

IOWA WORKFORCE DEVELOPMENT  
Unemployment Insurance Appeals Section  
1000 East Grand—Des Moines, Iowa 50319  
DECISION OF THE ADMINISTRATIVE LAW JUDGE  
68-0157 (7-97) – 3091078 - EI

PAULA J TERRELL  
407- 4<sup>TH</sup> AVE  
ACKLEY IA 50601

I F JENSEN CO INC  
PO BOX 01618  
SIOUX CITY IA 51102

Appeal Number: 04A-UI-09431-MT  
OC: 12/14/03 R: 02  
Claimant: Appellant (2)

**This Decision Shall Become Final**, unless within fifteen (15) days from the date below, you or any interested party appeal to the Employment Appeal Board by submitting either a signed letter or a signed written Notice of Appeal, directly to the **Employment Appeal Board, 4<sup>th</sup> Floor—Lucas Building, Des Moines, Iowa 50319**.

The appeal period will be extended to the next business day if the last day to appeal falls on a weekend or a legal holiday.

STATE CLEARLY

1. The name, address and social security number of the claimant.
2. A reference to the decision from which the appeal is taken.
3. That an appeal from such decision is being made and such appeal is signed.
4. The grounds upon which such appeal is based.

YOU MAY REPRESENT yourself in this appeal or you may obtain a lawyer or other interested party to do so provided there is no expense to Workforce Development. If you wish to be represented by a lawyer, you may obtain the services of either a private attorney or one whose services are paid for with public funds. It is important that you file your claim as directed, while this appeal is pending, to protect your continuing right to benefits.

---

(Administrative Law Judge)

---

(Decision Dated & Mailed)

Section 96.5-1 – Voluntary Quit

STATEMENT OF THE CASE:

Claimant filed an appeal from a decision of a representative dated August 23, 2004, reference 01, which held claimant ineligible for unemployment insurance benefits. After due notice, a telephone conference hearing was scheduled for and held on September 23, 2004. Claimant participated. Employer failed to respond to the hearing notice and did not participate.

FINDINGS OF FACT:

The administrative law judge, having heard the testimony and considered all of the evidence in the record, finds: Claimant last worked for employer on July 23, 2004. Claimant changed jobs due to a job elimination. Claimant was making \$12.75 per hour. Claimant's new job was to be

paid at \$11.30 per hour. Employer mistakenly continued paying claimant at the higher rate of \$12.75 for two months. Then employer dropped the pay, without claimant's agreement, to \$11.00. At the point that the pay was actually cut claimant quit because it was not cost effective to work as a traveling truck driver at the lower rate.

#### REASONING AND CONCLUSIONS OF LAW:

The issue in this matter is whether claimant quit for good cause attributable to employer. The administrative law judge holds that the evidence has established that claimant voluntarily quit for good cause attributable to employer when claimant terminated the employment relationship because of a significant change in the contract of hire. Claimant quit because her job had been eliminated, which forced her into a lower rate of pay. Claimant tried the job while employer was paying the higher wage. When the pay was finally lowered, claimant became aware that she could not live on that wage while being on the road. Claimant quit due to a cut in pay. This is a quit for good cause attributable to employer. Claimant did not agree to \$11.00 per hour and cannot be held to that contract of hire provision. Benefits are allowed.

Iowa Code Section 96.5-1 provides:

An individual shall be disqualified for benefits:

1. Voluntary quitting. If the individual has left work voluntarily without good cause attributable to the individual's employer, if so found by the department.

871 IAC 24.26(1) provides:

Voluntary quit with good cause attributable to the employer and separations not considered to be voluntary quits. The following are reasons for a claimant leaving employment with good cause attributable to the employer:

(1) A change in the contract of hire. An employer's willful breach of contract of hire shall not be a disqualifiable issue. This would include any change that would jeopardize the worker's safety, health or morals. The change of contract of hire must be substantial in nature and could involve changes in working hours, shifts, remuneration, location of employment, drastic modification in type of work, etc. Minor changes in a worker's routine on the job would not constitute a change of contract of hire.

#### DECISION:

The decision of the representative dated August 23, 2004, reference 01, is reversed. Unemployment insurance benefits are allowed, provided claimant is otherwise eligible.

mdm\b