OFFSHORE
Oil and gas workers’ views on industry conditions and the energy transition
**Platform** is an environmental and social justice collective based in London with campaigns focused on the global oil industry, fossil fuel finance and building capacity toward climate justice and energy democracy. Platform’s Just Transition campaign seeks a well-managed, worker-led phase-out of oil and gas production in the North Sea. The campaign is focused on increasing worker consultation and power over policy decisions related to an oil and gas phase-out.

**Friends of the Earth Scotland (FoES)** campaigns for socially just solutions to environmental problems and to create a green economy, for a world where everyone can enjoy a healthy environment and a fair share of the earth’s resources. Climate change is the greatest threat to this aim, which is why FoES is calling for a just transition to a 100% renewable Scotland through a well-managed phase-out of oil and gas production in the UK.

**Greenpeace** stands for positive change through action to defend the natural world and promote peace. Greenpeace investigates, documents and exposes the causes of environmental destruction. A just transition is essential to move to an environmentally sustainable economy without leaving workers in polluting industries behind.

This survey and report was conducted and written by Gabrielle Jeliazkov, Platform, Ryan Morrison, FoES, and Mel Evans, Greenpeace. Thank you to all the offshore workers who gave their thoughts and time to this project.

**ACRONYMS**

- BEIS: Department for Business, Energy and Industrial Strategy
- CBA: Collective Bargaining Agreement
- GWO: Global Wind Organisation
- HSE: Health and Safety Executive
- JTC: Just Transition Commission
- NCS: Norwegian Continental Shelf
- OCG: Offshore Coordinating Group
- OGA: Oil and Gas Authority
- OGTC: Oil and Gas Technology Centre
- OGAUK: Oil and Gas UK
- OILC: Offshore Industry Liaison Committee
- OPEC: Organisation of the Petroleum Exporting Countries
- OPEC+: 14 members of OPEC and 10 other non-OPEC members, including Russia
- RMT-OILC: Rail, Maritime and Transport Union Offshore Industry Liaison Committee
- STUC: Scottish Trades Union Congress
- TUC: Trades Union Congress
- UKCS: United Kingdom Continental Shelf

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From the first gas to come ashore in late 1966 to the first drop of oil on 18th July 1975, it took just seventeen years for the UK to become the world’s fifth largest oil and gas producer, in large part due to significant government support and subsidies.

For years the industry was dominated by oil majors — some of the richest companies on Earth. Now, the holdings have diversified, expanding to include smaller oil companies like Ineos, state companies like the China National Petroleum Corporation (CNPC) and private equity backed companies such as Chrysaor.

What remains constant is corporations in the North Sea operating out of the public eye and being governed by the boom and bust cycles of the global fossil fuel industry. We frequently speak about oil and gas in terms of profits, taxation, regulation, pollution, extraction, but what about the workers who handle the levers of production; who have worked through decades of the sometimes monotonous and oftentimes turbulent life offshore?

Work in the North Sea has always been precarious for a number of reasons, including a lack of government regulation, the challenges of collective organising offshore, share prices plummeting and the altered balance of risks and rewards from a mature oil basin. In 2014, oil and gas workers found themselves in a downturn caused by the global oil market.

Amidst the storms of the North Sea, workers were made to weather decreases in pay rates, huge cuts in their numbers and a change in shift patterns to spend an extra five weeks a year offshore for the same pay.

2020 has brought its own challenges, with unemployment across the UK expected to reach 2.5m by the end of the year as the economic impacts of the global pandemic and the end of government support schemes take their effect. The consequences of Covid-19 on oil and gas, intertwined initially with another global price war triggered by disagreement over production limits between Russia and Saudi Arabia, have been profound. The price of a barrel of Brent collapsed to $19.71 on the 21st April 2020, with the price of US of turning negative for the first time in history on the same day.

The temporary end of the Organisation of Petroleum Exporting Countries (OPEC) production limits and the collapsed oil demand due to global shut-downs and closures because of Covid-19 led energy analysts to indicate that this dramatic turn of events would speed up the emergent energy transition.

This upheaval has coincided with an accelerating climate emergency and public clamour for action, bringing mounting pressure on the fossil fuel industry — one of the most polluting globally — to be wound down. In 2018, the UN’s climate scientists, the Intergovernmental Panel on Climate Change (IPCC), released a report revealing the devastation of a world that breaches 1.5°C of warming.

