

**IOWA WORKFORCE DEVELOPMENT  
UNEMPLOYMENT INSURANCE APPEALS**

68-0157 (9-06) - 3091078 - EI

**FRANCES D CRONIN**  
Claimant

**APPEAL NO. 08A-UI-07678-LT**

**ADMINISTRATIVE LAW JUDGE  
DECISION**

**WELLS DAIRY INC**  
Employer

**OC: 11/18/07 R: 01**  
**Claimant: Appellant (2)**

Iowa Code § 96.5(1) – Voluntary Leaving  
871 IAC 24.26(1) – Voluntary Leaving – Change in Contract of Hire

**STATEMENT OF THE CASE:**

The claimant filed a timely appeal from the August 20, 2008, reference 01, decision that denied benefits. After due notice was issued, a telephone conference hearing was held on September 9, 2008. Claimant participated. Employer participated through Doug Ford, manager; and Alfredo Moreno and was represented by Alice Smolsky of Talx UCM Services.

**ISSUE:**

The issue is whether claimant quit the employment without good cause attributable to the employer.

**FINDINGS OF FACT:**

Having heard the testimony and having reviewed the evidence in the record, the administrative law judge finds: Claimant was employed as a full time technician (\$18.61 per hour) from 4 a.m. to 12:30 or 1 p.m. from September 2000 until July 25, 2008 when she quit. About two weeks earlier she was advised her position was eliminated and she was going to have to take a demotion to production worker, a pay cut to \$17.50 per hour, and her hours would change to 8 to 10 hour shifts depending on company needs without overtime availability as she had before. She was also concerned about her hours as it affected her home schooling and the price of gas given the reduction in pay. She mentioned a possible repetitive motion injury but produced no medical documentation.

**REASONING AND CONCLUSIONS OF LAW:**

For the reasons that follow, the administrative law judge concludes the claimant did voluntarily leave the employment with good cause attributable to the employer.



Iowa Code § 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.

In general, a substantial pay reduction of 25 to 35 percent or a similar reduction of working hours creates good cause attributable to the employer for a resignation. *Dehmel v. EAB*, 433 N.W.2d 700 (Iowa 1988).

Although the pay cut was only six percent, the reduction coupled with the change in hours and lack of overtime availability constituted a substantial change of the original terms of hire. Thus the separation was with good cause attributable to the employer. Benefits are allowed.

**DECISION:**

The August 20, 2008, reference 01, decision is reversed. The claimant voluntarily left her employment with good cause attributable to the employer. Benefits are allowed, provided the claimant is otherwise eligible.

---

Dévon M. Lewis  
Administrative Law Judge

---

Decision Dated and Mailed

dml/pjs