentive earnings over the base rate will be based on 40 percent of the base rate. There will be, however, no ceiling on incentive earnings. Such rates shall be set so that a qualified incentive worker, that is, any employee who has the physical fitness, intelligence, and experience necessary to qualify him as a molder, coremaker, or grinder, shall be able to earn in direct proportion to his efforts. Thus, it is assumed that since a piece rate is based on the normal production of a qualified worker that a better than average worker can earn in excess of 40 percent and that the average earnings for such classification will be approximately 40 percent over base earnings.

93. Rate Set at Level Enabling Employee to Earn 25 Percent Above His Base Rate

Piecework rates set on jobs shall be in accordance with the company's piecework plan, which will include reasonable personal, fatigue, and machine allowances, and which after reasonable experience with an employee of average experience on the job, will enable an employee to earn at least 25 percent above his base rate.

94. Standards Set to Permit Specified Earnings Above Base Rate

Bonus work standards shall be established so that employees may earn 115 to 125 percent for a reasonable amount of effort after they have obtained sufficient experience on the particular casting and operation involved.

95. Adjustments to Permit Earnings 20 Percent Above Base Rate

The company at the request of the union will promptly restudy and analyze the operations and conditions of a piecework job provided that an experienced employee in that occupation has given the job a fair trial and is repeatedly unable to earn at least twenty (20) percent above the base rate for this occupation. If the company finds that the employee has made an honest effort and the study indicates that an adjustment is warranted, the company will make such adjustment in the piecework price.
96. **Guaranteed Bonus Over Day Rate on Weekly Basis**

Incentive plan workers, who are qualified either first or second class, will be guaranteed a fifteen (15) percent bonus over their day rates on a weekly basis exclusive of overtime.

97. **Expected Earnings Over Base Rate Not Guaranteed**

Piece prices are established by time study at a rate which in the opinion of the management will afford a minimum earning opportunity of 20 percent above the base rates to operators of average skill and experience when working at an incentive pace. This however is not to be construed as guaranteeing minimum earnings of 20 percent above base rates.

### RESTRICTIONS ON TEMPORARY INCENTIVE RATES

Employers often insist that rates be given a fair and reasonable trial before such rates are considered permanent. The length of the trial period is, on the other hand, a matter of concern to workers in that undue delays between the beginning of an operation and the setting of a rate might result in some loss of incentive earnings. Agreements specify trial periods varying from a few days to several months, during which the rates are generally subject to adjustment by the company alone or by mutual consent. During the trial period workers are usually guaranteed full earnings based on past experience or a percentage thereof, or some other specified minimum. When a rate is increased following a trial period, the new rate is frequently made retroactive to the date work began on the new operation.

98. **Practice of Setting Temporary Rates To Be Minimized**

The practice of setting temporary rates in well-established departments should be held to a minimum. It should in any event be clear that the standards are temporary and for a period not to exceed thirty (30) days. This shall not apply to new departments.

99. **Temporary Rates Permitted by Mutual Agreement**

By agreement between the company and the union a temporary piece rate may be installed. Such temporary rates shall not be regarded as an established rate within the meaning of this article.

100. **Rate Considered Permanent if Not Challenged Within 150 Days**

Any rate not challenged by the union within a period of 150 days after its establishment shall be mutually guaranteed as a permanent rate, subject only to plant-wide adjustments in wage rates, or to changes in the nature of the job such as stitches per inch, machine, machine speeds, operating methods, method of performing the job, or changes in the garment itself.

101. **Ninety-day Trial Period for New Rate**

During the first ninety (90) days a piecework rate is set, it shall be a temporary piecework rate subject to adjustment by the company.

102. **One-Week Trial Period; Adjustment Retroactive to Date of Posting**

New rates shall be given a one calendar week's trial and after such trial, if the rates are not satisfactory, upon written request they shall be subject to immediate review and any adjustment shall be retroactive to date of posting.
103. *Two-Month Trial Period; Adjustment Retroactive to Date of Complaint*

If new piece rates determined upon are objected to by written complaint and if the dispute cannot be adjusted by negotiation with the union, the question shall be considered a grievance and shall be settled accordingly. Prior to having it so considered, however, the company, if it so desires, shall be entitled to a trial period of 2 months at the rate it has determined upon, but if there is such a trial period and if the rate is later adjusted as a result of the complaint, the new rate shall be retroactive to the time of the complaint.

104. *Temporary Rate Not to Remain in Effect for More Than 6 Months*

Temporary piece prices may be established on all new or changed jobs where it is not practicable to set a standard piece price immediately. In no instance, however, shall a temporary piece price be permitted to remain in effect for more than six (6) months. Efforts shall be made to set standard piece prices on those jobs in continuous operations in less than six (6) months. A temporary piece price shall become the standard piece price if in effect beyond six (6) months unless by mutual agreement between the union and the company, it is determined that the period shall be extended.

105. *Previous Average Earnings Guaranteed During Trial Period*

On any change of construction or product which is paid on a piece-rate basis, it is understood that a trial period, the length of which shall be agreed upon in each instance (during which not less than the average earnings on the previous job shall be paid), shall be allowed before the piece rates are finally set in order to permit the operation to become settled, and the normal average efficiency to be established.

106. *Guarantee of Average Earnings Based on Previous 4 Weeks’ Earnings*

The company will pay to the employee involved a rate based on the individual’s average earnings over the previous 4 weeks exclusive of overtime in the following cases:

On all new piecework jobs during the time until a piecework rate has been established. New piecework rates will be established within 10 days if possible.

107. *Employees Paid Actual Earnings or 20 Percent Over Their Guaranteed Rate, Whichever is Greater*

During the trial period on new piecework rates on new work, employees will be paid a minimum of twenty (20) percent over their guaranteed rate or the amount of their earnings on the piecework rates, whichever is the greater.

108. *One-Hundred-Fifteen Percent of Base Rate Paid Until Standard Set*

Previous to the establishment of a standard and during the time a job or operation is being time studied an employee shall receive 115 percent of the base rate.

109. *Production During Trial Period Paid at Rate Finally Set (Retroactive adjustments do not exceed 60 days, unless mutually agreed to.)*

It is agreed that the company will set piecework prices so that the average workman working at a fair pace can make earnings which will average the base rate.

It is recognized that under certain conditions, piecework prices shall be subject to change or temporarily canceled or new piecework prices established.

When methods, lay-outs, or specifications are changed, or when job conditions become so different from those covered by the time study that the piecework prices do not apply, then the employees affected shall be paid their base rate until the new piecework price is established or the old price reinstated.
If, under any of the above described circumstances, employees produce work which, when based on the piecework price finally established, would earn more than the wage rate paid, they shall receive the difference between what they were actually paid and what they would have earned at the new piecework rate. It is understood, however, that no such wage adjustments shall be retroactive more than sixty (60) days. Any exception to the sixty (60) day retroactivity clause must be negotiated and mutually agreed to.

110. Temporary Rate Includes Day Rate Plus Pay for Units Produced

On new jobs being time studied for the purpose of establishing piecework prices, the employee while working on such job will be paid at his guaranteed day rate up to the time that the piecework price is set on the job by the time study department and in addition he will receive as extra compensation, an amount equal to fifty (50) percent of the piece price, on all good units produced by him from the start of the job to the time the piecework price is set by the time study department. This extra compensation will not apply after the piecework price has been set by the time study department. This extra compensation will be paid to the employee in a lump sum on the pay day of the first full week following the date piecework price was set.

111. Base Rate Guaranteed During Trial Period

In the establishment of new piecework rates the new rates shall be mutually agreed upon by the company and the union. Trial periods for the establishment of such new rates shall not exceed sixty (60) days. During such trial period the workers affected shall be guaranteed their then base rates.

112. Percentage of Average Hourly Earnings Guaranteed Until Piece Rate Established

The company shall continue to pay 90 percent average hourly earnings as a temporary basis for work done where piecework rates are not established. Should more than 1 week be required to establish the new rates, there shall be no reduction in the temporary hourly rate being used, and the work being done during this period shall be paid for on the new established rates, made retroactive at the option of the employee. New rates will be used immediately and 90 percent does not apply after rates are posted. If protested within 2 weeks and changed, revised rates will be retroactive.

113. Eventual Permanent Rate Lower Than Temporary Rate Not To Be Con­strued as a Wage Cut

Where a temporary piece price is set, until the job has been developed and a permanent piece price is then set, such temporary piece price may be higher or lower than the permanent piece price: Provided, however, That if the permanent piece price is less than the temporary piece price, the change in price shall not be construed as a wage cut. Any such change will go into effect as of the date of the change.

Guaranteed Earnings Under Special Conditions

In addition to the general safeguards which apply to normal operations on incentive work, specific safeguards are sometimes provided to cover unusual or special conditions which tend to reduce incentive earnings. Some agreements adjust workers' earnings under a variety of circumstances that would otherwise reduce them—as, for ex-
ample, when working on faulty materials or when machinery breaks down, when doing special jobs, when waiting for work, when the machine is being set up for a new job, when materials are short or defective, or the work is new or experimental.

**DOWN-TIME**

Protection against loss of incentive earnings in the event of lost or "down" time is a common safeguard found in union agreements. Delays caused by machine break-down, lack of material, power failure and similar causes are beyond the control of the workers and the agreements seek to compensate for the lost time. Unions seek to standardize the policy regarding reimbursement for time lost on the job through no fault of the operator and to make such payment automatic.

Frequently a list of causes considered valid for "waiting time" pay is included. Many agreements also specify that a minimum period of time must elapse after the interruption before workers will be paid for time lost.

The rate of compensation for "down" time varies. In some plants, past average earnings or a fraction of average earnings are paid. In others, it is the base rate or some percentage of the base rate. Different methods of payment may be used, depending on the length of the delay. In the timing itself, a specified allowance for lost time may be added to the time allotted to do the job.

114. **Percent of Average Hourly Earnings Paid for Lost Time**

The following operations shall be paid for at 90 percent of average hourly piecework earnings: Mechanical trouble (stoppage of work, 1 hour or less); mechanical trouble (temporary slow-down); stock conditions on items with established rates; out of stock, shells, liners, etc., on items with established rates.

115. **Percent of Base Rate for Lost Time**

Incentive workers shall be paid 85 percent of workers' base rate for any lost time.

116. **Guaranteed Hourly Rate Paid for Unrated Work, and Various Types of Lost Time**

In addition to the daily guarantee incentive workers are paid their guaranteed hourly rate in the following instances:

1. Lack of sufficient stock or break-down.
2. Unrated operations or operations under development.
3. During the establishment of production standards.
4. Call-in pay.
5. Visits to first-aid room or to company doctor during regular working hours.
6. Actual time lost due to grievance or negotiation meetings.

117. **Guarantee Varies with Cause of Delay**

Waiting time caused by power interruptions, equipment break-downs, and flood, shall be paid for as follows:

- Males 80 cents per hour.
- Females 60 cents per hour.
In case of mechanical break-down, where the individual or crew works to clear the break-down, the time required for such work shall be paid for on the basis of average hourly earnings.

Exception: Waiting time caused by shortage of materials and drum sets, and not resulting from power interruptions, equipment break-downs or other causes beyond the control of the company shall be paid for at 90 percent of average hourly earnings.

118. Rate for Intermittent and Complete Down-Time Differentiated

Employees on the bonus or group system shall be guaranteed piecework setting rate, plus fifteen (15) percent, for all intermittent down-time when the company is at fault: Provided, however, That the employee shall make an honest effort to make up such down-time. In computing such down-time, production earnings and time spent on the specific job shall be considered. When employees are requested to remain on a job on account of complete down-time, female employees shall receive fifty-five (55) cents per hour and male employees shall receive sixty-five (65) cents for such down-time when the company is not at fault.

119. Pay at Rate of Previous Week's Average Earnings for Time Lost Above Normal Delays (In compensating for lost time, consideration is given to the fact that allowance for normal delays was made when the piece rate was established.)

Where a worker on piecework loses production time through no fault of his own, such as waiting for work, machine break-down, or emergency repairs to machinery, the employee, upon immediately notifying his foreman, shall be paid for such lost time for not over 1 day at the rate of his or her previous week's average earnings. No payment shall be made for waiting time, unless such lost time in any one day exceeds fifteen (15) consecutive minutes. In all lost time cases, standardized or normal work stoppage considered in the establishment of piece rates will be taken into consideration.

120. Piece Rates to Include Allowance for Delays of Less Than 15 Minutes (Where the delay is more than 15 minutes, the total lost time is paid for at the guaranteed base rate.)

All piece rates will include normal allowances for the operator's personal needs and fatigue, and for a normal amount of delays which are beyond the control of the operator and are less than 15 minutes per occurrence.