Across the world, renewable energy generation is rising — a trend which can be expected to continue as the impacts of climate change sharpen focus on reducing the use of fossil fuels.

Given this increasingly frequent volatility, the ever-growing maturity of the UK’s fossil fuel reserves and the heightened focus on oil and gas as a central climate issue, the North Sea has become a clear battle ground for all engaged in conversations about energy transition. But what does this mean for oil and gas workers?

Platform, Friends of the Earth Scotland and Greenpeace are committed to a worker-led just transition and have come together to create a means to hear from and talk to those working in oil and gas. This report shares the results of a survey and the testimonies of workers in the industry on the impacts of Covid-19, the oil price crash and their perspectives and priorities in the looming energy transition.

Energy systems help to shape our economic and political structures. As we inevitably change our energy system in the face of climate change, our economic and political systems must change too. An energy future grounded in democracy can create the potential for more just outcomes across society. A well-managed energy transformation can meet UK climate commitments while protecting livelihoods and economic wellbeing – provided that the right environmental and social policies are adopted and that the affected workers, trade unions and communities are able to guide policies.
EXECUTIVE SUMMARY

This report is based on the findings of a survey of offshore oil and gas workers conducted by Platform, Friends of the Earth Scotland and Greenpeace.

The survey results show that morale is low amongst the workforce, who feel they are bearing the brunt of an industry in decline. But these workers are willing to retrain and move to new sectors. They are open to change and job security is their biggest concern. They want secure and well-paid work that makes use of their skills and experience.

1,383 offshore workers responded to the survey, representing 4.5% of the workforce. Platform, Friends of the Earth Scotland and Greenpeace also spoke with a smaller group about their personal stories, their views on the oil and gas industry and their needs related to skills and retraining opportunities. Eight case studies are included in this report, telling workers’ experiences in their own words.

The key survey results show:

- 42.8% of oil and gas workers have been made redundant or furloughed since March 2020.
- Satisfaction with health and safety standards was most commonly rated 3/5.
- A high level of concern about employment and job security within the oil and gas sector.
- A low level of confidence in government support.
- 81.7% said they would consider moving to a job outside of the oil and gas industry.
- The least satisfactory element of current terms and conditions for offshore workers was job security, and the biggest priority for moving to an alternative industry was also found to be job security.
- Given the option of retraining to work elsewhere in the energy sector, more than half would be interested in renewables and offshore wind.

These responses indicate that workers feel neglected and unheard – in the past and in the context of the current crisis. Mismanagement is widespread across the industry, with a lack of government regulation resulting in decommissioning and manufacturing contracts being lost overseas, training costs being borne by the workforce and exploitative certification regimes.

The survey findings also demonstrate that workers in the oil and gas sector are well-informed and keen to express their views on conditions within the industry and how to build a future run on renewable energy, but their knowledge and expertise is untapped. There is evidently a lot of interest in renewables and offshore wind in particular, which aligns with the closest overlap in skills between the industries. Yet despite attempts by individual workers to transiton, the conditions present multiple challenges, many of which could be overcome through industry regulation and government support.

Given the findings of this survey, Platform, Friends of the Earth Scotland and Greenpeace make recommendations fitting within three areas for action:

1. The skills and experiences of oil and gas workers are essential to deliver an equitable and rapid transition to renewable energy. This requires engaging a representative section of the workforce in participatory policy-making, where workers are able to help determine policy, in addition to engagement with trade unions. The rhetoric of a just transition means nothing if impacted workers are not at the heart of shaping policies that affect their livelihoods and communities. It is the only means to ensure no harm to communities currently dependent on high-carbon industries.

To harness the skills and experiences of oil and gas workers have to offer in supporting the renewables transition, policy development must be accountable to workers and communities, who must be involved in shaping and determining the transition to a zero-carbon energy sector. Participation by the workforce for the duration of the transition is integral to its success.

2. Improve job security and working conditions for workers in the oil and gas sector, to boost morale, improve quality of life, and mitigate the risk of workers leaving the energy sector altogether.

