



By email only

1st August 2024

Dear GMB Member,

Our union has consistently argued in defence of our gas and energy industries, and the jobs and communities that depend on them. GMB was born in the struggle of East London gas workers. Energy is in the DNA of our union, and we are proud of it.

When we say the UK needs “plans not bans” for the industrial transition to a low-carbon country, we mean it. GMB understands the consequences of cliff-edge policies for energy jobs, not only for our members’ livelihoods, but for our future prosperity and national security in a volatile world. That is why I am deeply disappointed the new government has still not listened to warnings about the consequences of an increase to the offshore sector Energy Profits Levy (EPL) and the reduction of its investment allowances.

There is a misconception in mainstream politics that the UK offshore sector today is still dominated by oil and gas multi-nationals. The reality is that around half of all North Sea production is currently delivered by UK-registered independent firms operating on much smaller and precarious balance sheets. They employ thousands of people who help the power industry, keep homes warm and the lights on. Their taxes are redistributed into our hard-pressed public services. Their future investments can sustain and create thousands of jobs in our manufacturing supply chains and develop vital low carbon technologies like carbon capture. The voices of these workers’ must be heard in the corridors of power.

GMB has no issue with government demanding a fair tax take from big business, we encourage it, but it makes no sense to drive energy operators out of the North Sea with misguided policies that will cost jobs, skills and investment needed for the transition. Furthermore, an economic cliff-edge for upstream production will not just impact offshore manufacturing supply chains, but also midstream and downstream industries like gas storage, transportation, and in the distribution networks, as well as our foundation and construction industries that need affordable and secure gas.

If the government is genuinely committed to a transition that does change with workers and communities and not to them, then it will rethink its fiscal plans for the offshore sector and listen to our members’ demands for a proper energy and industrial plan. A plan that will onshore more jobs to the UK, invest in communities and manufacturing infrastructure, and strengthen national security by curbing over-reliance on energy imports.

Yours in solidarity,

A handwritten signature in black ink, appearing to read 'Gary Smith'.

Gary Smith
General Secretary

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