For all delays which are beyond the control of the operator and are 15 minutes or more per occurrence, and where the operator is not assigned to other work for the period of the delay, he shall be paid the guaranteed base rate for such total delay time upon approval by the supervisor in charge.

121. Percent Above Day Rate if Specified Down-Time Exceeds 15 Minutes (Company may assign other work during down-time period.)

When a pieceworker is prevented from doing his regular work due to a delay in connection with equipment, repairs, power, stock or orders, and if the delay period exceeds fifteen (15) minutes, allowance shall be granted to 12½ percent above authorized day-work rate for the delay period, computed to the nearest quarter hour. During a delay period the employees shall be required, if possible to assist in correcting the delay or to do other miscellaneous work that may be assigned.

122. Base Rate Paid for Specified Waiting Time in Excess of 18 Minutes

Time lost, at the request of the company, during working hours in excess of eighteen (18) minutes due to:

1. Waiting for work.
2. Waiting for material.
3. Going to the company doctor or medical dispensary, shall be paid at 100 percent or base rate of the incentive job assigned at the time any of the above three delays occur.

123. **Day Rate for Time Lost Over 15 Minutes Due to Occupational Injury**

Piecework employees, who are required to visit the works' medical department because of injury arising out of or in the course of employment, will be paid allowances at occupational day-work rate for the time lost provided the lost time amounts to fifteen (15) minutes or more. The employee will be required to notify his foreman of the time consumed immediately upon return to his place of employment.

124. **Base Rate Up to 1 Hour Waiting Time; Average Hourly Earnings Thereafter**

When waiting time or down-time for conditions beyond the control of the employee occurs and when the employee is not offered another assignment, base rate not to exceed a maximum total of one (1) hour per day will be paid. For time in excess of one (1) hour, average hourly earnings rate will be applicable.

125. **Delays Under 6 Minutes Not Compensated**

Whenever an employee's production is interrupted through no fault of his own for six (6) continuous minutes or more, the interruption shall be designated "delayed time" and he shall be paid his guaranteed hourly rate for all such time in excess of fifteen (15) minutes in one workday. Interruptions of production of less than six (6) continuous minutes, for any reason, shall not be considered "delayed time."

126. **Alternative Procedures for Down-Time Compensation**

In the case of shortage of material, break-down of machines, break-down of power, or any other emergency, the employees affected shall either (1) be subject to waiting time at straight base rates, or (2) be subject to the rates provided in the transfer clauses of the contract, or (3) be temporarily laid off without pay.

127. **Pay for Delays Over 15 Minutes Unless Employee Given Other Job or Sent Home**

Waits that are caused by the management up to fifteen (15) minute periods are not to be paid for unless worker is assigned to specific task, during this period. If not so occupied at the end of the fifteen (15) minute period, operator must be:

1. Put on another piecework operation.
2. Put on a time-work operation.
3. Sent home.

If, after the worker has been kept waiting for more than one fifteen (15) minute period and the management fails to do any of the things specified under 1, 2, 3, the worker shall receive his minimum hourly rate during the time he is kept waiting.

128. **Foreman to Make Allowances in Incentive Pay for Delays**

Where it is established that delays exceeding the standard allowances made in time study computations are encountered due to conditions beyond the control of the operator, such as machine break-downs, tool maintenance, faulty material, training new operators entering new jobs into production, and time lost reporting to first aid, allowances will be made by the foreman to reimburse the individual against the loss of incentive earnings which he otherwise would have made.

129. **Allowance for Factors Beyond the Employee's Control, Except in Cases of Labor Stoppage**

An employee whose piecework earnings are affected by causes which are clearly beyond his personal control shall receive pay at the rate of his average hourly
GUARANTEED EARNINGS

-earnings for the period during which the above-mentioned conditions affect his earnings. This does not apply when these delays are caused by labor stoppages over which the employer has no control.

FAULTY MATERIALS

Problems similar to those encountered in loss of earnings due to "down" time arise when an employee's potential earnings are reduced owing to faulty materials or bad stock. Defective materials may not cause total stoppage but may cause delays sufficient to bring about substantial loss in earnings. A few agreements provide specific safeguards against losses of this nature.

130. Guarantee of Average Hourly Earnings; Dispute Over Conditions of Stock Subject to Grievance Procedure

Piece and incentive rate employees whose earnings for a period are affected adversely because of faulty materials shall receive not less than their average hourly earnings determined as in the case of down-time, but no such claim shall be allowed unless while the condition still exists the overseer is notified by the operative of the faulty materials. If the overseer disallows the claim that the materials are faulty, the operative may call the shop delegate and not more than one other person for the sole purpose of inspecting the material and the overseer may call not more than two other persons for the same purpose. The operative shall then proceed with his work and be paid at his regular piece or incentive rate unless he shall elect to have the dispute considered as a grievance, in which case his rights shall be determined under the grievance procedure. The right to have the dispute considered as a grievance will be lost unless the grievance is presented in writing within 48 hours after the disallowance by the overseer of the claim that the materials are faulty.

131. Average Earnings Paid or Time Allowance Made for Bad Stock

When an operator has bad stock, trouble, or excessive handling and is told by the foreman to continue on the job, and by using the same or more effort is unable to make out as his usual earnings, he or she shall be paid 125% of his hour or average earnings whichever is greater, or an allowance shall be put on the standard to cover the added effort.

132. Temporary Rate Jointly Set for Work on Abnormal Stock

When bonus employees are required to work with abnormal stock, machines, or tools on a previously established operation and are unable to meet the established production rate because of this abnormal condition, a temporary rate will be established by the steward and foreman to cover the abnormal condition.

BREAK-IN TIME UNDER GROUP INCENTIVES

Where incentive wages are calculated on the basis of group production, individual earnings may be impaired while new members of the group are learning or "breaking in." The efficiency of the group as a whole may be impaired, and earnings fall, until the new employee acquires sufficient skill and experience. Agreements sometimes establish safeguards against such loss, and such safeguards are aimed at maintaining the earnings of the experienced members of the group.
Some agreements also specify the rate to be paid the new employee until he can qualify for piecework.

Another form of protection is the requirement that the group be kept sufficiently small to allow adequate earnings for each member of the group.

133. **Group Earnings Adjusted when New Workers Are Added to Group**

When operators new on the job are placed in an incentive group, the experienced operators in the group will be compensated on the days of occurrence for the inefficiency created by such operators, based on the previous week's earnings of the same group.

134. **No Overstaffing of Incentive Group**

It shall be the policy of the company to keep the number of employees in incentive groups as low as possible consistent with efficient operation.

135. **Average Hourly Earnings of Regular Employees Paid out of Group Earnings Before New Employee Is Entitled to Share**

When an unskilled pieceworker is added to a gang job, the regular gang employees shall divide all pooled earnings up to an amount equal to their average hourly earnings. Any earnings above their average hourly earnings will be credited as earnings for the new member of the gang, and if needed, an allowance will be made to bring the new member's earnings up to his guaranteed hourly rate. The length of time this clause will be in effect must be agreed upon before its application. The length of time is dependent upon the class of work, but will not exceed three (3) days.

136. **Day Rate to New Employee Deducted from Group Earnings but Average Earnings for Experienced Group To Be Maintained**

A new inexperienced employee breaking in on a group operation will be paid the occupational day-work rate of the occupation to which he is assigned. This money is to be deducted from the total earnings of the group. The other men in the group will share the balance of the group earnings as usual. In case the earnings of the experienced men in the group fall below their average piecework earnings on account of the new men, allowances will be made to bring their earnings up to their average piecework earnings. This arrangement is not to continue for more than 1 week. In cases where a number of employees are added to a group on piecework operation, such 1-week period will be extended for such longer time as determined by local management which will be adequate to permit the employees to attain a normal rate of production.

137. **New Worker Paid Guaranteed Rate Until Crew Earnings Equal Average Hourly Earnings for Experienced Men Plus Learner's Guaranteed Rate**

When inexperienced employees are placed in a group or crew operation, the total number remaining the same, not including the instructor, if assigned, the regular or experienced employees of the crew will be paid their average hourly earnings up to the base rate of their assignment, or their piecework earnings, whichever is greater, during the learning time. The learners will be paid their guaranteed rate until such time as the total piecework earnings of the crew are equivalent to the average hourly earnings up to base rate for the experienced workers plus the guaranteed rate for the learners.

138. **Graduated Scale of Participation for Employees Breaking Into Incentive Groups**

The division of piecework earnings among employees working in existing group piecework pools shall be as follows:
(a) The company will pay employees who are breaking in at their regular rate for not less than three (3) nor more than ten (10) days at the discretion of the management. During such break-in period such employees will not be paid from the group earnings.

(b) At the end of the break-in period each employee shall participate to the extent of not less than eighty (80) percent; should the group desire that such employee remain at eighty (80) percent for an additional thirty (30) days, the matter shall be taken up through the grievance procedure; at the end of thirty (30) days after the break-in period each employee shall participate to the extent of not less than eighty-five (85) percent; and thirty (30) days later each employee shall participate to the extent of not more than ninety (90) percent. Increases in percentage above the stated maxima shall be determined by management after consultation with the members of the group who work on the same shift as the member in question.

139. New Worker Shares Earnings When Held Qualified by Foremen or Requested by Incentive Group

When group incentives are applied, a new employee assigned to the group shall not share in the group earnings until such time as he is either considered qualified by the foreman, or his participation is requested by the group.

SPECIAL WORK

From time to time, incentive workers with special skills are temporarily shifted by management from their regular jobs to special work or assignments not on incentive; to do experimental work or work on samples; to set up machines; to instruct new workers. Such workers are usually guaranteed past average earnings or a premium rate.

140. Employee Transferred to Special Work Paid 25 Percent Over Base Rate

Any employee with 6 months or more experience requested to perform special work requiring particular skill, or who may be asked to work on jobs on which no rate can or will be set, will be paid at the rate of 25 percent over his or her regular base rate.

141. Base Rate Plus 30 Percent for Special Work

Bonus employees shall receive their base rate plus 30 percent bonus when they are required to lose time through a shortage of material when such shortage is directly the fault of supervision; when they are transferred to day rated jobs at the convenience of management; when they work on development work where the company cannot establish temporary piecework prices.

142. Special Work at Rate of 15 Percent Above Day Rate

When an employee, earning incentive pay on his job, is interrupted in the completion of his current job and is requested by management to stop the job he is working on and to work on another job that is not covered by an incentive rate, he shall be paid for the time he spent on the nonrated job for which he was interrupted at a rate 15 percent above his day rate.

143. Specified Percent Above Base Rate for Experimental Work

When a pieceworker is assigned to experimental work or when he is taken from his regular piecework operation at the request of management in order temporarily to fill a vacancy on another job, allowance shall be granted to 5 percent above base rate for the time worked on experimental work or on the temporary job. This provision shall not apply to a permanent transfer to another job.
144. Special Work Paid at Base Rate of Piecework Job Temporarily Interrupted

Any employee who is performing a piece-rate operation and such piecework operation is interrupted temporarily for the performing of sample work, development work, or repair work, shall be paid the piecework base rate of the piecework job temporarily interrupted.

145. Regular Earnings Allowed on Transfers at Company Request

Any employee who is unable to make his regular earnings shall be allowed the regular piecework earnings when such loss is due to shifting from job to job when the company is at fault.

146. Guarantee of 90 Percent of Average Straight Time Hourly Earnings

On down-time, short orders, development jobs, and temporary transfers, the hourly rates shall be 90 percent of the average straight-time earned rate per hour for the two preceding pay periods.

147. Average Hourly Earnings Paid When Pieceworker Detailed to Instruction or Experimental Work

In the following special cases pieceworkers will be paid at an hourly rate equal to their average straight time hourly earnings for the last computed workweek:

- When at the request of management an employee is temporarily taken from regular piecework to service as an instructor, or directed to perform instruction work at his own operation, or is required to perform work of an experimental nature (not productive work) that would ordinarily be done by tool maker, general machinist, or experimental mechanic.

148. Guarantee of Average Hourly Earnings Computed Over Previous Calendar Quarter

The average hourly earnings established in the previous calendar quarter shall be paid the operator working under the incentive pay plan for the following work assignments:

1. Engineering production orders.
2. Experimental orders.
3. Repairs of defective work produced by another operator.
4. Repair work (production orders or spare parts excluded) performed for the repair section in lots of five (5) or less, or where no standard is set.
5. Performing an incentive task before a temporary or standard piece price has been placed on his job ticket (except that when a completely new job or station is set up, work performed shall be paid at 100 percent or base rate).
6. Machine set-ups on which no standard has been set.
7. Working on defective material or hard castings.
8. Operating with defective tools, dies, or machines.

149. Pieceworkers Paid at Average Hourly Earnings When Transferred Temporarily to a Time Basis

Whenever pieceworkers are required to work temporarily on a time basis they shall be compensated at their hourly average earnings on the piecework previously performed by them.

