

The Great Compo Battle



FORWARD

This is not intended to be an exhaustive document on the legal niceties of the law relating to workers' compensation.

On the contrary, the basic purpose of this booklet is to show how the actions of one section of Australia's workers took the problems of workers' compensation away from the grasping fingers of the politicians and the paper-bound legal profession, and then, by their own decisive action, won an agreement from every company operating in the area of compensation that has made the every-day life of the worker a little easier.

The building workers won these gains in a bare five weeks with a series of demonstrations that rocked the foreign-owned and local financial institutions of Collins and Queen Streets.

Every one of the thousands of building workers who took part in "the great compo. battle" needs congratulating.

Marching under the blue-and-white banner of Eureka, these workers have set a fine example to us all and pointed the way forward. Their lesson is clear — "It's workers' action that gets compo. payments, not words".

N. L. GALLAGHER,
General Secretary, A.B.C.E. & B.L.F.



N. L. Gallagher, General Secretary, Australian Building Construction Employees and Builders Labourers Federation.

LOOK OUT FOR YOUR COMPO!

The past few years have seen a host of worried faces among the insurance fraternity that inhabit the plush, carpeted offices of Collins and Queen Streets, as the rate of profit continued to dip.

The frowns began to lift as ways and means were devised to halt and counter this trend. An Australia-wide publicity drive was initiated in the daily press to "reassess" premiums and, at the same time, a systematic dismantling of workers' compensation benefits commenced in a number of States.

Nothing was done too brazenly. To a large extent the insidious process went on behind the smokescreen of tribunals, commissions and judicial investigations.

On 13th February, the report of the judicial inquiry by Mr. Justice Dunn in Western Australia into workers' compensation was released, and contained the following recommendations:

1. Reduction of weekly payments to 85 per cent of Award Rate.
2. Reduction of maximum lump-sum payment to \$30,000 (currently \$42,000).



The men marched under the blue-and-white Southern Cross which first flew at Eureka.

3. Weekly payments cease after a total of \$35,000 is received (currently \$44,866).
4. Establishment of a set period during which a claim can be made for a lump-sum settlement to only 42 days after the injury stabilises.
5. Reduction of the period of notice for discontinuation of weekly payments from 21 to 14 days.

These major slashings were disguised under a web of minor administrative alterations which were to the advantage of the worker.

In South Australia, a tripartite Committee has been set up to "investigate" workers' compensation, and the M.B.A. and other bodies in evidence to it are pushing to reduce the payments to injured workers to 85 per cent of the worker's wage; to exempt the insurance companies from liability for injuries sustained while travelling to and from work; and to force the injured worker to return to work as soon as he is fit for some type of duties.

A similar approach was adopted in Victoria. Judge Harris "investigated" workers' compensation. He recommended reduction of the scope of the law and the abolition of certain benefits, and tried to take the sting out of it by recommending some increases in rates. Simply, he was putting a sugar coating on the pill.

The N.S.W. government is also looking at "reassessment of premiums" which, in turn, must lead to a reduction of benefits.

What is happening to compensation insurance is a microcosm of occurrences in the general insurance industry. The burden of insurance premiums is affecting the rate of profit of big business, so there is pressure to reduce them and reduce the benefits and scope of compensation.



Inside Lumleys.

Furthermore, as part of the overall offensive being mounted by the employers to make workers pay, the story is being peddled that "insurance premiums are so high that it is inhibiting economic recovery and employment; so cut the premiums to enable us to employ more people". What twaddle!

IT HAPPENS EVERY DAY . . .

"The great compo. battle" had humble beginnings.

The first rumbles of indignation had their origin in Norm Gallagher's report to the May monthly branch meeting. This report was prompted by the particularly harsh treatment of one of our members by the Mercantile insurance company.

Unanimously the men voted to stage a demonstration on the following Thursday. As Secretary of the Victorian branch of the Federation, Norm Gallagher published a statement to the members:

"Over the last few weeks I have been directly involved, on behalf of some of our injured members, in a number of compensation claims where the treatment handed out by the insurance companies was nothing short of disgusting.