Immediate government regulation and intervention is required to resolve workers’ concerns. Any government intervention, whether the North Sea Energy Transition Deal or other Covid-19 support and recovery measures, must prioritise people over profit.

3. Address barriers to entry and conditions within the renewables industry, including creating sufficient job opportunities, to harness the skills of oil and gas workers and enable an equitable and rapid energy transition.

A transition to renewable energy is an opportunity to build an energy sector that works for everyone. This includes ensuring that UK offshore wind is a thriving industry and seen to be a desirable destination for energy workers. In turn that means addressing barriers to entry, working conditions, and increasing secure job opportunities within the industry.

These recommendations aside, top-down support from the government will not be sufficient. Organising together is vital to assert workers’ voices at the core of the energy transition and control over their working conditions.

1,383 offshore workers responded to the survey, representing 4.5% of the workforce.
42.8% of oil and gas workers have been made redundant or furloughed since March 2020.
81.7% said they would consider moving to a job outside of the oil and gas industry.

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We end this report with a call to action:

There is no just transition if it is not worker-led. Following the completion of this survey, Platform, Friends of the Earth Scotland and Greenpeace will be running a participatory consultation of oil and gas workers across the UK. Workshops will enable energy workers to draft policy demands for a transition that works for them, and a renewables industry they want to work in. We welcome any energy workers, union branches, local organisations, environmental groups or impacted parties to get involved.

A TRANSITION to renewable energy is an opportunity to build an energy sector that works for everyone.

Wind farm, Burbo Bank, Liverpool © Paul Langrock / Greenpeace
SECTION 1: WHY CONSULT WORKERS?

Protecting or representing the needs and priorities of oil and gas workers is impossible without first asking workers what these are. A more democratic and just society can only be created through genuinely democratic and just processes. In this section we will outline the motivations behind this research, detail our research methodology and situate the current position of the sector in a brief political and social history.

1.1 THERE IS NO JUST TRANSITION WITHOUT WORKERS’ VOICES AT THE CORE

In the last few years, the concept of a “just transition” has gained wide popularity with climate justice campaigners, policymakers and NGOs. Yet policy decisions have been driven by industry interests with little to no direction from workers and communities likely to be impacted. Despite the seemingly obvious implications for the UK’s oil and gas workforce in the face of an energy transition, workers in the industry are often not seen or heard in the discussions at all.

The increasing popularity of just transition in government has been about rhetoric rather than meaningful policy action. There are few, if any, practical examples in England and Wales, while in Scotland, the Transition Training Fund offered only a short-lived buffer to unemployment, returning workers straight back into oil and gas at the first chance of rehiring. Scotland’s £62m Energy Transition Fund doesn’t require any guarantees of protection for the workforce, the creation of new opportunities or even emissions reductions from the companies who benefit from it.1-3

There has been a failure to support workers in the industry to gain better conditions or move to secure and sustainable employment. How are we to ensure fairness in a transition if those directly involved in fossil fuel extraction are left out of generating solutions? For governments in Holyrood and Westminster, listening to oil and gas workers would mean listening to the potential workforce of future industries, allowing governments to deliver on their own climate objectives, green recovery4-6 and ‘levelling up’ agendas.7 Oil and gas workers understand the industry better than any NGO campaigner or government expert. They understand what training they might need to transition into a new job or sector. They understand what the future of renewables can look like because they know practically what work in construction, operations, electric, mechanics and engineering involves. But most importantly, they would have the right to be involved in the planning of their livelihoods and shaping the future of their communities.

For the authors of this report, a just transition must be central to discussions about energy transition. The term, born in the trade union movement, reflects a demand that industrial transformation, necessitated by environmental limits, should not negatively affect the workers and communities at risk – and the potential for workers to embrace change. In the context of the climate emergency, the key stakeholders in a just transition are workers and their trade unions, local communities and environmental organizations. The government. This is true across all sectors of the economy, all of which will have to change and adapt as part of a just transition, but particularly urgent in high carbon sectors such as energy. Governments across the world urgently need to reconcile their economies’ dependence on fossil fuels as both suppliers and users, and in so doing, protect the existing workforce and create an equitable world economy that prioritises workers, communities and the planet.

When asked if they had heard of a “just transition”, a staggering 91% of survey respondents said no.