150. Guaranteed Previous Earnings on New Job So Long As Original Job Operates

When an employee is taken off any job and transferred to another job at the company's request, he shall, until he is transferred back to his regular job, be paid an hourly or piecework rate on such new job equivalent to his earnings on the job from which he was transferred, beginning with the time of such transfer.
This procedure will obtain on the new job only so long as his original job operates—after which he will be paid the rate for the particular job he is performing. In any case, however, if the new job carries a higher rate, he shall receive the higher rate.

151. Guarantee Varies with Nature of Special Jobs

Set-up time shall be paid for as follows:

(a) When an operator is setting up his own machine preparatory to running the job himself—15 cents over his hourly day rate.

(b) When an operator sets up his own or any other machine under other conditions than (a) above set-up rate as shown by appendix B.

(c) The company agrees to pay for experimental work, short-run jobs of two (2) hours or less (this not to include set-up time), repair work for which the operator is not responsible, and shop orders which do not have a piecework price, at the rate of 85 percent of the average straight-time hourly earning rate or base rate, whichever is higher, which was earned by the operator doing such work, in his latest two pay checks—provided that this operator checks in and out on all jobs.

Period for Computing Incentive Earnings

When incentive earnings are computed on the basis of relatively long periods of time, the high earnings of 1 day, or on one job, may be offset by low earnings on another day or on another job, even when such low earnings are due to causes beyond the worker’s control. Agreements therefore often require computation of incentive earnings on a job, daily or, less frequently, on a weekly basis, so that poor days do not cut into the extra pay earned on days when the worker exceeded the standard.

152. Pay Calculated on Job Basis

When a pieceworker has finished a job, his earning therefrom shall not be used to build up subsequent jobs on which he fails to make guaranteed base rate.

153. Earnings Computed on Daily Basis

The company guarantees base rates under the incentive system and each day’s earnings shall stand for itself.

154. Modified Daily Computation of Incentive Earnings

Further, in no case shall an employee receive for a given day less than the amount earned by him as a result of the application of piecework, tonnage, or incentive rates. The turn guarantee of incentive earnings shall not apply on an individual turn basis to those operations concerning which it is not practicable to calculate such incentive earnings on the single turn basis, but shall in such cases apply on the smallest practicable number of eight (8) hour turns.

155. Incentive Earnings Calculated on Weekly Basis

Bonus earnings for all employees working under the incentive plan shall be computed on a weekly basis.

Equal Opportunity Under the Incentive Plan

In factories operating under an incentive system certain piece or bonus rates may allow higher daily earnings than rates for other work.
involving the same operations. Also efficiency of plant operation frequently requires that pieceworkers be shifted to day work for brief periods of time. To avoid favoritism in distributing the work among employees some agreements provide that work be distributed equally among those eligible so that all employees have equal opportunity to earn the incentive bonus.

156. Equal Opportunity to Earn Bonus

Whenever employees work under an incentive system, every effort will be made to distribute work as equitably as practical among incentive workers so that all workers in the group have an equal opportunity to earn bonus.

157. Day Work Shared Equally

Every effort will be made to distribute day work equally among piecework employees.
CHAPTER II.—TIME STUDIES AND STANDARDS OF PRODUCTION

Introduction

Whether wages are computed on a time or incentive basis, there is usually some formal or informal determination of the output expected of employees on each operation. This expected production is commonly called the work load or production standard and represents the amount of work required or expected to be done in a given time by the average, qualified operator under normal conditions, with due allowance made for rest periods, fatigue, machine stoppages, material shortages, etc. In practice, it may be expressed in terms of expected units of output per hour or per day, or in terms of machines to be operated at some standard rate of efficiency.

Production standards are commonly determined through time study, i.e., by determining the time normally required to perform an operation in a test run. Production standards may also be based on past experience or production records or on "rule of thumb" determination.

The method of determining standards upon which the wage is based is as important as the method of payment, whether time or incentive. Because of the vital interdependence between production standards and incentive wages and to the extent that time study is the method used to determine job assignments and work loads, unions and management seek safeguards to assure a fair timing of a representative job. This chapter enumerates the variety of clauses governing the conditions under which time studies are to be made; the conduct of time studies; review of time-study results; and clauses relating directly to speed of operations and work loads as a specific safeguard against unreasonable work standards.

Among the wide variety of clauses dealing with time-study and production standards, aimed at assuring fair timings and reasonable work loads, are those which (1) provide for union participation in timing or in re-timing jobs and in setting new or revised standards; (2) provide for the selection of the typical worker to be timed; (3) stipulate that timings shall be held only under "normal" job conditions; (4) prohibit secret or concealed time studies; and (5) spell out in general or in detail the time allowances for unexpected difficulties and personal needs which are to be considered in setting the work load. Some agreements specify the size of the minimum crew required for certain jobs or machines.
Appeals from timings of production standards set by management are often provided, either through the regular grievance procedure or through some special arrangement. Some agreements also contain assurances to management that the workers will cooperate in time studies and that reasonable production standards will be maintained.

**Union Participation in Time Studies and in Setting Production Standards**

The degree of union participation in timing and setting production standards varies greatly. Union participation on an equal basis with management in the installation and administration of production standards and time studies does not occur except in a few special situations where union representatives have been put on the company's time-study staff, or where the union is aiding management in the introduction or over-all modification of an existing incentive plan. In such cases, management may agree (or may be required) to train union personnel in time-study techniques and procedures.

Advance notification to the union of any contemplated change in established standards is required under some agreements. Some clauses specify the period of advance notice; others do not. A further extension of this form of participation is provided through clauses which call for collective bargaining in the determination of new or revised standards.

Where the union is not granted the right of advance participation in timing or in the adoption of new work loads, it is generally allowed to appeal the production standards set by management. The regular grievance procedure may be followed, or provision may be made for accelerated grievance machinery. Some agreements specifically rule out arbitration on this issue; whereas others require arbitration. Such clauses may state that the arbitrator must be a technically qualified person. In addition to the use of grievance machinery, joint union-management timing of the disputed standard may be specified. Variations on this procedure provide for union observation of re-timing by management, or for re-timing by union representatives or a union-paid time-study technician. Other agreements require the company to re-time jobs at the request of individual employees or the union, but make no provision for union participation in such re-timing.

Where the union has agreed not to be a party to the time studies, it may reserve its right under the contract to bargain on all matters pertaining to the time study such as: basic formulas used, defining of average conditions, leveling factors and other time allowances.

1. **Introduction of Time-Study System by Mutual Agreement**

A system of scientific management and time and motion study for the setting of piece rates may be introduced by an agreement between the employer and
the union. All timing shall be subject to the inspection and approval of the shop committee.

2. **Union-Management Cooperation in Timing Jobs**

   The company and shop committee shall cooperate in timing jobs so as to avoid speed-up and inefficiency and secure a satisfactory rate of production.

3. **Union and Management Time-Study Representatives to Assist Each Other**

   The foreman may request a time-study man or a time-study steward to come into the department to study and time any job on which a question has arisen. Any time the company time-study men find they need the assistance of the time-study steward they will call a time-study steward in on the job in question. Likewise any time the time-study stewards find they need the assistance of the time-study man they will call the time-study man in on the job in question.

4. **Collective Bargaining on All Matters Pertaining to Time Studies**

   The union is not a party to the time studies, but it shall have the right to bargain collectively concerning all matters pertaining to the time studies, including the basic formulas used, the choice of the operator to be timed, the defining of average conditions and the determining of the leveling factors and other time allowances.

   All time studies shall be available to the employee through the officers of the union at any time.

5. **Company to Re-time Job Within 24 Hours After Request From Employee**

   Employees shall have the right to question the time study of any job that may appear to be improperly timed, and through the proper person or persons to request the re-timing of any job. Upon receipt of a request for re-timing, the company shall have twenty-four (24) hours from the receipt of such request for such re-timing. Any increase or decrease in the rates shall be retroactive to the time of request.

6. **Re-timing at Request of Employee or Union Limited by Existing Time-Study Staff**

   In all cases where a time study is made, the time study shall be signed by the foreman and the time-study man. If the employee feels the time is too tight, it will be restudied at the request of the employee or the union, but the employer shall not be requested to process re-time studies in excess of the number which can be processed by the normal time-study staff without interfering with its normal and routine functions.

7. **Union or Management May Request Additional Time Studies during Trial Period**

   Both union and management shall have the right to question time standards prior to final acceptance and shall have the right to request that additional time studies be made by the standards department during a period of fair trial by the operator of not more than thirty (30) days. Any disagreement will be handled through the regular grievance procedure.

8. **Union Review of Time Studies**

   Standards and piece rates, once established, will be made available to employees when clocking in on the job. Employees will be informed of all new standards within twenty-four (24) hours of the application of the new standard. The union, upon request, may review time studies in consultation with the time-study supervisor.
9. *Disputed Standard Re-timed by Employer and Then Jointly if Re-timing is Questioned*

If any of the standards of production are questioned, they shall be re-timed. If, after re-timing, they are still in question, a joint time study shall be taken by the company and representatives of the union to arrive at an accepted standard.

10. *Joint Re-timing of Disputed Standards*

All operations will be timed on the basis of a normal operator working under normal conditions at a normal rate of speed. Any work standards for a job believed by the union to be unsatisfactory will be re-timed, and, if still unsatisfactory to the union, will be timed jointly by the union and the company.

11. *Re-timing by Company and Representative of International Union*

Employees shall have the right to question the time study of any job that may appear to be improperly timed, even to the extent of asking for a re-timing on any job.

In case of a dispute in the time of any operation, the operation in question will first be re-timed by the company in the presence of a committeeman. If a further dispute results, the operation will be re-timed by the company and a qualified employee of the international union, production to be run by both company and union representatives for comparison.

12. *Multi-Step Rate Review Procedure*

(1) Employer makes time study; (2) Submitted to union rate check committee; (3) If disputed, steps include recheck of rate by employer; joint time study; appeal to grievance procedure.

After the time study has been made, the rate setting department of the employer shall immediately place the rate on the job and submit a form containing a description of the operation and the rate set on the job to the union rate checking committee. When the rate has been checked and approved by the union rate checking committee, the form shall be signed and returned to the employer who will give the union a duplicate copy.

If a rate is rejected, the union rate checking committee shall notify the employer who shall within 1 week therefrom recheck such rate. If, upon such recheck, the rate remains unsatisfactory to the union rate checking committee, another time study shall be made jointly within 2 weeks by a time-study man of the employer and a representative of the union designated by the union rate checking committee. If the employer fails at this time to make such joint recheck within said 2-week period, the classified average rate shall be paid to such operators on the job. If the recheck is made during such time limitation and the rate after this procedure is still not accepted, the rate shall continue pending its being taken up under the grievance procedure outlined in article XXV and article XXVI of the basic agreement (grievance and arbitration).

In the event that any rate is adjusted either by agreement between the parties or during the grievance procedure, such adjustments shall be retroactive to the date of the original setting of the rate on the job.

13. *Joint Review of Time-Study Data; Joint Re-timing of Disputed Timing*

When time studies are to be made, they shall be made openly and the department steward shall be informed that the time study is to be made. After the time study has been completed, the department foreman will advise the department steward the price that has been determined and present the time study to the department steward for his approval. If the steward finds the facts contained in the time study to be correct, the steward shall approve the time study by signing it. If the steward questions the correctness of the time study, the company and the steward shall recheck the data on which the price is based. If no agreement
can be reached, the company shall notify the bargaining committee, and they shall settle the disputed time study, or, if necessary, time the job together and this joint timing, together with the original timing, shall be used as the basis for arriving at a correct price.

14. **Joint Observation of Re-timing of Disputed Standards**

When re-timing of any job becomes necessary because of a written grievance being filed by an employee, the company shall recheck the time study promptly. If, after such recheck, the standard is still in dispute, the departmental foreman, and then the steward, or one of the shop committee, shall be notified and permitted to jointly observe a re-timing. Any adjustment of a bonus standard which may result from such procedure shall be retroactive to the date upon which the grievance was filed by the employee or employees involved provided the adjustment is upward, otherwise the new standard shall become effective when established.

15. **Disputed Standards Re-time and Reviewed by Joint Committee** (Union may question standards for new or changed jobs. Standards not challenged within 30 days are fixed for duration of agreement or 1 year, whichever is shorter. Employee improvements safeguard standard for term of agreement or 1 year, whichever is shorter.)

In furtherance of our present practice, regarding work incentives, and to foster cooperation between men and management, a joint committee (agreed upon by the parties hereto) is to be appointed for the purpose of investigating any work incentive rates that may be questioned.