Outside Lumleys.

"Seldom in my long years as a union official have I seen more callous, inhuman and premeditated attempts by multinational insurance companies to rob workers of their measly workers' compensation entitlements.

"One of the worst offenders is Mercantile Mutual. In the course of one week this British-financed multinational has unilaterally decided not to pay out weekly, but fortnightly instead; and secondly, this company is building itself quite some reputation for using all the delaying gimmicks, stalling tactics and intimidation of workers that it can.

"These are simply a couple of instances, but similar hardship and delay occur day after day with monotonous regularity in every industry in Australia. It is the working men and women of Australia who suffer. Something must be done about it!

"Something must be done to safeguard workers' rights in this regard. It is no use leaving it to the legal eagles (regardless of how well-intentioned

individuals in the profession may be), for the multinationals only understand things when they are hit in the hip-pocket. This is an industrial issue that must be fought out on the job. Workers' action is decisive."



4,500 building workers marched against the British-owned insurance company, C. E. Heath in Compo Demonstration number 4.

I'VE BEEN THROUGH IT MYSELF

The workers warmed to the battle. The popularity of the issue grew with truly amazing speed as the number of marchers increased with each demonstration.

From the small but effective core of 900 building workers who took over the offices of Mercantile Mutual on the first occasion, the numbers swelled to a pinnacle of four-and-a-half thousand at the siege of the British-owned C. E. Heath on the thirty-third floor of B.H.P. House.

The building industry is particularly hazardous and is one of those industries where nearly every worker has some time on compo.

Shake hands with any of the older riggers. There will be very few with a full set of fingers. Or take time to speak to a bloke who has worked on jackhammers for a few years; you might have to yell a bit to be heard. Or if anyone is a real doubting Thomas, go up with a team of scaffolders who are erecting perimeter scaffold fifteen or so floors up, stand on the top deck and try splicing a 20-foot tube, especially when there's a bit of wind about.

This was a campaign based in harsh reality and everyday hardship. No wonder the determination was so great, the action so decisive and the tactics so innovative!



C. E. Heath thought they were impregnable on the 33rd level of B.H.P. House in Queen Street, but 200 workers infiltrated via the delivery dock and ran up 33 floors, while the main body of workers successfully stormed the front doors.

VICTORY IS SWEET

The building workers won. It was only a small victory, but it made the day-to-day life of the worker a little easier. Now there would be no delays. The weekly wage would come in on time every week. Gone was the deliberate delaying of six, nine or 12 months (deliberate delays so that the insurance companies could fatten on the interest from the workers' money).

Now, in the case of all obvious injury, building workers in Victoria are guaranteed payment of compensation entitlements within two days of the lodging of a medical certificate and claim form. This is a unique position in this State. Hopefully, this breakthrough is just the forerunner for other workers.

All 60 companies operating in the area of workers' compensation were parties to the agreement with the nine building trades unions.

Under the agreement, in the case of all obvious injuries:

- (a) there will be no delay in payment and the worker will receive his normal wage on pay day;

- (b) workers will be paid their compensation entitlements weekly instead of the old practice of fortnightly;



In spite of the fact that the C.I.B. were in the building prior to the march, and that all lifts ground to a halt as the security men pulled the switches, nearly 300 building workers occupied C. E. Heath's office before the first policeman arrived to defend the multinational.



(c) the insurance companies have authorized the building employers to give permission for payment.

Already the effects of the campaign are being felt in other industries. Workers and trade union officials are commenting on the different treatment now. All the benefits should spread to other parts of Australia and to other industries as workers take up the cudgel and serve it up to the multinational insurance giants.

It is excellent for workers to have a victory; to feel their own power; to flex their muscles. It shows what can be done, and it points the way forward.

A REAL UNITY

Probably one of the most important reasons for the success of "the great compo. battle" was the real unity that existed. Builders' labourers marched side by side with tradesmen; native-born and migrant Australians stormed the offices together. The issue was focused on fairly and squarely, and nothing was allowed to divert the struggle.

