

**IOWA WORKFORCE DEVELOPMENT  
UNEMPLOYMENT INSURANCE APPEALS BUREAU**

**KYLE THOMAE**  
Claimant

**APPEAL 20A-UI-02005-JC-T**

**ADMINISTRATIVE LAW JUDGE  
DECISION**

**WHIRLPOOL CORPORATION**  
Employer

**OC: 12/15/19**  
**Claimant: Appellant (2)**

Iowa Code § 96.5(1) – Voluntary Quitting

**STATEMENT OF THE CASE:**

The claimant/appellant, Kyle Thomae, filed an appeal from the March 2, 2020 (reference 01) Iowa Workforce Development (“IWD”) unemployment insurance decision that denied benefits. The parties were properly notified about the hearing. A telephone hearing was held on April 20, 2020. The claimant participated personally. The employer, Whirlpool Corporation, registered Amih Sallah, who was unavailable when called twice for the hearing. The administrative law judge took official notice of the administrative records. Claimant Exhibit A (appeal letter) was admitted. Based on the evidence, the arguments presented, and the law, the administrative law judge enters the following findings of fact, reasoning and conclusions of law, and decision.

**ISSUE:**

Did claimant voluntarily quit the employment with good cause attributable to employer?

**FINDINGS OF FACT:**

Having reviewed all of the evidence in the record, the administrative law judge finds: The claimant was employed full-time as a machinist and was separated from employment on January 23, 2020, when he quit the employment.

The claimant quit the employment upon learning that he would be moved from a machinist to an assembler. The move was due to the employer eliminating positions for a shift of machinists. The more senior machinists had the right to bump other employees into other positions. The claimant learned he would be moved from machinist to assembler, which was a demotion in status and at a decrease in the rate of pay. The claimant stated he would have gone from \$20.03 per hour to under \$17.00 per hour. The change was not temporary, and not in response to disciplinary action for the claimant. Rather than accept the change of position and decrease in pay, he voluntarily resigned, as continuing work as a machinist was no longer available to him.

**REASONING AND CONCLUSIONS OF LAW:**

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

Iowa Code section 96.5(1) provides:

An individual shall be disqualified for benefits, regardless of the source of the individual's wage credits:

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.

Iowa Admin. Code r. 871-24.26(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 this case, claimant resigned due to a change in the contract of hire. Inasmuch as the claimant would suffer an indefinite demotion in title combined with a 15% percent reduction in pay, and employer has not established misconduct as a reason for the effective demotion, the change of the original terms of hire is considered substantial. Thus, the separation was with good cause attributable to the employer. Benefits are allowed, provided he is otherwise eligible.

**DECISION:**

The unemployment insurance decision dated March 2, 2020, (reference 01) is reversed. Claimant resigned for a good cause reason attributable to employer. Benefits are allowed, provided he is otherwise eligible.



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April 21, 2020  
Decision Dated and Mailed

jlb/scn