Either party may question the correctness of new time standards, except that the employer shall not change for the duration of this agreement, or for a period of one (1) year, whichever is the shorter, a standard by reason of improved motions and processes introduced by employees so long as the character of the particular job remains the same. The employer may at any time change the time standard when the same results from a change in methods, machinery, tools, fixtures, materials, or design. The union may also question the correctness of standards restudied by the employer as the result of a change in methods, machinery, tools, fixtures, materials, or design as well as standards established by the employer for new operations.

All standards revised or established as provided in the paragraph above shall go into effect at once, but shall be considered temporary during a period of thirty (30) days. If such standards are not questioned within said period they will become permanent. If such standards are challenged within the thirty (30) day period, they will be promptly re-timed and reviewed by the committee, which shall consist of not more than three (3) members appointed by the union and three (3) members appointed by the corporation. If any such standard is later changed as the result of the committee review, the change shall be made retroactive to the date when the revised or new standard went into effect or to the date when either party questioned the existing standard, as the case may be.

After a standard has been restudied, as above provided, it shall remain in effect for the duration of this agreement, or for a period of one (1) year, whichever is the shorter, so long as there is no further change in methods, machinery, tools, fixtures, materials, or design.

16. **Union Allowed 48 Hours to Check Time Study; Objections Handled by Grievance Procedure**

In establishing a base rate, hourly rate, or piecework price, or when changing a base rate, hourly rate, or piecework price, the company will proceed to make a thorough study and record of all factors which determine what the new rate should be. When all such data have been recorded and the new rate determined
In that basis, the district representatives representing the department affected will be notified and given a maximum of 48 hours to check the time study and facts. If no reasonable objection is raised the proposed rate may be posted, at the option of the company to become effective after 3 working days, or sooner if mutually agreed to. Upon written objection being presented to the management by the union, the same shall constitute a grievance to be negotiated through the regular established channels.

17. Union Technician to Study Disputed Standards

In the event that the question of the fairness and reasonableness of the work load assignment or assignments shall become a grievance, then the union shall have the right to have one time-study engineer inspect and study the job in question. Such inspection and study shall be made after reasonable notice to the employer.

18. Company Studies on Disputed Operation Made Available to Union Technicians Who May Make Independent Studies

Where a dispute arises concerning the rate of a piecework operation, union representatives, trained in motion-time analysis, will be allowed to time study such operation. The studies made by company representatives on the disputed operation shall be available to the union representatives.

19. Union Observer of Re-timing of Disputed Standards

It is understood and agreed that in the event it is necessary to take a time study on any operation to establish a new piece price or to adjust piece prices now in effect, the time study shall be taken by the company and submitted to the union for approval. If found to be unsatisfactory the time study shall be re-taken with a representative of the union present.

20. Union Observer at Re-timing Paid at Day Rate

It is agreed that if and when a job is being re-timed as the result of a grievance, as set forth above, either a qualified and competent union steward or committeeman may observe the operation while the timing is being made and that such observer shall be given an opportunity to discuss results of the time study with the appeals committee at the appeal stage by whom the matter would then be reviewed. The committeeman or steward selected to observe the timing shall be compensated for his time in so doing at his day rate.

21. Union Observer at Re-timing Not Paid by Employer

In the event an employe is dissatisfied with the new time established, a recheck of the new time will be made and the steward of the section in which the complaint arises and the chief steward may be present at the time of the recheck, but shall not be paid by the company for their time. Time studies shall be kept on file in the standards department and shall be available for inspection by union officials, who are employees of the company, above the rank of section steward.

22. Company May Attend, But Is Not Bound by Union Re-timing of Disputed Operation

Wage classifications and piece rates on new and changed operations shall be established and submitted by the company to the union and, unless objected to in writing by the union within thirty (30) days after submission, shall be considered approved. If the union objects to a proposed or submitted price, and negotiations fail to resolve the dispute, then the union may, if it so elects, undertake a time study in preparation for the arbitration of the disputed issue. The union will give the company reasonable notice of the time when, and the place where, the time study will be made, and the company shall have the right to be present, but
nothing herein contained shall cause the company to be bound by the results of that time study. If the new wage classifications or piece rates established and submitted by the company are objected to by the union, in accordance herewith, and are subsequently revised as a result of negotiation or arbitration, the revised rate shall be retroactive to the time when the work was put in operation.

23. Union Given 1 Day's Advance Notice of Change in Work Standards

The company shall re-time any job due to change in methods, design, style, or error and in such cases the company shall notify the department steward the day prior to the day on which the new standard shall become effective.

24. Advance Notice of Change in Work Load; Period Not Specified

The company shall notify the union in advance of any change in the work loads. The reasonableness of any such increase shall be subject to the provisions of article XI (grievance and arbitration) hereof but the company may put the same in effect pending the processing of any grievance thereon brought by the union.

25. Advance Notice of Change in Work Load: 7 Days

It is expressly recognized and agreed that the best interests of the company and of the employees require efficient and reasonable work loads, which should include reasonable fatigue time and all other usual elements considered. It is, therefore, agreed that the company shall have the right to change work loads from time to time for the purpose of obtaining and maintaining efficient and reasonable work loads and machine and labor standards.

The company shall give the shop committee 7 days' written notice of any proposed change which might reasonably be expected to involve a change in work loads, unless the proposed change is of an emergency character or requires prompt adoption because of its adverse effect upon other operations in the plant, in which case, such notice as is reasonable and practicable under the circumstances shall be given. If so requested, the company will promptly meet with the shop committee for the purpose of discussing the proposals.


The company agrees that if the work load of any machine or any member of the union be increased beyond that of the regular work load of the machine or such member as it existed [date], other than with the replacement of obsolete machinery by machinery of the type now in operation in any other of the plants of the employer, then this shall be an occasion upon notice from the union for proceedings as provided under article IV 1 of the contract between the parties hereto.

27. Union and Employer Meet to Set Up Production Standards

The union shall meet with any employer and shall set up a minimum production standard in any individual plant at the employer's request. Any expense incurred shall be paid by the employer * * *.

28. Standards of Production Negotiated by Union, Employee, and Employer; Standards Effective on Posting

"Fair standards" of production and quality of work shall be established by agreement between the plant committee, the individual, and the management, in

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2 At any time during the life of the contract either of the parties hereto may, by thirty (30) days' written notice to the other, request reconsideration and alterations or amendments to this contract, such notice to set forth all of the alterations or amendments to be considered. The parties hereto shall therefore meet together and such alterations and amendments to this contract as specifically stated in the call notification shall become effective and part of this contract if agreed to by both of the parties hereto.
proportion to the standards attached to and made a part of this agreement. Present fair standards of production shall remain posted without change until new standards are created and approved by the plant committee. No new standard on any item shall be changed until posted. All standards shall be posted in each department in order to be effective.

29. Disputes Regarding Work Loads Subject to Regular Grievance Procedure

When changes occur in the operations that will substantially affect the work load of any group of employees, the job will be studied and standards set up in accordance with the employer's usual procedure. If the employees believe that the work load resulting from the changed method exceeds the reasonable working capacity of average or normal operators, the matter may be taken up through the grievance procedure. It is agreed that the employees will continue to perform the operation pending a decision on the grievance. If the arbitrator finds that an adjustment in wages should be made, it shall be retroactive to the date of the change in the job.

30. Appeal of Work Load Through Grievance-Arbitration Procedure After Trial Period

The employer may have the right to make routine changes as conditions require and to introduce new machines, processes and methods of manufacture. In the event the employer proposes a change in a job assignment in connection with the above and no agreement is reached with the union on the proposed change, there shall be a trial period of 4 weeks, during which time the employees affected will be paid not less than their average hourly earnings for the preceding 3 months. At the end of the trial period, if there is still no agreement the matter shall be determined by arbitration as provided in this agreement. All other changes shall be by mutual agreement or be determined by arbitration as provided in this agreement.

31. Accelerated Grievance Procedure

In the event that there occurs any change in method, products, tools, material, design or production conditions, the situation will be time studied by the standards department. Every effort will be made to complete the study within a period of thirty (30) days. The standards department will establish standards for the new operation and these will be effective immediately. In the event that the union has any objection to the new standards, the matter should be taken up with the company under step No. 4 of article VI, section 3, of this agreement. If not adjusted at such step of the grievance procedure, the matter may be further taken up through the successive steps of the grievance procedure, culminating if necessary, in arbitration. The effective date of any disposition, whether voluntary or by arbitration, shall be the date the changes were effected. If no grievance is brought to the attention of the company within thirty (30) days, it will be presumed that the standards are satisfactory.

32. Designation of Technical Man as Arbitrator to Settle Differences Over Production Standards

Attempted enforcement by the company of standards of production claimed in writing to the company by the union to impair the health or safety of employees may be, in the discretion of the union, grounds for waiver of section 1-b, article V, in which case the provisions of section 3, article V, shall apply, unless during

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3 No strike on any disputes relating to matters for which the company has responsibility and the express right to determine and decide.
4 Section 3, article V provides that negotiations shall continue for 15 working days or until strike action is authorized by the union.
the fifteen (15) working day period provided in section 3, article V, the parties agree to retain the services of a mutually acceptable industrial engineering consultant to review the production standard in question and render a decision binding on the parties.

33. Arbitration by Board of Technicians; Retroactive Rates Determined by Arbitrators

If replacements of machinery are made, or changes made in production of machinery or methods of work, or changes in construction of yarn or cloth, proper work assignments therefor will be made by the company. Any grievances or complaints resulting therefrom shall be handled as follows: Either party hereto may by written complaint to the other, raise the question of whether any overload has resulted therefrom. In such event, if the complaint cannot be adjusted to the satisfaction of both parties each party hereto agrees that it will select an engineer or textile technician to study the basis of the complaint and that the parties hereto shall lodge such complaint with the parties so selected at the earliest possible date, and not later than four (4) weeks after date the complaint is served on the adverse party. If the company proposes to change the work assignments on present machinery and yarns and cloths it shall submit its proposal to a technician selected by the company who shall in turn take the matter up with a technician selected by the union. In case of disagreement the matter will be handled in a manner similar to that described in paragraph (b) where a grievance or complaint cannot be settled by the two (2) technicians referred to.

Any agreement reached by the parties so selected shall be final and binding upon the parties hereto. If, however, the parties so selected shall fail to reach an agreement within four (4) weeks after such complaint has been submitted to them they shall select an engineer or technician as a third party and if unable to agree on such engineer or technician, then the two (2) shall within five (5) days make a joint request of the Director of Conciliation of the United States Department of Labor to designate the third engineer or technician and the decision of the majority of the three textile engineers or technicians shall be final and binding upon the parties hereto. The expense of the engineer or technician who serves as the third party, if one be selected or designated, shall be borne equally by the company and the local union.

The adjustments of such complaints or decisions of the selected parties shall prevail with the company and the union for future operations. In case of a decision by the selected parties where considerable length of time has been consumed in arriving at such decision, the selected parties shall have the right to determine what adjustment, if any, should be made on wages paid to persons affected by such decision.

34. Arbitrator's Jurisdiction in Disputes Over Production Standards Itemized

It is understood and agreed that in the case of grievances involving production standards the arbitrator, under paragraph 59, shall have only the power to decide—

(1) Whether through error insufficient credit is being given in connection with an existing standard.

(2) Whether, in the case of a changed standard, the operation has been changed so that the amount of work required to perform the job has changed.

(3) Whether an approved standard has been reduced when there was no change in the job.

(4) Whether a standard after being changed will permit the same opportunity for earning premium as existed under the original standard.

The arbitrator shall have no power by his award to establish, discontinue, or change any production standard.
35. Arbitrator Limited to Disputes Over Changes in Present Work Loads

The grievance and arbitration provisions in this contract shall not be applicable to existing work loads, but only to changes in presently existing work loads.

36. Final Appeal to Union Time-Study Committee and Management

The fact that an established production standard may be disputed by employees and examined by the union time-study steward, does not of itself invalidate the standard. Therefore, employees shall be required to apply normal effort for the entire work period at all times, even though the standard production has previously been reached or is in dispute. Disputes or grievances arising with respect to production standards shall be resolved in the following manner.

(a) The aggrieved employee may first discuss the matter with his immediate supervisor or

(b) Inform the supervisor that he has a dispute pertaining to a particular standard and request him to inform the department steward to call union time-study steward having jurisdiction in the department involved to resolve the dispute. The time-study steward shall make an audit of the basis on which the standard was established, and make a time study if necessary. The time-study steward shall complete such audit or time study as soon as possible and discuss the matter with the divisional time-study supervisor.

(c) If the dispute or grievance is not settled in the preceding step, the case shall be appealed, within three regular calendar working days on a triplicate form provided by the company, to the time-study committee and representatives of management. The decision of this group shall be final and binding on the company and the union.

The union time-study committee shall be composed of five (5) members distributed as follows: Two (2) for plant 15; one (1) for plant 16; one (1) for plant 21; one (1) for plant 70.