It was unlike –

*1975 when Governor-General Kerr did his dirty deed;

*1976 when Medibank was dismantled;

*1978 when workers' anger at the Budget burst into the streets.

This time the diversion of channelling workers' anger over the particular issue into a "Vote Labor Back" campaign did not get a look in.



Placards in Greek and Italian were well to the forefront on the march against Lumleys (Compo. Demonstration number 2). Native-born and migrant Australians stormed the office together as a part of their common battle to protect the living standards of the workers.

In the "great compo. battle" it didn't matter one jot who you voted for, or if you voted at all. Party politics was not allowed to divide the workers. The issue of workers' comp. remained at the forefront, was not lost sight of, and was eventually won.

ANOTHER BATTLE

The aftermath of the Harris enquiry is now being seen in Victoria.

Legislation is now proceeding through Parliament to enact the new amendments to the Workers' Compensation Act.

These changes, while on the one hand incorporating necessary (but far from adequate) increases in money amounts, on the other hand drastically narrow the instances where any compensation at all is payable.

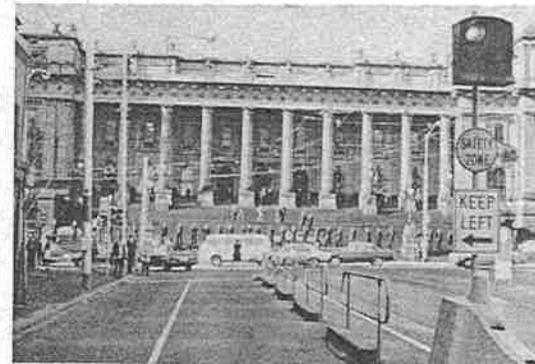
If the multinational insurers and their politicians get away with it, a large percentage of workers will be excluded from any recourse whatsoever under the Act.

In the past, if a worker suffered a stroke or heart attack at work, he was entitled to compensation.

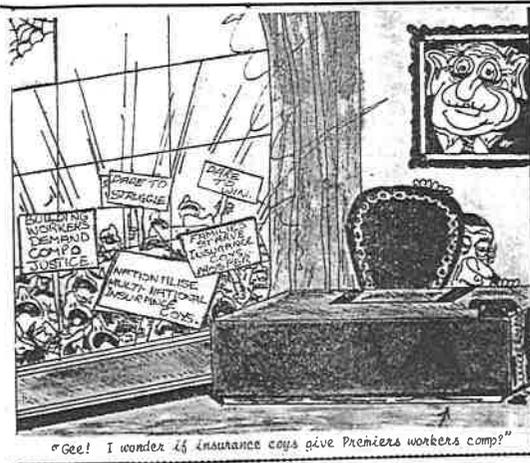
This is not the case any more. Now the worker has to prove that the attack was "the result of effort, strain or stress that is *abnormal, excessive, or unusual*".

"YOU CAN'T AFFORD TO HAVE A HEART ATTACK."

This will effectively cut out about 90 per cent of people who have strokes or heart attacks at work.



The sign says "Safety Zone", but I don't think the politicians agreed.



In the past, a worker who was injured on the way to or from work was entitled to compo. This has now changed and instead such injuries will be dealt with under the separate Motor Accidents Act 1973 which *limits payments to a period of two years only and pegs it at 80 per cent of the wage (instead of the current 100 per cent with the "make-up pay")*.

This strikes a blow at the whole principle of liability for injuries sustained in travelling to and

from work and is the thin end of the wedge in this regard.

There are many other less significant alterations and omissions that all act against the worker. The only positive aspect of the bill is the increase in some payments, but even these are inadequate. They should be the equivalent of the injured worker's weekly wage.



With the sun in his eyes the cameraman got this shot of building workers marching on Parliament House in the first demonstration against the new amendments to the Compensation Act.

**“SORRY AUSTRALIA,
BUT YOU DON’T GET A SAY”**

“Sorry Australia, but you don’t get a say. It’s our profits that are affected, not yours.”

