

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS**

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

DOMINIC R BARBER
Claimant

APPEAL NO. 10A-UI-08215-A

**ADMINISTRATIVE LAW JUDGE
DECISION**

AG PROCESSING INC A COOPERATIVE
Employer

OC: 04/25/10
Claimant: Appellant (2)

Section 96.5-1 – Voluntary Quit
871 IAC 24.26(1) – Substantial Change in the Conditions of Employment

STATEMENT OF THE CASE:

Dominic R. Barber filed a timely appeal from an unemployment insurance decision dated May 28, 2010, reference 01, that disqualified him for benefits. After due notice was issued, a hearing was held in Sioux City, Iowa on June 22, 2010 with Mr. Barber participating. Meg Hinrichs of TALX UC eXpress represented the employer, Ag Processing, Inc., in the hearing. Plant Manager Joe Kirby testified.

ISSUE:

Did the claimant leave work with good cause attributable to the employer?

FINDINGS OF FACT:

Having heard the testimony of the witnesses and having examined all of the evidence in the record, the administrative law judge finds: Dominic R. Barber was employed by Ag Processing, Inc. from July 18, 1996 until he resigned February 8, 2010. He was a utility worker at the time of separation.

Prior to going on a medical leave of absence on June 25, 2009, Mr. Barber was a salaried employee whose salary was computed at the rate of \$25.75 per hour. When he returned from the leave of absence at the end of January 2010, he was demoted to an entry level utility worker paid the basic rate of \$15.16 per hour. Mr. Barber is married with three step children. He has two other children from a prior marriage for whom he pays child support. The reduction in pay significantly compromised his ability to support his family.

REASONING AND CONCLUSIONS OF LAW:

The question is whether the evidence establishes that the claimant left work with good cause attributable to the employer. It does.

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.

A substantial change in the conditions of employment, which may include a substantial reduction in pay, gives an individual good cause attributable to the employer to resign. See 871 IAC 24.26(1). In analyzing a case such as this, the administrative law judge considers only the impact of the change on the employee. The employer's rationale for the change is not relevant. See Dehmel v. Employment Appeal Board, 433 N.W.2d 700 (Iowa 1988). The evidence in the record persuades the administrative law judge that the claimant resigned because his pay was reduced by over \$10.00 per hour. Given the claimant's financial obligations, such a reduction constitutes a substantial change in the conditions of employment. Benefits are allowed.

DECISION:

The unemployment insurance decision dated May 28, 2010, reference 01, is reversed. The claimant is entitled to receive unemployment insurance benefits, provided he is otherwise eligible.

Dan Anderson
Administrative Law Judge

Decision Dated and Mailed

pjs/pjs