

MEMORANDUM

REDUCTION OF FORCE - DECEMBER 5, 1957

MARCH 7, 1958

In the spring of 1956 the Company was faced with a lessening demand for coal, increasingly difficult working conditions resulting in higher cost per ton. Complicating this was a problem of training and placing of personnel into a system of mining to which many of the ~~men~~ men had not adapted themselves.

In order to assure the future of the operation it was obvious that production would have to be increased per man hour thereby reducing the cost.

To accomplish this, it was evident that certain changes in system, in machinery and in the utilization of personnel must be made. This became more evident after a reduction was made in the number of work days per week and tried for several months without success. Plans were therefore made to make certain changes in loading machinery necessitating change in system and personnel as well.

Early in October, plans were developed whereby system and machinery would be adjusted so as to produce a given quantity of coal in accordance with the prevailing demands. Personnel requirements were fitted into the picture according to the need for operating machinery, its maintenance and supply. By systematic approach the exact number of employees required was arrived at which left a surplus of about 80 employees.

For the purpose of arriving at some equitable system of evaluation a personnel chart encompassing all mine personnel was developed. The chart, a means of evaluation and ratings were provided for in strict compliance with ~~the equality clause of the Contract as well as other clauses in the Contract,~~ with reference to Management prerogative. Appraisals were made by the foremen in charge of the men under their immediate direction with respect to the various qualities pertinent to the objective.