

# Changing values of a Nation

*There are moments in history when the power of working people in united action is greater than the power of the forces for conservatism and their cause cannot be denied. The Accident Pay strike of 1971 was such a moment.*

For 19 days in 1971, 38,000 NSW building workers were involved in the only general strike in the industry's history. The strike started at the Sydney Opera House after 250 building workers demanded just workers' compensation for their injured workmates. The industry had never seen a strike like it before and has not seen one since. The Opera House demand gave expression to discontent and anger amongst building workers about the treatment of injured workers and rapidly snowballed into a general strike across NSW that amassed public support, paralysed the industry, rocked the Askin Government, and saw the Arbitration Court back the workers' claim over the interests of the establishment. The Decision set a standard for injured workers that flowed to millions across all industries and all states. The new labour standards ultimately became enshrined in legislation throughout Australia despite the State Government's rejection of legislative protection in the year's before the strike. The workers' struggle and the Court's decision changed the values of Australia.

## **The way workers viewed it**

*"If you were a horse that had been injured the owner wouldn't reduce your fee, but if you are an injured worker they expect you to starve on half pay."*

These words spoken by a building worker in 1971, captured the feeling of tens of thousands of building workers. Was it right to care less about an injured worker than an injured animal? Governments said yes. Workers said no. And the courts, when the issue came before them to decide, agreed with the workers.

It was the Accident Pay strike of 1971 that ended this injustice for not only building workers, but in time for millions of workers throughout Australia.

## **Background**

Before this historic dispute, an injured worker received workers' compensation payments that ranged from only 40 per cent to a maximum of 55% of an average worker's weekly pay. In current money terms it meant, in the case of an injured worker off work for six months, a loss of income ranging from more than \$9,000 to more than \$11,000.

Efforts by building workers to achieve justice through the State Parliament had failed after several years of vigorous activity. So building workers demanded that their employers take out additional insurance so that an injured worker received his or her normal weekly pay when off injured. This is what became known as 'accident pay'.

## **How the demands of Opera House workers resonated around the nation**

The Sydney Opera House is a well known national treasure. Less well known though is that it was here that a claim for justice was to change Australia's values and its treatment of injured workers.

When a demand by 250 building tradesmen on the Sydney Opera House construction site for accident pay was rejected, they went on strike and sparked a chain of events that led to a general strike in the building industry in NSW.

Building tradesmen on other Central Business District (CBD) building sites soon demanded that their employers also take out accident pay and when it was refused, they too went on strike. Within a week several thousand tradesmen were on strike and they in turn called for a general strike declaring "One-out, All-out".

By May 3 all building tradesmen throughout the NSW construction industry had joined the strike. A few days later 9000 builders labourers joined the tradesmen. There were now more than 38,000 building workers on an indefinite general strike.

### **A fight for dignity or "reckless lawlessness"?**

The industry was paralysed. The Askin Government, which had strenuously opposed the workers' claims, was rocked. There was now no turning back. The workers believed they were on a road with only two outcomes – victory or defeat. The dispute quickly affected the political and industrial landscape. The trade union movement closed ranks with the ACTU and the NSW Labour Council, unanimously declaring their support for the strike.

The employers also closed ranks and began to viciously attack building workers and their unions. The Executive Director of the Employer's Federation, Mr. F. J. Darling said "Unions had become power drunk, ruthless and arrogant in their disrespect for the law" (6/5/71). The Sydney Morning Herald described the strike as "reckless lawlessness".

### **Community Support**

Despite the employer and media condemnation, the strike over accident pay won widespread community support because people in the street could easily understand that the strike was about injustice and the rights of injured workers. They related to the workers' cause. Staff at the Sydney Hospital actively supported the building workers' cause.

The unions worked hard to build community support. They exempted from the strike all work on hospitals, they distributed leaflets far and wide and plastered the city with posters. The unions explained that accident pay would only cost \$1 per week per worker. The unions argued "Was justice to be denied for a lousy \$1 per week?" Building workers' wives became involved in supporting their husbands' struggle.

The dispute threatened to become violent as employers brought in scabs on smaller suburban sites, but the justice of the workers' claims resulted in many of the scabs themselves joining the strike.

Victory or defeat

In a bid to end the dispute, the employers offered a wage increase (which turned out to be worth more than four times the money value of paying accident pay insurance) on the condition the workers abandon their accident pay claim. But the workers weren't interested because the strike wasn't about money it was about justice and the security and needs of their families if they were injured.

When the dispute began to affect other industries and the jobs of many workers, Mr Justice Sheehy of the NSW Industrial Commission recommended that the workers return to work. Perhaps recognising how high the stakes were, he gave two significant undertakings in making this recommendation. First, he would hear the workers' case on the day that they returned to work. Second, he promised not to allow legal manoeuvres by employers to prevent the matter being dealt with on that day.

A serious split developed between the unions over whether they should accept this recommendation and the terms upon which it was made. By only a small margin, the strikers voted to return to work. Emotions were running high and they exploded when a number of strikers, opposed to returning to work, forced their way into the Labor Council meeting held that night, and assaulted two union officials.

True to his word, Mr. Justice Sheehy heard the case on the day the men returned to work and on that very day announced his momentous decision to award accident pay to workers throughout the industry.

The general strike had lasted 19 days. It had been five weeks since the thousands of Sydney CBD building workers had first gone on strike.

The employers made two appeals against the decision to the Supreme Court and the Full Bench of the NSW Industrial Commission. They were unsuccessful.

### **Accident Pay sweeps the nation**

In the midst of this campaign, building workers in other states began to take action in support of accident pay. By this time, the workers' movement was unstoppable and building employers quickly capitulated.

Other construction workers, such as electricians, metal workers and general labourers began to take action. Their employers also capitulated. The demand for accident pay snowballed across industry after industry and it was not long before virtually all workers throughout Australia had accident pay.

Eventually, State governments increased workers compensation payments so that they reflected the reality of what existed throughout industry.

## **A worker's reflection of their achievement**

Like other struggles waged by workers for a better deal, building workers had been put in a position where they had no option other than to break an unjust law (no right to strike) so as to change an unjust law (no just workers compensation).

This struggle looms large in the history of Australia. The lives of millions of workers were changed for the better and the changes flowed onto a new generation of workers.

As one worker said to me:

*"Winning accident pay is different than winning a wage increase which is eaten up over time by inflation. Inflation can't rob us of accident pay and therefore it is a permanent gain and gives workers some security when they desperately need it".*

That statement says it all.

By: Tom McDonald,  
Former National Secretary, Building Workers  
Industrial Union (now part of the CFMEU)  
who was the BWIU's Accident Pay Campaign  
Director in 1971.