An analysis of the insurance world shows it to be dominated by foreign multinational insurance companies — a fact that would surprise few. Indeed, most would be amazed if the multinationals successfully dominated most other spheres of Australian life and neglected to tie up the financial institutions which constitute the heart of their stranglehold on the country.

It goes right against the grain to have the likes of North American Underwriters (U.S.), Royal Insurance and C. E. Heath (British) acting as behind-the-scenes godfathers and directing the implementation of the strategy to butcher the compensation entitlements of Australia’s workers.

Many workers saw with great lucidity the more general overall lessons of the struggle around basic day-to-day compo. issues. In particular, a number of blokes were drawing parallels between the insurance battle and the zooming price of petrol. The foreign dominance in both industries

is so obvious and they are both areas which affect working people directly and from which astronomical profits are made.



The placard presents the nitty-gritty of the Great Compo. Battle: As a result of this action many workers generalized their experiences in relation to the particular problem of compensation and saw that the only real way to solve the malady that inflicts Australia is to get national independence.

PULLING THE THREADS TOGETHER

Building workers have been able to make the insurance companies abide, to the letter, by the existing arrangements and entitlements that exist in regard to workers' compensation.

Now, however, there is a new ball-game. Now the insurance industry is trying to alter the existing arrangements and entitlements, to then abide by their own new set of rules.

Workers' compensation in Australia has a history going right back to the first years of this century.

It is a right that has been won by workers through struggle. It also has its benefits for the boss in that one of its aims is to satisfy workers that they will not starve if they are injured at work: thus the theory goes that they will work harder.

Workers' compensation has, in fact, become a vital component in the working people's standard of living; and now, three-quarters of a century later, it is being consciously and brutally sliced to pieces.

In fact, when you look at it, there has been a

comprehensive attack on workers' health generally. Medibank was scrapped, then medical costs (including insurance) were increased alarmingly, and now workers' comp. is under the hammer.

And it goes further than that. What we're really seeing is an all-out attack on the living standards of working Australians and, as a result, we are now seeing an inspiring counter-attack by



Workers wave to their insurance counterparts at Lumleys who had been visited the week before.

the workers. It is no longer a choice of — do nothing and be satisfied with what you have. It is no longer a situation of holding our ground. It is now a situation of — if you don't fight you lose. It is not a case of refusing to increase compo. entitlements, updating health care or lessening fuel prices; it is now a case of taking compo. away from 90 per cent of those who have a heart attack at work; of increasing the cost of health care and taking money away from the hospitals; of doubling the cost of petrol within the very near future.

The counter-attack of the people is well under way.

At the same time as building workers won their victory by action, the Pilbara is stopped, wage indexation is in its death throes, Telecom and transport workers are struggling to maintain their standard of living. The breadth of this action is a sign of the times and the hope of the future.

Workers' action speaks louder than words.



The management of some of the companies spread rumours to the daily press that the office staff were being terrorized by the men. Photographs tell their own story. Blue- and white-collar workers talked together about the inadequacies of compensation entitlements and many expressions of solidarity and support were heard.

INDEPENDENCE IS THE ANSWER

There is something basically wrong with a social system where 90 per cent of people do the work and then a mere handful skim the cream off the top. It is worse still when most of the handful turn out to be foreign overlords. It becomes more of an insult when the multinationals flaunt what they are doing in your face.

Carnegie, the head of C.R.A. announced that Australia would become the Uruguay of the South Pacific. The multinationals intend to turn Australia into one large barren quarry that is capital intensive. Part of the plan is to scale down the locally-owned sections of the manufacturing industry (with large unemployment resulting), and to redirect foreign capital into the quick-return mining industry, thus leaving Australia stripped of its resources, dependent on other countries for its manufactured goods, and with large numbers of unemployed people.

The working people of Australia will fight every inch of the way to prevent the whittling away of

their hard-won standard of living. But it is no use beating around the bush; it is the system itself that must be changed if there is to be any real long-term improvement.

The first step is the winning of real independence for Australia.

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