37. Arbitration Excluded; Date of Retroactive Adjustment Specified

The claim that a time standard is not equitable shall be deemed a grievance, and be subject to process through all steps of the grievance procedure up to but not including the final step of arbitration. Any change in the rate determined from processing in the grievance procedure shall be retroactive to the beginning of the pay-roll week nearest the date of the written grievance.

38. Union Time-Study Stewards Trained by Company and Paid by Union

In order to assist the union in its efforts to expeditiously adjust alleged grievances with respect to established standards the corporation shall undertake to instruct and train time-study stewards, who shall represent the union in the investigation and study of alleged grievances relating to such standards. These stewards shall be selected from employee members of the union on the basis of ability and aptitude to serve in such a capacity. It is understood and agreed that time consumed by such stewards during regular working hours in seeking the adjustment of alleged grievances involving established standards shall be compensated by the union.

39. Two Union Representatives Assigned to Work Full Time in Company's Time-Study Department

In order to promote more complete understanding of the plant's wage standards plan, two employees selected by the union and acceptable to the company shall be assigned to the methods and standards department on a full-time basis. Said employees shall be under the direction of the methods and standards engineer and shall do such work as may be assigned to them by him, and in assigning
work to them he shall give priority to work relating to wage standards plan
grievances.

Said two employees shall be informed, if possible prior to application, of all
new standards applied, and all changes in computations or general time-study
procedure shall be explained to them promptly. For the purpose of checking the
proper application of standards and the accuracy of premium computations, said
two employees shall have the same access as the company time-study personnel
has to premium computation sheets.

40. Union Time-Study Representatives Paid by Company During Training
Period

The employer agrees to provide, at its own expense and outside of working:
hours, classroom instruction courses in its time-study procedure, including the
plan or method of establishing incentive rates, to six members of the shop
grievance committee designated by the union and to pay such members for time
spent in attendance at such classroom instruction at their straight-time hourly
rates: Provided, however, That time spent at such classroom instruction shall
not be regarded as “hours worked” in the computation of any overtime payments
and that the employer shall not be required to provide such instruction courses
more often than once, or to more than six of such members in any twenty-four
(24) month period.

41. Company-Trained Union Time-Study Men May Make Independent Check of
Disputed Standards; Must Furnish Company List of Activities and Copies
of Time Studies Made

The union shall nominate three unit B employees who, if acceptable to the
company, shall be trained as time-study men and who, upon the completion of
their training, shall be employed as such on a full-time basis for the term of this
agreement. The three time-study men above mentioned, while being trained
(approximate duration of training period, 4 months) will be paid their past
average hourly earnings for the 6 months immediately preceding their training
period exclusive of any shift extra or overtime earnings. The pay allowed by
the company to the selected time-study men shall not be less than $1.30 nor more
than $1.90 per hour.

Union time-study men shall have the same preferential seniority as is guaran­
teed other union representatives.

The union time-study men will cooperate with management for the purpose
of obtaining the proper application of the basic principles of the incentive plan
and the proper administration of same, but the establishment of incentive stand­
ards (M-values) shall be the responsibility of the company. Whenever the
union time-study men may be called upon to investigate an incentive standard
they shall make an independent detailed time study in accordance with the
principles of the incentive plan as set forth in exhibit C hereto. They shall ac­
count daily to the standards department for time spent in general time-study
work, listing and filing all time studies made by them with the standards
department.

In the event that any union time-study man is unable or fails to properly per­
form his duties either the union or the company shall have the right to require
that he be relieved as a union time-study man upon a showing of just cause,
whereupon he shall be returned to his previous job classification and replaced by
a new union time-study man nominated, approved, and trained as aforementioned.

42. Procedure for Selecting Union Representatives for Time-Study Training

The company and the union agree that the union shall have time-study repre­
The union shall submit to the company the names of —— employees who shall meet qualifications set up in advance by the company. From this group the company shall select the names of —— employees who, in the judgment of the company, have the necessary qualifications.

From the —— names accepted by the company, the union shall select two (2) whom the company will train in its piece rate department for ——. For such training period the company will pay these two (2) employees so selected their guaranteed hourly rate. When the employees are so trained they shall return to their regular job in the plant. These employees shall be designated as “union time-study representatives.”

**43. Minimum Qualifications Specified for Union Time-Study Stewards** (The company may challenge the stewards’ qualifications through the grievance procedure.)

The union time-study committee shall be composed of five (5) members distributed as follows: Two (2) for plant 15; one (1) for plant 16; one (1) for plant 21; one (1) for plant 70.

Time-study stewards shall report directly to the industrial relations coordinator of their respective plants. They shall devote full time to matters pertaining to time standards as set forth in this article.

Time-study stewards shall be elected for a term of four (4) years. The term of at least one and not more than two members of the committee shall expire each year.

Time-study stewards shall be selected by the union from candidates who have the following qualifications:

(a) A high school education or its equivalent.

(b) A minimum of three (3) years’ shop experience with the company.

(c) A minimum of one (1) year training in a qualified time-study school or its equivalent.

It is agreed that the company has the right to question through the grievance procedure the qualifications of those elected.

**Union Safeguards on Timing**

In cases where the union does not participate in the initial timing or re-timing of incentive jobs, a variety of safeguards may be set up to assure a fair timing. On the whole, these are directed toward protecting the workers from the effects of time studies which may be conducted arbitrarily and without regard to relevant human and job factors rather than against time studies as such. These safeguards are aimed to assure proper selection of workers to be timed; maintenance of actual working conditions during the period of study; and specification of time allowances for lost time, fatigue, personal time, etc.

Another type of safeguard is generally concerned with making information regarding time studies available to the union. Within this broad category are clauses which grant the union the right to witness the re-timing of a job by management or to accompany a time-study
Union's concern with time-study procedures frequently centers on the choice of workers to be timed. The timing of an employee with a record of high speed and efficiency might result in standards which the average worker would find difficult to attain. As a safeguard against such developments, some agreements state how the typical employee to be timed shall be selected. Union and management often agree to select jointly a mutually acceptable employee. Standards are sometimes determined by timing two workers, one chosen by management, and the other by the union. Some clauses, on the other hand, do not provide for direct union participation in selecting the worker to be timed, but merely specify that the worker chosen for timing be a normal or average operator on each job.

44. Foreman and Shop Committee Select Workers To Be Timed

Piecework prices shall be set on the work of one or more employees selected by the foreman and the shop committee, which men shall be skilled in their line of work.

45. Employer and Union Time-Study Men Select Workers To Be Timed

The time-study representatives of the company and of the shop committee shall cooperate in picking the operators to be timed.

46. Employer Selects Worker To Be Timed; Union May Challenge Employer's First Choice Only

Piece rates for pieceworkers shall be determined as follows: The employer shall select from among the pieceworkers of the appropriate section one person to time the operation. Should objection to this selection be made by the shop committee, the employer shall have the final right to select any other pieceworker from the same section to make the test.

47. Standard Based on Average Time of Workers Selected and Timed by Employer and Union Respectively (This procedure applies only when the parties are unable to agree on an operator to be timed.)

Where timing is required to determine a price for a given operation, such timing shall be done in the factory by the workers of the particular branch involved. The worker chosen shall be satisfactory to both parties. In the event either side cannot agree to any one particular timer, the firm shall time one of its own choice and the union shall time one of its choice. The price shall be determined by the average result of the two workers timed.

48. Times of Fast, Medium, and Slow Workers Averaged

In setting up piece prices the basis shall be a fair average wherever possible of at least three workers performing the same kind of work. The average shall be based on—

1. A fast worker.
2. A medium speed worker.
3. A slow worker.
49. Definition of Normal Worker for Timing

The normal incentive rates shall represent the rate to be paid an incentive worker, working at a normal incentive pace. This normal pace is not to be the pace of the fastest worker, but shall represent the average unrestricted performance of the average worker.

It shall represent a performance of the average worker working efficiently at a job which has been subjected to adequate time and motion study, and shall not represent the performance of an untrained or inefficient worker on a job which will require weeks for the development of coordinated effort.

This means that the normal worker, operating with normal effort, should earn the incentive rate for normal workers; poor workers should earn less, better workers more.

50. Adjustment Made if Operator Timed Is Above or Below Average Ability

If the operator demonstrates exceptional ability during the period of time study, additional allowance will be included in the rate. If the worker is unskilled or inefficient, the time-study man may request an average operator to time-study, or may adjust the allowance so that the rate will apply to the average man.

MAINTENANCE OF NORMAL OPERATING CONDITIONS DURING TIME STUDY

Another problem is to insure that the working conditions during the time study approximate actual or normal job conditions. Few agreements, however, spell out how normal job conditions shall be approximated or determined, although some prescribe the conditions under which studies are to be conducted and certain factors taken into account. The usual clause on this point is a statement or the company pledge of "fairness" that the nature of equipment used, plant efficiency, and expected quality of workmanship will be taken into consideration during time studies.

51. Policy of "Fairness" To Be Followed

All labor time standards shall be established in conformity to present time-study practices of the company. These practices require that fair consideration shall be given to the requisite quality of workmanship and the reasonable working capacities of normal employees.

52. All Time Studies To Be Conducted Under Normal Conditions for at Least One-Half Hour

All time studies are to be taken to assure a fair test under normal conditions. The time-study man shall remain on any job studied not less than one-half hour and the rates shall be set and the employees notified within 2 hours after a study is completed.

53. Advance Discussion With Union Committee Regarding Speed of Operations

The policy regarding the speed of operations shall be discussed with the shop committee before final determination is made on any operation or job. Company management and shop committee shall cooperate in setting a fair standard of production on all operations.

TIME-STUDY ALLOWANCES

It is the usual practice in setting standards through time study to make allowance for personal needs, lost time beyond the worker's con-
trol, and the special character of the job. Some agreements stipulate that specific allowances shall be made in the timing, although few systematically list all the factors to be taken into account. Some agreements specify the precise amount and type of allowance to be made, while others merely state generally that time allowance shall be made for such factors.

54. "Reasonable" Allowances for Fatigue, Personal Needs, and Other Factors

Time values will be set by the company on the basis of the average time of an average skilled workman, working at average speed under normal conditions, with reasonable allowances for fatigue, personal needs, and other factors recognized in sound time-study methods.

55. Allowances Itemized

Minimum allowances shall be established as follows:
- Personal: 5 percent of total cycle normal time.
- Contingency: 2 percent of total cycle normal time.
- Fatigue (placed on elemental normal manual working time):
  - 2 percent—light bench assembly; light machine work; light jig or fixture and part.
  - 5 percent—medium bench assembly; medium machine work; medium jig or fixture and part.
  - 8 percent—heavy bench assembly; heavy machine work; heavy jib or fixture and part.
  - 12 percent—extra-heavy work (as sledging); without hoist or chain fall.

Fatigue allowance shall be placed according to the job when time-studied.

56. Specified Allowance for Unavoidable Delay and Fatigue

Before the actual timing begins the selected timer shall first complete one-half dozen operations and the actual time study shall then be made upon the next dozen and the average time consumed upon this dozen shall be the time set. To such time there shall be added an allowance of ten (10) percent for unavoidable delay and fatigue.

57. Allowance for Rest Periods, Fatigue, and Lunch Period

The allowances for the various operations will not be less than 15 percent on the time value which will include the two fifteen (15) minute rest periods and the allowance for fatigue. In the event that a fifteen (15) minute lunch period is paid for by the company, an additional 3.2 percent allowance will be included.

58. Unspecified Allowance for Duties Incidental to the Job; Specified Allowance for Personal Contingencies

In timing all jobs the time allowed for performing an operation shall be the time necessary for the regular operator, familiar with the operation, tools, equipment, and material provided and the quality of the finished part up to the standard required by the inspection department without causing excess scrap, or undue damage, wear of tools and equipment, with operator working at a pace he can maintain day after day without injury to himself or his fellow employees; with such time allowed to replenish the supplies, oil and clean the equipment and all the details that are necessary and which are expected to occur in the ordinary day's work. These are classed as contingencies and a percentage shall be added to the time allowed to take care of them. In addition 10 percent of the time
allowed for actually performing the operation shall be added for personal contingencies.

59. **Major Mechanical Failures Considered as Additional Down-Time, Not Included in Standard; Allowance Made for Normal Delays**

In all time standards compiled through elemental data or otherwise, allowances are made for inherent, intermittent, and/or other operational delays. Therefore, such allowances which are included in the standard shall not be duplicated at time of occurrence. Additional “down-time” allowances will be made for major mechanical failures beyond the control of employees, such as power failure, machine, or conveyor break-down.

60. **Allowances Vary With Type of Job** (Revision of delay factors, on file for union use, based on 8-hour delay studies.)

