

# Optare UK bus manufacturing workers strike for pay increase

Barry Mason  
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Workers at the Optare bus manufacturing plant in Sherburn-in-Elmet, North Yorkshire, England are continuing their strike in pursuit of a pay increase. The workers have not had a pay rise for the last two years.

The 100 Unite union members at the plant voted by a 73 percent majority for action. The ballot took place following months of fruitless negotiations. From October 15, the workers began a continuous overtime ban and a series of 48-hour discontinuous stoppages. From November 17, they escalated action by holding four-day strikes which are continuing. Around 500 workers are employed at the site.

Optare is a subsidiary of the Indian vehicle manufacturer Ashok Leyland, run by the Hinduja group.

The Hinduja group is controlled by four brothers, all multi-billionaires. Last year, Srichand and Gopichand Hinduja saw their fortune increase by £1.3 billion to £22 billion, as they topped the *Sunday Times* Rich List of the 1,000 richest people in the UK for the third time.

In August 2019, Optare agreed to implement a pay rise from November that year. The company reneged on its promise. Unite had been in negotiations with the company for the previous 18 months and on several occasions agreed to defer pushing the issue.

Speaking on the picket line at the start of industrial action on October 15, Unite union regional officer Richard Bedford said, “We’ve been in negotiations for 18 months now. Our members are wanting an RPI (Retail Price Index) increase plus one percent which is still not forthcoming.”

Exposing Unite’s role in suppressing the fight to win a pay rise, he continued, “We have agreed to defer negotiations on three occasions already throughout these negotiations...”

Unite was still hoping “to get the company back

around the table to start talking about an increase,” even after the company announced prior to the stoppage that “it has put in place contingency plans to maintain production and to deliver orders during the industrial action”.

Every statement by the union since has been centred on begging the company to negotiate with their trusted partners. The North East, Yorkshire and Humber Unite twitter feed on November 16 stated, “Our members at Optare near Leeds have escalated their strike action to four days a week from today. Our message is clear, the company needs to stop making false promises and get round the table with a serious offer that reflects our members’ hard work.”

Richard Burgon, a local Labour MP and chairman of the Socialist Campaign Group, visited the picket line last month. While praising the “brave strike action following broken pay rise promises made by a company owned by billionaires,” Burgon speaks for a right-wing party which was bankrolled for years by the Hinduja brothers, when led by Tony Blair, and which still represents the billionaires and not the workers.

On November 6, North Yorkshire police visited the police line and ordered the workers to disperse citing COVID-19 legislation. They warned pickets that if they were to return, they would be issued with penalty notices for contravening lockdown rules. This was one day after national restrictions were reintroduced in England. The police attempted to break up the picket line despite workers being legally on strike, maintaining social distancing, and using hand sanitiser and PPE.

Unite sought a judicial review against the North Yorkshire police chief constable, and the secretary of state for health and social care, Matt Hancock, which was due to be heard November 13. The hearing did not

go ahead as the government conceded the workers had the right to picket during the pandemic.

While the strike was allowed to continue, the incident reveals that the draconian powers the government has, under the Coronavirus Act legislation, is to be used against the working class.

The origins of Optare began in 1984 when Leyland closed its Charles H Roe vehicle bodywork plant in Leeds. This was during the second term of Margaret Thatcher's Tory government, as privatization and deregulation laid waste to manufacturing industry. Russell Richardson, a director at Roe, set up Optare along with some former employees. It was able to win orders for its buses from the public transport bodies the West Yorkshire Passenger Transport Executive (WYPTE) and its South Yorkshire equivalent. It also took orders from the WYPTE's successor arms-length company, Yorkshire Rider. Developing innovative designs, the company was able to expand its sales and even break into the export market, with sales to Sri Lanka.

In 1990, Optare joined the United Bus group which included the Dutch bus manufacturer DAF. After United Bus's collapse in 1993 Optare reverted to an independent existence following a second management buyout. It continued developing innovative designs such as low-floor buses.

Optare was acquired by the Hungarian-owned North American Bus Industries (NABI) in 2000. This enabled Optare to export its buses into North American markets. However, in 2005 with NABI experiencing financial problems, another management buyout took place returning Optare to its independent status.

In 2008, as part of a complex takeover process, Optare joined forces with the Darwen Group, the successor organisation of the East Lancashire Coachbuilders company. The company formally known as Optare plc was floated on the stock exchange. A rationalisation process saw the newly created Optare plc close its Rotherham site.

In 2010, Optare began its present incarnation when the Hinduja brothers' Ashok Leyland group acquired a 26 percent share, increasing it to 75 percent in 2011. Ashok Leyland now has a 99 percent share and total control. Under Ashok Leyland, Optare closed its East Lancashire site in 2012 after moving further out from its east Leeds site to a newly built facility in Sherburn-

in-Elmet in 2011.

Ashok Leyland, the one-time subsidiary of British Leyland, is headquartered in Chennai in India. The second largest producer of commercial vehicles in India, it is the world's third largest bus manufacturer and its 10th largest truck producer.

In its 2019 annual report and accounts Optare reported around £49 million revenues, almost doubling the previous year's, but showed a near £9 million loss after tax.

In May, Optare, along with the UK other major bus manufacturers, Wrightbus, and Alexander Dennis, issued a begging letter to the government asking for state funding. It warned, "The COVID-19 crisis represents an immediate threat to the future of the UK bus manufacturing industry and its extensive supply chain. Forward orders have already been drastically reduced with many operators deferring or indeed cancelling their orders for new buses and coaches..."

"Without immediate support, future orders will not be forthcoming, putting over 10,000 jobs and apprenticeship opportunities at risk. It is vital that Government funding is used immediately to enable bus operators to invest in their fleets, and the UK's manufacturing base, with confidence."

Optare workers face a global conglomerate intent to increasing profitability at the expense of its workforce. Workers must organise themselves in a rank and file committee, independently of Unite. The struggle for better wages and to defend jobs can only be successful based on the adoption of a socialist internationalist perspective, which is anathema to the pro-capitalist unions.



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