Clearly, campaigners and NGOs lobbying for just transition and policymakers tasked with implementing one failed to reach oil and gas communities – the people who ought to be most central to transition plans. Delivering equitable and fair outcomes for workers in oil and gas must involve meaningful participation in the planning and shaping of their jobs and communities. As well as opportunities to present evidence to externally facilitated government bodies, a just transition demands participatory involvement and decision-making power by significant portions of the oil and gas workforce in producing binding policy recommendations for the energy transition process, and industries they move into in the future.

In the absence of any meaningful attempt to build these processes by decision-makers, the authors of this report sought to create an outlet for workers to share their views on their current and future livelihoods.

1.2 METHODOLOGY & SURVEY RESPONDENTS OVERVIEW

Our survey included 26 questions aimed at oil and gas workers operating in the UK Continental Shelf (UKCS). These questions were developed in coordination with former oil and gas workers and trade union officials. The survey aimed to understand workers’ views in three key areas:

1. Covid-19 and the oil price crisis
2. Work offshore generally
3. Alternative employment/industries

Of the 1,546 survey respondents, 1,383 identified themselves as working upstream/directly in the oil and gas industry. This report focuses exclusively on their responses, excluding the data from the 163 respondents who identified themselves as working in midstream or downstream industries.8 Responses were collected over the course of four months, predominantly via targeted advertisement and posts on social media and union channels.

Representation of the workforce

There are currently no unbiased statistics on workforce demographics or numbers offshore. The only regular report on workforce numbers comes from Oil and Gas UK (OGUK). The industry lobbying group, with the OGUK Workforce Report 2019 containing the most recent data on offshore employment. Given that it is the only available data on offshore employment, these statistics are detailed below, as a reference point for how representative our survey sample is.

As of mid-2019, the Workforce Report stated that there would be an estimated 30,600 people directly employed in oil and gas.9 The report claims that “the 2019 forecast is based on an expected increase in expenditure on the UKCS this year. Some confidence is returning to the basin as improved cash flows, competitive market prices and a competitive fiscal regime have encouraged investors to increase budgets accordingly.”10

Clearly, the oil price crisis and pandemic that followed this report will have reduced these numbers substantially. Statistics released in the Guardian in early 2020 quoted OGUK as saying that the number of workers operating the North Sea’s oil and gas platforms typically stands at about 11,500 but had fallen to 7,000.11 Because of the way shift patterns work, these numbers roughly translate to an actual workforce of 23,000 and 14,000 respectively. As such, this suggests that by OGUK’s own estimate, during the strictest lockdown measures, employment dropped to 14,000. Despite the workforce report being released just six months earlier, the figures given to The Guardian suggest that the current workforce stands at around 23,000 rather than the 30,600 figure.

Nevertheless, if we use the 2019 number of 30,600, our survey of 1,383 offshore workers would represent 4.5% of the workforce.

Due to the long history of blacklisting in the industry and the subsequent fears around speaking out about conditions, we chose to leave contact information optional. Even so, 55% of respondents agreed to be contacted in the future. Within this sub-pool of respondents, we re-contacted people to ask if they would be interested in acting as a case study for the report or speaking publicly about their experiences. We asked them follow up questions about their personal history, their views on the oil and gas industry and their needs related to skills and retraining opportunities.

We have included eight anonymous case studies in this report, with interviewees’ testimonies speaking directly to the wider wellbeing of the offshore workforce based on the findings of the survey results.

WHEN ASKED if they had heard of a “just transition”, a staggering 91% of survey respondents said no.

Blacklisting is a term commonly used for when an employer collects the details of trade unionists and their activities and discriminates against those individuals, usually by refusing future employment and sharing the individual’s information with other companies in the industry. Within the oil and gas industry, blacklisting has also been a feature for any worker, regardless of trade union membership, who raise concerns, including around health and safety or regulation. For example, see The Guardian: North Sea oil culture needs to change, says union leader after helicopter crash, 30 August 2013, https://www.theguardian.com/business/2013/aug/30/north-sea-oil-culture-helicopter-crash-bob-crow
1.3 A CHANGING INDUSTRY: A BRIEF OUTLINE OF FIFTY YEARS OF NORTH SEA OIL

Fifty years ago, the Forties Oil Field was struck – the first vast reservoir of oil in the North Sea. Since then, 45 billion barrels of oil have been extracted from the UK Continental Shelf through boom and bust cycles across the decades. This process began in 1964 with an act in parliament enabling exploration, then the global oil supply crisis in 1973 spurred growth in the North Sea creating a concurrent jobs boom. This reached significant heights in the 1980s, followed by an oil glut and price drop in 1986. Production peaked in 1999, with a decline occurring at the turn of the century onwards as the North Sea’s place and importance in the global oil market shifted.