Delay factors vary from 44 to 111 minutes on an 8-hour basis depending upon the classification of work. These delay factors include personal delays, making out time slips, and normal job and miscellaneous delays. Delays and allowances incidental to unusual conditions on a particular operation shall be indicated on the time study and will be in addition to the specific established delay factors.

The list of the specific delay factors for each operation is kept on file in the time-study department, and is open for inspection to the grievance committee at all reasonable times. It is recognized that changing conditions in the plant may indicate occasional revision of individual delay factors and the company will continue its policy of so doing by means of 8-hour delay studies.

**Protection Against Secret or Concealed Time Studies**

Workers are opposed to secret time studies, which automatically eliminate the possibility of safeguarding the conditions under which work standards are set. Some agreements, therefore, call for union observation of all studies while others specifically prohibit secret time studies or require that workers or the union are to be notified when a job is to be timed.

Recognizing that lack of information and understanding contribute to conflict over incentive rates and time studies, employers may find it desirable to make time-study data available for union and employee examination.

61. **Time Studies Made with Knowledge of Employee Affected**

All time studies for the purpose of establishing or changing piecework prices shall be made with the knowledge of the employee affected, and all such studies shall take into consideration all details of the complete operation.

62. **Union Informed of Proposed Time Studies**

The union shall be informed of any proposed time studies.

63. **Both Operator and Union Given Advance Notice of Time Study**

If time studies are taken the company shall notify the operator and the union in advance of such intent, and disclose to the operators and the union the findings of such studies.

64. **Company to Notify Chief Stewards of Time Studies in Their Areas**

Chief stewards will be informed by the company of all time-study activity in their areas.
65. **Departmental Committeeman Notified Prior to Timing and Time-Study Man Must Carry Specified Equipment**

Whenever a time-study man is timing or checking an operation, he will use the time-study board with the stop watch attached so that the operator will know that he is being observed and the departmental committeeman will be notified before the timing is started.

66. **Union Representatives May Observe Time Studies**

The union shall have the right to appoint their own observers to be present when time studies are being conducted.

67. **Timing by Foremen Deemed a Violation of Agreement**

Whenever a dispute arises over a rate, a restudy shall be taken immediately. The shop chairman of the union shall be notified and be present on all jobs restudied. It shall be deemed a violation of this contract if for any reason foremen or assistant foremen are found timing a job. However, a foreman or assistant foreman and the committeeman of the department concerned may be present during any time study.

68. **Employees May Request Copy of Time-Study Sheet at Time of Study**

Any employee, at his request, will be furnished a carbon copy of the time-study sheet at the time the same is made on the job.

69. **Union Examination of Time Studies**

Time studies shall be available at all times to the union representatives for their examination. There shall be no erasure of any figure on a time study.

70. **Inspection of Time-Study Cards by Employees Involved, or Their Representatives**

The company agrees to continue to make time-study cards available for inspection by the employees involved or their authorized union representatives after the rate has been calculated.

71. **Calculations Explained by Standards Department, on Request**

The standards department supervisor shall, at the request of the steward, review with him the data and computations on which any standard is based.

72. **Management to Explain Timing Calculations on Disputed Timings**

A full explanation of any standard times will be made by the management to the employee or the proper union representative in cases of disputed time studies, so that there will be a mutual understanding of the facts and data that were used in determining such standard times.

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**Size and Composition of Crews**

An employee's work load may be determined by the number of machines he must tend or operate as well as by the number of units he may have to produce. Some machinery and conveyor belts operate at fixed speeds and require a minimum number of workmen to operate them. However, an insufficient number of workers attending such operations may result in a speed-up and endanger the workers' safety and welfare. Some clauses, accordingly, stipulate the size and the composition of crews required for various operations covered by the agreement, as well as the amount of work required of any given crew.
These provisions frequently are detailed and apply only to a specific industry or trade. Other agreements assure the union the right to negotiate concerning the size of the crew. When an employee is required to operate more than the normal complement of machines, additional compensation is specified or additional personnel must be hired to reduce the abnormal work load. When less than a full crew is required to operate a given machine, the pay of the absent men may be divided among those doing the work.

73. Specified Number of Workers per Machine

It is agreed that the crew of each Standard stemming machine shall consist of eight girls, including three operators, the placing of operators to be optional with the crew. The crew of each Pasley stemming machine shall consist of seven girls, of whom two shall be used as operators.

74. Crew Complement Geared to Work Load

A regular furnace crew shall not be required to change more than 18 retorts without extra help.

Nine men (not including fireman) shall constitute a furnace crew on a 208-retort furnace. Ten and one-half men (not including fireman) shall constitute a furnace crew on a 304-retort furnace. Ten and three-fourths men (not including fireman) shall constitute a furnace crew on a 328-retort furnace. Three men (firemen included) shall constitute a furnace crew on an 80-retort furnace.

75. Company to Maintain Full Crew on Operations Normally Requiring a Definite Number of Workers

On any work of a character normally requiring a definite number of men, whether two or more, the company will assign a man to fill the position of any employee absent through any cause, if the work is to be carried on continuously without interruption or reduction in volume, or is not occasioned by a rearrangement of work or a change in equipment.

76. No Variation in Number of Employees Assigned to Incentive Group

On group incentive jobs, time studies shall be taken with extreme care, and the group must operate regularly with the number of employees assigned at the time the time study was taken.

77. Union Right to Negotiate on Size of Crew

The committee titled the job classification and standards committee shall continue in this plant and is comprised of five (5) individuals, two (2) representing the union, two (2) representing the company, with an impartial chairman from the firm of——consulting engineers. This committee has the following duties: * * * (including) analyzing complaints concerning one operator operating more than one machine.

78. Discussion With Union on Size of Incentive Group

In setting up any new incentive groups, the company will discuss with the union the size of the group necessary for efficient operations.

79. Union Consulted Prior to Changes in Size of Crew (Grievances concerning such changes not subject to arbitration.)

The company will determine the number of men necessary for the safe and efficient operation of units or departments within the refineries. Changes therein may be made by the company in the event of reduction or increase in work load or operations. The company will call in and notify the grievance committee.
prior to any such staffing of new plants or change in present plants and will give full consideration to the recommendation of the union in making its determination. Grievances concerning this determination shall not be submitted to arbitration as outlined in article VII.

80. Maintenance of Customary Proportion of Skilled Workers

The employer shall at all times employ at least one helper for each color mixer and one helper for each printer, with the exception, however, that printers on machines printing staple mica ceilings need not be furnished with a helper, except for the purpose of changing rollers, colors, or grounds, in which case a helper shall be furnished.

The established quota craftsmen and helpers shall be employed on a machine while said machine is in operation, except that when a pattern changing crew is employed for the sole purpose of changing patterns, no other employees except the men actually employed in changing patterns need be employed in connection therewith * * *

81. Extra Pay and Additional Workers Required if Additional Machines Are Operated

If there is an additional1 printing machine or one or two additional grounding machines or blotchers, the color mixer or mixers shall mix for such extra machines and shall receive extra compensation therefor on the basis of twenty (20) cents per hour for mixing for such printing machine and ten (10) cents per hour for mixing for each such grounding machine or blotchers, with the further proviso that in the event there is more than one additional printing machine, or more than two additional grounding machines or blotchers, an additional color mixer shall be employed therefor: Provided, however, That in those cases when a color mixer mixing for an extra printing machine or one or two grounding machines has heretofore been paid more than the compensation herein fixed, said higher rate of pay for this work shall be continued in spite of the provisions of this paragraph.

82. Pay of Absent Crew Member Divided Among Those Doing the Work

When an emergency arises that paper machines or beaters must be operated without a full crew, the equivalent of the pay of the absent man shall be divided amongst the men who performed his work.

83. No Replacement for Grievance Representative, Provided Crew Can Maintain Incentive Earnings

When bargaining committeemen, who work on group jobs, are engaged in meetings with management, and the remaining operators in the group can maintain their incentive earnings without a replacement operator in the group, the group rate shall apply and the group shall work without a replacement operator.

Management Safeguards

Protection to management in connection with timing is sometimes provided through agreement clauses pledging honest effort by workers while a time study is being made. Occasionally clauses prohibit any interference by the union during a time study.

Some agreements stipulate union assurance to management that reasonable production standards will be maintained. This may take

1 Additional to normal complement of machines.
the form of a general prohibition against limitation of production or in statements that union members will perform a full day's work. In some agreements these assurances are supplemented by provision for discipline or discharge of employees who willfully restrict production or consistently fail to meet production standards.

84. Employee Not To Control Production During Timing

During any timing of a job the operator shall produce at normal standard as requested by the foreman and shall not control or limit production.

85. Maintenance of Normal Pace During Timing

There shall be no slow down, false motions or any other unfair attempts on the part of the union or the employees to impair a fair and true result of such time studies.

86. Union Responsibility for Fair Timing

The union agrees to see that its members give a reasonable and just time study.

87. Union Assistance on Fair Timing

The union agrees to assist in seeing that—
(a) Employees being time-studied shall give an honest effort while the study is being made.
(b) No deliberate attempt be made to slow down, stretch out, or other means used to obtain a loose standard during the course of the study.
(c) Any employee resorting to various methods of falsifying the time cycle shall be subject to a reprimand or a lay-off penalty.

88. Employees to Produce at Normal Pace Despite Termination of Incentive Plan

(Production standards under discontinued plan not to be used to rate employees.)

It is stipulated and agreed between the company and the union that any bonus, incentive or production plan heretofore in effect in the plant is hereby abolished. The union agrees that, in consideration of the rates of pay and other adjustments made under this memorandum agreement, that the employees within the bargaining units will work and produce at a normal pace. Normal pace means, to produce a reasonable day's work or give the company a fair day's work for a fair day's pay. This does not mean that the employees within the bargaining units will be rated according to any previously established production standards.

89. Dismissal or Transfer for Failure To Cooperate in Establishing or Maintaining Fair Standard

No employee will be compelled to produce more than the union has stated was fair but continued failure of an employee to cooperate in establishing a fair standard or to meet the agreed rate of production of an established standard or the rate of production as stated by the union as fair, without a reason mutually satisfactory to both union and company, will result in dismissal, or if the circumstances warrant unusual treatment, transfer to another department.

90. Management's Right To Discipline Employee Not Cooperating on Time-Study

The time-study man may refuse to continue a study if in his judgment the employee being studied is deliberately refusing to cooperate by working at other than normal pace or not in accordance with prescribed method; and he shall so notify the employee's foreman who may consider it as due cause for discipline.
91. No Interference by Union Steward in Time Study

It is understood and agreed that when a time study is being conducted, no steward shall observe or interfere with the study in any manner.

92. Union Members Subscribe To Pledge of "Fair Day's Work"

The union, its officers, members, and all the employees of the company covered hereby each agree that the company is entitled to and the employees will each put out a fair day’s work for the pay prescribed herein.

93. Output and Quality Restrictions Prohibited

Mine cars shall be distributed among miners, who are at work, as uniformly and as equitably as possible, and there shall be no concerted effort on the part of the miners or mine workers of any colliery or collieries, to limit the output of the mines or to detract from the quality of the work performed, unless such limitation of output be in conformity to an agreement between an operator or operators and an organization representing a majority of said miners in his or their employ.

94. Union Not To Impose Production Restrictions

No limitation shall be placed by the union upon the amount of work which any employee shall perform during any workday or workweek, nor shall there be any restriction as to the use of machinery, tools or labor-saving devices.

95. Union Not To Impose or Permit Production Restrictions

The union will impose no restrictions or limitations on production of an individual employee or group of employees, nor will it permit same to be imposed.

96. Union To Discourage Stalling on the Job; Company To Discourage Pace Setting and Speed-Ups

The company will not encourage and will actively discourage any “race” between exceptional employees to a stage known as “pace setting” or “speed-up” whether among individual employees, groups of employees, or separate shifts, and the union will not encourage any inefficiency and “stalling” on the job by the employees of the company.

97. Employees Subject To Discharge for Production Slow-Downs

Any employee who slows down his production without excuse shall be subject to discharge.

98. Discipline or Discharge for Restriction of Production or Failure to Meet Standards

The right of the company to establish and determine and to maintain and enforce standards of production is fully recognized. Continued failure of an employee to produce on the basis of established standards will be considered due cause for discipline, including discharge, unless the failure is due to causes beyond his control. The company shall not be required to retain in its employment any employee who refuses to meet established standards or who engages in any attempt or participates in any plan to control or limit the amount or speed of production. An employee physically incapable of meeting established standards shall be given the opportunity of transfer to an operation he is physically capable of performing, subject to provisions of section 1-b, article VIII.

99. Discipline for Failure To Meet Standards for 30 Days

The union agrees that the production standards as determined by experience in the 90-day period prior to (date), will be maintained and if not consistently maintained (that is, for at least 30 days), the employee or employees who fail to
meet such a standard are subject to disciplinary action up to and including discharge, except where failure to meet the standard is for reason beyond the control of the employee.

