

**Industrial action at Go North East**

# Stakeholder Update.

## A strike nobody needs.

**Last week, Unite informed us that North East drivers had turned down a landmark offer that would make them the best paid bus drivers in the region. Instead, the union called its members out on a 12-week strike, which began on Saturday.**

The proposed deal would have increased hourly rates for drivers to £14.15 – an increase of 10.3% and the best pay of major operators in the region. This comes on top of a 10% pay rise a year ago, and would be followed by a guarantee of an above inflation pay rise next year.

I am sorry for the disruption and inconvenience this stoppage will cause to local communities. We see no need or justification for it and we will continue to make every effort to reach a settlement.

In a Q&A below, I have tried to set out the facts behind this dispute.

**As ever, if you would like any further information, or to discuss this issue any further, please do not hesitate to contact me.**

**Ben Maxfield**  
BUSINESS DIRECTOR, GO NORTH EAST

# Business Director Ben Maxfield sets out the facts behind Go North East dispute with UNITE.

**With an indefinite strike involving Go North East bus drivers now underway, Business Director Ben Maxfield has moved to explain the company's position.**

**In a "Question and Answer" interview released by Go North East, he says the decision to strike is based on a "distortion of the facts" - but insists it's not too late to call the action off.**

## **What steps did you take to prevent the strike taking place?**

In a bid to prevent this industrial action we have tabled an offer that we believe is the best offer made to Go North East region drivers in many years. It's not in our interests, or our passengers' interests, to have a strike, but unfortunately it appears that the union is 100% determined to force a strike, whatever we put on the table.

## **The union clearly has a grievance if it won't settle?**

UNITE has stated, quite clearly, that they are striking over what they claim is pay inequality. They say the crux of this dispute is that they are paid more poorly than Go-Ahead drivers in other regions. The bottom line is that this simply isn't true. While headline hourly rates vary across the UK, factors such as other pay package benefits and cost of living indices for different regions must be considered to achieve a true comparison.

The UNITE members going on strike, unlike other Go-Ahead drivers – and unlike drivers in the north east at Arriva and Stagecoach – spend less of their time actually driving buses and have shorter driving spells between breaks. Factoring this in, their package is comparable with other drivers. Importantly, our pay offer to drivers puts them top of the pay league in the region – ahead of counterparts at all major bus companies.

## **What evidence do you have to back up your assertion that there is no pay inequality?**

UNITE has referenced a comparison with some Manchester bus drivers in the press. We have provided to UNITE a comparison of the wages and package of conditions in Manchester to demonstrate the true picture. As most readers will know, there are variances on hourly rates, benefits and pre- and post-tax calculations in most jobs that make straight comparisons difficult, but we've taken all of that into account to achieve a level playing field. To put it bluntly, our drivers in the North East region do not suffer pay inequality by comparison.

Away from the media spotlight, UNITE have confirmed to us that they would not want to swap their package of wages and conditions for that of Manchester or anywhere else. They want to keep their conditions fully as they are.

UNITE muddy the waters when they continually use last years' wage of £12.83 per hour when offering comparisons to other companies They already know Go North East drivers are guaranteed £14.15 per hour from 1 July 2023.

## What is the pay offer?

We've offered a 10.3% pay increase, with backdated payments to 1 July 2023. That will take the hourly rates for most drivers outside of the training period to £14.15. For drivers working a standard week that would be a rise in yearly pay of almost £2,700. Drivers who chose to work overtime stand to gain over £3,000 per year. Next year pay would again rise by more than RPI. At the union's request we've also made some additional concessions to engineering workers.

We really have tried to accommodate a settlement.

## The union says any deal must leave their existing conditions untouched. Are you prepared to do that?

We have, in fact, agreed weeks ago that conditions will not be part of the deal. That's guaranteed as part of the deal on the table too.

## Why didn't you back down to prevent the strike?

Our responsibility is to put the best possible offer on the table before a strike in order to prevent it. That is what we have done. We do not play games of brinkmanship with our passengers' need to get to work, school or college, their ability to visit friends and family or their means of going out socially.

## But UNITE must be calculating you've still got extra money in the locker to pay them? They say you can pay them out of profits.

The union's current demands would increase our annual pay bill by another £1.5m over and above what we have already committed. It's simply unrealistic, and would lead to loss of bus routes, a reduction in the number of drivers required, and poorer services all round. We have invested strongly in modern buses, increased frequency of services and new routes in recent years as well as continuing to invest in our drivers. We need to continue to keep investing across all areas of the business.

The current deal on the table to our drivers will add over £4.5m to our pay bill – how is that derisory?

## Will the new pay offer result in loss of services or increased fares?

We are committed to trying to maintain bus routes wherever possible; recently we stepped in to save services in North Tyneside after another operator abandoned them. We also work hard to avoid fare increases and unlike other modes of transport, we don't impose blanket annual fare increases.

We provide vital services for our customers – and local communities – who depend on us, so it would be irresponsible to cut services or simply load costs on to our customers unless we have no choice.

What would the nurses, teachers, and shop workers of the region say to massive service cuts as they struggle to get to work? They wouldn't stand for it. Even if they were to receive a 10.3% pay increase too.

## What message do you have for your drivers on strike now?

Simply this. It's not too late to call off the strike. The decision to take industrial action is based on a distortion of the facts – you are not the bottom of the league when it comes to pay. The pay offer on the table is the best ever offered to Go North East drivers and includes an increase of £2,700 or more for most drivers. What are you actually going out on strike for?

## What message do you have for passengers as the strike approaches?

I am deeply concerned for passengers across the region who now face massive and unnecessary disruption to their daily lives as result of UNITE's strike. All we can ask is that the public bears with us as we try to provide a stripped-down service over the course of the strike.

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**We have tried everything in our power to prevent this action, and we truly regret UNITE's decision to press ahead with it.**