

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS**

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

JERICA G HOBSON-COOPER
Claimant

APPEAL NO. 12A-UI-10054-H2T

**ADMINISTRATIVE LAW JUDGE
DECISION**

WALGREEN CO
Employer

OC: 07-15-12
Claimant: Respondent (1)

871 IAC 24.26(1) – Voluntary Leaving – Change in Contract of Hire

STATEMENT OF THE CASE:

The employer filed a timely appeal from the August 9, 2012, reference 01, decision that allowed benefits. After due notice was issued, a hearing was held on September 12, 2012. The claimant did participate. The employer did participate through Jay Porter, Store Manager.

ISSUE:

Was the claimant discharged due to job-connected misconduct or did she voluntarily quit her employment with good cause attributable to the employer?

FINDINGS OF FACT:

Having reviewed all of the evidence in the record, the administrative law judge finds: The claimant was employed as a head photo specialist full time beginning in July 2009, through July 9, 2012 when she was told her position was filled by someone else and she voluntarily quit. The claimant asked for a personal leave of absence beginning in June 2012. Her leave request was granted. The claimant expected to be on leave until November 2012. She returned to the employer on July 9, 2012 and offered to return to work. Mr. Porter told her that he had not held her position for her and that if she wanted to return to work it would have to be for \$2.25 less per hour as a cashier and at part-time hours. The claimant refused to return to a different job for significantly less money and less than full-time hours. The claimant was never told when she was granted her leave that her position would not be held for her.

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). The claimant was granted permission to go on a leave of absence. When she offered to return to work, she was told her job had been filled by someone else and that she would have to take a significant cut in pay and hours as well as a change in job duties.

There was no disqualifying basis for the demotion; the quit because of the change in contract of hire was with good cause attributable to the employer. The change of the original terms of hire while the claimant was off work on an approved leave is considered substantial. Thus the separation was with good cause attributable to the employer. Benefits are allowed.

DECISION:

The August 9, 2012 (reference 01) decision is affirmed. The claimant voluntarily left her employment with good cause attributable to the employer. Benefits are allowed, provided the claimant is otherwise eligible.

Teresa K. Hillary
Administrative Law Judge

Decision Dated and Mailed

tkh/css