100. Discharge for Consistent Failure To Produce at Least 80 Percent of Average

The entire system is based upon an appreciation of the fact that all factories will have operators varying from 80 percent to 120 percent of the average. Consistent performances below 80 percent of the average justifies changing the operator to other work, or if no work is found upon which he can do an 80 percent job, after due effort to educate him to perform at this level has failed, he may be subject to discharge. Normal grievance procedure will protect his interests under these circumstances.

101. Graduated Penalties for Failure to Maintain Standard of Production

The union agrees that the company is entitled to and shall receive from each employee the amount of work established by the standard rates of production for the company. Provided, however, That if an employee believes a rate of production is set too high, he can request a re-timing and also the company can re-time and mutually adjust those rates of production which are set too low. The union agrees to increase its efforts so that the company will receive from each employee the standard of production and to show it proposes to carry this out, the union agrees that where an employee fails to maintain his standard rate of production, he will be subject to the following penalty: (1) Warned, (2) 3 days lay-off, (3) discharged.

102. Substandard Production Cause for Transfer or Demotion Regardless of Seniority

When an employee continues to operate at a level below standard efficiency, he may be transferred or demoted to some other job without regard to his seniority.

103. Employee Cut Below Top Rate of Classification if He Fails To Meet Standard After Warning

The top rate of each classification shall be based on 100 percent efficiency of the standard set. Any employee who wilfully or through no fault of the company falls below the accepted standard of production shall be given a warning by the foreman. The chief steward shall be notified of such notice in writing. If, after 1 week's time, the employee continues to fall below the standard of production, his hourly rate shall then be based on his efficiency, according to appendix A of this agreement, but in no case below the minimum rate established for that classification.

104. Union and Members Pledge To Maintain Production Standards in Exchange for Union Shop

Subject to the conditions that: The union and its members, individually and collectively: * * * shall maintain production standards, pursuant to the provisions of paragraph 3.04, * * *.

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1 Time-study standard rates, which term includes production standards (i.e., time-study rates expressed in pieces per hour), shall be established by the company by such means as time studies, motion studies, or other established means of determining operator performance. Failure to meet production standards shall subject an employee to discharge. Time-study standard rates shall not be changed except to correct obvious errors, or unless there is a change in method, process, parts, or equipment used in performing the operation. In the event that a change in method, process, parts, or equipment used in performing the operation takes place, then only such part of the operation as is directly affected by the change shall be restudied for adjustment in the over-all rate.
It is agreed:

(a) That, as a condition of employment, all employees covered by the bargaining unit shall, within thirty (30) days after date of their employment, become and thereafter remain members of the union in good standing.

(b) That the company shall, without interference from the union, select and hire its employees.

(c) That the union shall not refuse to admit to membership, but only in accordance with constitutional requirements, any individual employed within the bargaining unit who may be hired by the company.

(d) That on (date) all employees included in the bargaining unit who are not members of the union and who have more than thirty (30) days continuous service shall become and remain members of the union as a requisite to continued employment.
INDEX

INCENTIVE WAGE PROVISIONS

<table>
<thead>
<tr>
<th>Clause</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>Incentive system prohibited</td>
<td>5</td>
</tr>
<tr>
<td>(2)</td>
<td>Incentive system abolished</td>
<td>5</td>
</tr>
<tr>
<td>(3)</td>
<td>Union consent required</td>
<td>5</td>
</tr>
<tr>
<td>(4)</td>
<td>No extension of piecework except by mutual agreement</td>
<td>5</td>
</tr>
<tr>
<td>(5)</td>
<td>Inauguration of incentive system by mutual agreement</td>
<td>5</td>
</tr>
<tr>
<td>(6)</td>
<td>Modification or establishment of incentive plan requires joint approval</td>
<td>5</td>
</tr>
<tr>
<td>(7)</td>
<td>Employer may discontinue incentive system at any time</td>
<td>5</td>
</tr>
<tr>
<td>(8)</td>
<td>Either party may discontinue incentive system on 30-days’ notice</td>
<td>6</td>
</tr>
<tr>
<td>(9)</td>
<td>Continuation of incentive plan in force</td>
<td>6</td>
</tr>
<tr>
<td>(10)</td>
<td>Piecework at management’s discretion</td>
<td>6</td>
</tr>
<tr>
<td>(11)</td>
<td>Employer to establish incentive system wherever practicable</td>
<td>6</td>
</tr>
<tr>
<td>(12)</td>
<td>Incentive plan extended to measurable jobs</td>
<td>6</td>
</tr>
<tr>
<td>(13)</td>
<td>Incentive plan extended, provided unit labor costs not increased</td>
<td>6</td>
</tr>
<tr>
<td>(14)</td>
<td>Joint committee may request survey to extend incentive plan to indirect workers</td>
<td>6</td>
</tr>
<tr>
<td>(15)</td>
<td>Company survey of incentive plan for indirect workers; application subject to joint approval</td>
<td>6</td>
</tr>
<tr>
<td>(16)</td>
<td>Incentive plan covers production and nonproduction workers</td>
<td>6</td>
</tr>
<tr>
<td>(17)</td>
<td>Sliding group bonus plan with stated maximum for indirect workers</td>
<td>6</td>
</tr>
<tr>
<td>(18)</td>
<td>Temporary bonus plan for nonincentive workers pending establishment of standards</td>
<td>7</td>
</tr>
<tr>
<td>(19)</td>
<td>Savings in indirect labor costs distributed among indirect workers</td>
<td>7</td>
</tr>
<tr>
<td>(20)</td>
<td>All employees given opportunity to earn bonus; group bonus plan preferred</td>
<td>7</td>
</tr>
<tr>
<td>(21)</td>
<td>Supervisory, clerical, and office employees excluded</td>
<td>7</td>
</tr>
<tr>
<td>(22)</td>
<td>Change to piecework payment through joint negotiation</td>
<td>7</td>
</tr>
<tr>
<td>(23)</td>
<td>Time operations may be converted to piece operations with approval of union; arbitration provided</td>
<td>7</td>
</tr>
<tr>
<td>(24)</td>
<td>Change in method of payment subject to arbitration</td>
<td>7</td>
</tr>
<tr>
<td>(25)</td>
<td>No change in method of payment except by consent of company, union, and employee</td>
<td>8</td>
</tr>
<tr>
<td>(26)</td>
<td>Employer may change method of payment provided hourly earnings not reduced</td>
<td>8</td>
</tr>
<tr>
<td>(27)</td>
<td>Change to or from individual or group bonus by mutual consent</td>
<td>8</td>
</tr>
<tr>
<td>(28)</td>
<td>Individual incentive system used wherever possible; final decision with employer</td>
<td>8</td>
</tr>
<tr>
<td>(29)</td>
<td>Type of incentive plan—individual or group—at employer’s discretion</td>
<td>8</td>
</tr>
<tr>
<td>(30)</td>
<td>Current information on operation of incentive system posted</td>
<td>8</td>
</tr>
<tr>
<td>(31)</td>
<td>Weekly written computation of earnings to incentive employees</td>
<td>8</td>
</tr>
<tr>
<td>(32)</td>
<td>Employees informed of method of computing incentive earnings</td>
<td>8</td>
</tr>
<tr>
<td>(33)</td>
<td>Piece rates posted; translated into dollars and cents</td>
<td>9</td>
</tr>
<tr>
<td>(34)</td>
<td>Employer to furnish union information on operation of incentive system</td>
<td>9</td>
</tr>
</tbody>
</table>
Union participation in establishing or changing incentive rates:

<table>
<thead>
<tr>
<th>Paragraph</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>(35)</td>
<td>Union price committee to negotiate with employer.</td>
</tr>
<tr>
<td>(36)</td>
<td>Union price committee; negotiating procedure outlined under association agreement.</td>
</tr>
<tr>
<td>(37)</td>
<td>Piece rates adjusted by employer and union price committee.</td>
</tr>
<tr>
<td>(38)</td>
<td>Union approval required before piece rates put into effect.</td>
</tr>
<tr>
<td>(39)</td>
<td>Mutual agreement on piece rates and bonuses.</td>
</tr>
<tr>
<td>(40)</td>
<td>Joint negotiation when improved machinery introduced.</td>
</tr>
<tr>
<td>(41)</td>
<td>Joint committee to recommend rates on new machinery.</td>
</tr>
<tr>
<td>(42)</td>
<td>Union approval required before rates are put into effect.</td>
</tr>
<tr>
<td>(43)</td>
<td>Separate procedure for routine, technological, and other rate changes.</td>
</tr>
<tr>
<td>(44)</td>
<td>Consultation with union prior to rate change, no limitation on employer.</td>
</tr>
<tr>
<td>(45)</td>
<td>Discussion with employees and union prior to rate change.</td>
</tr>
<tr>
<td>(46)</td>
<td>New or changed bonus values first discussed with union; differences settled through grievance procedure.</td>
</tr>
<tr>
<td>(47)</td>
<td>Detailed procedure for rate establishment and adjustment.</td>
</tr>
<tr>
<td>(48)</td>
<td>Alternative procedure when parties unable to agree on new rate for changed job.</td>
</tr>
<tr>
<td>(49)</td>
<td>Notice to union steward of rate changes; 48 hours allowed for checking rates before posting.</td>
</tr>
<tr>
<td>(50)</td>
<td>Notice of revised rate given to worker before starting work.</td>
</tr>
<tr>
<td>(51)</td>
<td>One week's notice to employee and union of decrease in standard rates.</td>
</tr>
<tr>
<td>(52)</td>
<td>Rates set by management subject to challenge through grievance procedure.</td>
</tr>
<tr>
<td>(53)</td>
<td>Union or employer may initiate grievance on established piece rates.</td>
</tr>
<tr>
<td>(54)</td>
<td>Employees or employer may enter grievance on present or future incentive rates.</td>
</tr>
<tr>
<td>(55)</td>
<td>Union may reopen present piece rates when &quot;necessary&quot;.</td>
</tr>
<tr>
<td>(56)</td>
<td>Quarterly revision of group incentive quotas on request by either party.</td>
</tr>
<tr>
<td>(57)</td>
<td>Time limit on appeal of contested rates: 5 days.</td>
</tr>
<tr>
<td>(58)</td>
<td>Time limit on appeal of contested rates: 30 days.</td>
</tr>
<tr>
<td>(59)</td>
<td>Special committee to adjust grievance pertaining to piece rates.</td>
</tr>
<tr>
<td>(60)</td>
<td>Rate setting procedure excluded from scope of arbitration.</td>
</tr>
<tr>
<td>(61)</td>
<td>Aid of technical expert invoked for conciliation and arbitration.</td>
</tr>
<tr>
<td>(62)</td>
<td>New rate retroactive to date of change or 30 days, whichever is shorter.</td>
</tr>
</tbody>
</table>

Safeguards on earnings:

Protection against rate cutting:

<table>
<thead>
<tr>
<th>Paragraph</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>(63)</td>
<td>Piece rate cuts prohibited.</td>
</tr>
<tr>
<td>(64)</td>
<td>No changes in piece rates.</td>
</tr>
<tr>
<td>(65)</td>
<td>Employer not permitted to revise incentive standards.</td>
</tr>
<tr>
<td>(66)</td>
<td>Employer may revise piece rates in event of job changes.</td>
</tr>
<tr>
<td>(67)</td>
<td>No reduction in rate unless job duties substantially change.</td>
</tr>
<tr>
<td>(68)</td>
<td>Rate adjustment commensurate with job change.</td>
</tr>
<tr>
<td>(69)</td>
<td>Rate revision limited to job elements affected by change in method.</td>
</tr>
<tr>
<td>(70)</td>
<td>Revision applies only to operation affected.</td>
</tr>
<tr>
<td>(71)</td>
<td>Proper rates will not be changed regardless of earnings.</td>
</tr>
</tbody>
</table>
Safeguards on earnings—Continued

Protection against rate cutting—Continued

(72) Earnings not to be cut by rate revision ............................ 20
(73) High earnings on one job no basis for requesting change in standards for other jobs .................................................. 20
(74) Piecework prices continue for life of agreement except when design or operation changes ........................................... 20
(75) Union may challenge permanent rates at all times; employer limited to 60 days; disputes arbitrable .......................... 20
(76) Conditions for rate revision itemized ................................ 20
(77) Rates adjusted when earnings exceed specified level .......... 20
(78) Indirect effect of job change taken into account in rate revision .......................................................... 21
(79) Minor changes cumulated until revision justified ............... 21
(80) Rate adjustment in event of added work or introduction of time-saving method ...................................................... 21
(81) Employee's improvement in technique no justification for rate revision ...................................................... 21
(82) No change in rate for 3 months following improvement suggested by employee; immediate revision when company makes improvement ................................................... 21
(83) Mutual consent required for rate revision based on increased skill of employee ...................................................... 22

Guaranteed minimum earnings:

(84) Hourly rate guaranteed for incentive workers ................. 22
(85) Male-female differential in hourly guarantee .................. 23
(86) Guaranteed weekly earnings equal to minimum weekly rate .............................................................. 23
(87) Minimum weekly rate equal to 90 percent of base rate, except for learners and handicapped ........................................ 23
(88) Basic rate not considered a guaranteed minimum ............ 23
(89) Piece rate earnings must equal previous earnings at hourly rates .............................................................. 23
(90) Guarantee differs for incentive and piecework operators ... 23
(91) Make-up pay: rate revised if group earnings fall below minimum for 4 weeks ...................................................... 24
(92) No ceiling on incentive earnings .................................. 24
(93) Rate set at level enabling employee to earn 25 percent above his base rate .............................................................. 24
(94) Standards set to permit specified earnings above base rate 24
(95) Adjustments to permit earnings 20 percent above base rate .. 24
(96) Guaranteed bonus over day rate on weekly basis ............ 25
(97) Expected earnings over base rate not guaranteed .......... 25

Restrictions on temporary incentive rates:

(98) Practice of setting temporary rates to be minimized ....... 25
(99) Temporary rates permitted by mutual agreement ............ 25
(100) Rate considered permanent if not challenged within 150 days .............................................................. 25
(101) Ninety-day trial period for new rate .............................. 25
(102) One-week trial period; adjustment retroactive to date of posting .............................................................. 25
(103) Two-month trial period; adjustment retroactive to date of complaint .............................................................. 26
(104) Temporary rate not to remain in effect for more than 6 months .............................................................. 26
Safeguards on earnings—Continued

Restrictions on temporary incentive rates—Continued

(105) Previous average earnings guaranteed during trial period.. 26
(106) Guarantee of average earnings based on previous 4 weeks’ earnings. 26
(107) Employees paid actual earnings or 20 percent over their guaranteed rate, whichever is greater. 26
(108) One hundred fifteen percent of base rate paid until standard set. 26
(109) Production during trial period paid at rate finally set. 26
(110) Temporary rate includes day rate plus pay for units produced. 27
(111) Base rate guaranteed during trial period. 27
(112) Percentage of average hourly earnings guaranteed until piece rate established. 27
(113) Eventual permanent rate lower than temporary rate not to be construed as a wage cut. 27

Guaranteed earnings under special conditions:

Down-time:

(114) Percent of average hourly earnings paid for lost time. 28
(115) Percent of base rate for lost time. 28
(116) Guaranteed hourly rate paid for unrated work and various types of lost time. 28
(117) Guarantee varies with cause of delay. 28
(118) Rate for intermittent and complete down-time differentiated. 29
(119) Pay at rate of previous week’s average earnings for time lost above normal delays. 29
(120) Piece rates to include allowance for delays of less than 15 minutes. 29
(121) Percent above day rate if specified down-time exceeds 15 minutes. 29
(122) Base rate paid for specified waiting time in excess of 18 minutes. 29
(123) Day rate for time lost over 15 minutes due to occupational injury. 30
(124) Base rate up to 1 hour waiting time; average hourly earnings thereafter. 30
(125) Delays under 6 minutes not compensated. 30
(126) Alternative procedures for down-time compensation. 30
(127) Pay for delays over 15 minutes unless employee given other job or sent home. 30
(128) Foreman to make allowances in incentive pay for delays. 30
(129) Allowance for factors beyond the employee’s control, except in cases of labor stoppage. 30

Faulty materials:

(130) Guarantee of average hourly earnings; dispute over conditions of stock subject to grievance procedure. 31
(131) Average earnings paid or time allowance made for bad stock. 31
(132) Temporary rate jointly set for work on abnormal stock. 31

Break-in time under group incentives:

(133) Group earnings adjusted when new workers are added to group. 32
(134) No overstaffing of incentive group. 32
Guaranteed earnings under special conditions—Continued

Break-in time under group incentives—Continued

(135) Average hourly earnings of regular employees paid out of group earnings before new employee is entitled to share... 32
(136) Day rate to new employee deducted from group earnings but average earnings for experienced group to be maintained... 32
(137) New worker paid guaranteed rate until crew earnings equal average hourly earnings for experienced men plus learner’s guaranteed rate... 32
(138) Graduated scale of participation for employees breaking into incentive groups... 32
(139) New worker shares earnings when held qualified by foreman or requested by incentive group... 33

Special work:

(140) Employee transferred to special work paid 25 percent over base rate... 33
(141) Base rate plus 30 percent for special work... 33
(142) Special work at rate of 15 percent above day rate... 33
(143) Specified percent above base rate for experimental work... 33
(144) Special work paid at base rate of piecework job temporarily interrupted... 34
(145) Regular earnings allowed on transfers at company request... 34
(146) Guarantee of 90 percent of average straight time hourly earnings... 34
(147) Average hourly earnings paid when pieceworker detailed to instruction or experimental work... 34
(148) Guarantee of average hourly earnings computed over previous calendar quarter... 34
(149) Pieceworkers paid at average hourly earnings when transferred temporarily to a time basis... 34
(150) Guaranteed previous earnings on new job so long as original job operates... 34
(151) Guarantee varies with nature of special jobs... 35

Period for computing incentive earnings:

(152) Pay calculated on job basis... 35
(153) Earnings computed on daily basis... 35
(154) Modified daily computation of incentive earnings... 35
(155) Incentive earnings calculated on weekly basis... 35

Equal opportunity under the incentive plan:

(156) Equal opportunity to earn bonus... 36
(157) Day work shared equally... 36

TIME STUDIES AND STANDARDS OF PRODUCTION

Union participation in time studies and in setting production standards:

(1) Introduction of time-study system by mutual agreement... 38
(2) Union-management cooperation in timing jobs... 39
(3) Union and management time-study representatives to assist each other... 39
(4) Collective bargaining on all matters pertaining to time studies... 39
(5) Company to re-time job within 24 hours after request from employee... 39
Union participation in time studies and in setting production standards— Continued

(6) Re-timing at request of employee or union limited by existing time-study staff. ........................................ 39
(7) Union or management may request additional time studies during trial period. ........................................ 39
(8) Union review of time studies ........................................ 39
(9) Disputed standard re-timed by employer and then jointly if re-timing is questioned. ........................................ 40
(10) Joint re-timing of disputed standards ........................................ 40
(11) Re-timing by company and representative of international union. ........................................ 40
(12) Multi-step rate review procedure ........................................ 40
(13) Joint review of time-study data; joint re-timing of disputed timing ........................................ 40
(14) Joint observation of re-timing of disputed standards ........................................ 41
(15) Disputed standards re-timed and reviewed by joint committee ........................................ 41
(16) Union allowed 48 hours to check time study; objections handled by grievance procedure ........................................ 41
(17) Union technician to study disputed standards ........................................ 42
(18) Company studies on disputed operation made available to union technicians who may make independent studies ........................................ 42
(19) Union observer of re-timing of disputed standards ........................................ 42
(20) Union observer at re-timing paid at day rate ........................................ 42
(21) Union observer at re-timing not paid by employer ........................................ 42
(22) Company may attend but is not bound by union re-timing of disputed operation ........................................ 42
(23) Union given 1 day’s advance notice of change in work standards ........................................ 43
(24) Advance notice of change in work load; period not specified ........................................ 43
(25) Advance notice of change in work load: 7 days ........................................ 43
(26) Collective bargaining on work loads on 30 days’ notice ........................................ 43
(27) Union and employer meet to set up production standards ........................................ 43
(28) Standards of production negotiated by union, employee, and employer; standards effective on posting ........................................ 43
(29) Disputes regarding work loads subject to regular grievance procedure ........................................ 44
(30) Appeal of work load through grievance-arbitration procedure after trial period ........................................ 44
(31) Accelerated grievance procedure ........................................ 44
(32) Designation of technical man as arbitrator to settle differences over production standards ........................................ 44
(33) Arbitration by board of technicians; retroactive rates determined by arbitrators ........................................ 45
(34) Arbitrator’s jurisdiction in disputes over production standards itemized ........................................ 45
(35) Arbitrator limited to disputes over changes in present work loads ........................................ 46
(36) Final appeal to union time-study committee and management ........................................ 46
(37) Arbitration excluded; date of retroactive adjustment specified ........................................ 46
(38) Union time-study stewards trained by company and paid by union ........................................ 46
(39) Two union representatives assigned to work full time in company’s time-study department ........................................ 46
(40) Union time-study representatives paid by company during training period ........................................ 47
Union participation in time studies and in setting production standards—
Continued

(41) Company-trained union time-study men may make independent
check of disputed standards; must furnish company list of
activities and copies of time studies made.

(42) Procedure for selecting union representatives for time-study
training.

(43) Minimum qualifications specified for union time-study stewards.

Union safeguards on timing:

Selection of workers to be timed:

(44) Foreman and shop committee select workers to be timed.

(45) Employer and union time-study men select workers to be
timed.

(46) Employer selects worker to be timed; union may challenge
employer's first choice only.

(47) Standard based on average time of workers selected and
timed by employer and union respectively.

(48) Times of fast, medium, and slow workers averaged.

(49) Definition of normal worker for timing.

(50) Adjustment made if operator timed is above or below aver-
age ability.

Maintenance of normal operating conditions during time study:

(51) Policy of "fairness" to be followed.

(52) All time studies to be conducted under normal conditions for
at least one-half hour.

(53) Advance discussion with union committee regarding speed
of operations.

Time-study allowances:

(54) "Reasonable" allowances for fatigue, personal needs, and
other factors.

(55) Allowances itemized.

(56) Specified allowance for unavoidable delay and fatigue.

(57) Allowance for rest periods, fatigue, and lunch period.

(58) Unspecified allowance for duties incidental to the job; speci-
fied allowance for personal contingencies.

(59) Major mechanical failures considered as additional down-
time, not included in standard; allowance made for normal
delays.

(60) Allowances vary with type of job.

Protection against secret or concealed time studies:

(61) Time studies made with knowledge of employee affected.

(62) Union informed of proposed time studies.

(63) Both operator and union given advance notice of time study.

(64) Company to notify chief stewards of time studies in their
areas.

(65) Departmental committeeman notified prior to timing and
time-study man must carry specified equipment.

(66) Union representatives may observe time studies.

(67) Timing of foremen deemed a violation of agreement.

(68) Employees may request copy of time study sheet at time of
study.

(69) Union examination of time studies.

(70) Inspection of time study cards by employees involved, or
their representatives.
Union safeguards on timing—Continued

Protection against secret or concealed time studies—Continued

(71) Calculations explained by standards department, on request. 53
(72) Management to explain timing calculations on disputed timings. 53

Size and composition of crews:

(73) Specified number of workers per machine. 54
(74) Crew complement geared to work load. 54
(75) Company to maintain full crew on operations normally requiring a definite number of workers. 54
(76) No variation in number of employees assigned to incentive group. 54
(77) Union right to negotiate on size of crew. 54
(78) Discussion with union on size of incentive group. 54
(79) Union consulted prior to changes in size of crew. 54
(80) Maintenance of customary proportion of skilled workers. 55
(81) Extra pay and additional workers required if additional machines are operated. 55
(82) Pay of absent crew member divided among those doing the work. 55
(83) No replacement for grievance representative provided crew can maintain incentive earnings. 55

Management safeguards:

(84) Employee not to control production during timing. 56
(85) Maintenance of normal pace during timing. 56
(86) Union responsibility for fair timing. 56
(87) Union assistance on fair timing. 56
(88) Employees to produce at normal pace despite termination of incentive plan. 56
(89) Dismissal or transfer for failure to cooperate in establishing or maintaining fair standard. 56
(90) Management’s right to discipline employee not cooperating on time study. 56
(91) No interference by union steward in time study. 57
(92) Union members subscribe to pledge of “fair day’s work”. 57
(93) Output and quality restrictions prohibited. 57
(94) Union not to impose production restrictions. 57
(95) Union not to impose or permit production restrictions. 57
(96) Union to discourage stalling on the job; company to discourage pace setting and speed-ups. 57
(97) Employees subject to discharge for production slow-downs. 57
(98) Discipline or discharge for restriction of production or failure to meet standards. 57
(99) Discipline for failure to meet standards for 30 days. 57
(100) Discharge for consistent failure to produce at least 80 percent of average. 58
(101) Graduated penalties for failure to maintain standard of production. 58
(102) Substandard production cause for transfer or demotion regardless of seniority. 58
(103) Employee cut below top rate of classification if he fails to meet standard after warning. 58
(104) Union and members pledge to maintain production standards in exchange for union shop. 58