Most starkly in 2014, OPEC, led by Saudi Arabia, started an overproduction war in order to kill off the burgeoning US shale oil industry. As a consequence, high-production cost fields like the North Sea became unprofitable. It is estimated that there was a loss of 75,000 offshore and onshore support jobs in the UK at this time.

In many ways, this was a rehearsal for OPEC’s reaction to the current decline in oil demand caused by the pandemic. Although the present oil price crisis began before Covid-19, its effects have clearly intensified since then. When Russia and Saudi Arabia broke from production limits set at OPEC+, a battle of overproduction was triggered which brought the value of oil crashing down. A month later, lockdown measures were introduced around the world and global demand for oil collapsed. It is estimated that more than one million workers who provide oilfield services globally will lose their jobs by the end of 2020.

Throughout these turbulent fluctuations, the UK government’s relationship with the industry has changed as well. In 1974, the British state owned 68% of British Petroleum. However, consecutive governments quickly sold off this stake and imposed a regulatory and tax regime based on the liberalisation of petroleum and company profits. In 2009, the Scottish government found that since 1980, just 10% of nominal revenues from the UKCS could have created an oil fund worth between £24-47 billion. Further research has shown that from 2002-2015, the difference between...
the hydrocarbon taxes actually levied by the UK government and the fiscal yield if the UK had used the same effective tax ratios as Norway was a staggering £32.4bn.24

Despite the increasingly generous regime offered to the industry by successive governments, the safety of offshore workers has never been certain. There were numerous deaths on the first rig disaster, Sea Gem, in 1965; 167 lives were lost in the horrendous Piper Alpha rig explosion in 1988 and 33 people died in helicopter crashes between 2009-19. Step Change in Safety, launched in 1997, proposed to address these concerns with limited success.25 Piper Alpha prompted an upsurge in trade union membership but recently, eight oil companies announced they would abandon a collective bargaining agreement to cut costs.26

The Covid-19 pandemic has imposed limitations on rig numbers, raising further concerns about adherence to procedural safety standards offshore this year. In short, companies pursuing profit maximisation through boom and bust cycles with little government oversight has often come at the expense of the workforce.

CASE STUDY

FORTY YEARS IN THE INDUSTRY DOESN’T GUARANTEE SECURITY

Frank has worked in the oil and gas industry for over 40 years and lives with his wife and two daughters just outside of Inverness, Scotland. He explains:

“20 or 25 years ago, companies I worked for would have lots of team building days away, nights out, the morale was higher than it is now. I was paid off [made redundant] in 1986 and 1997/98, but each time the industry bounced back. But from the fall in 2014, [the industry] really hasn’t come back from that yet.

Morale is low, certainly in Aberdeen where 75% of the people are contractors and generally limited companies. Goalposts are often moved on IR35,27 companies repeatedly cut the rates of contractors, saying ‘your rates are cut because the oil price is low’, but in reality, the company has already negotiated to cut costs.

When the oil price is low, the companies just cut rates arbitrarily, but when demand is on the rise again, the rates start to rise too. You’ll end up getting a change in job title as a way around changing the rate.”

In terms of changing terms and conditions in the industry, Frank describes:

“There have always been a lot of contractors, but maybe if you go back thirty years, the BPs and Shells employed a lot of engineers themselves. In 1990, BP basically outsourced all of their engineers to Brown and Root, with a lot of engineers taking the golden handshake of two years’ salary before moving to be contractors.

There aren’t many young people looking to enter the industry now. When I joined it was new, high tech stuff and it was a job for life. If you got into oil, you’d made it. Nobody ever thought about electric cars or saving the planet, it was seen as a long term career that paid good money – more than your average farm worker, brickie or joiner.”

2.1. OIL PRICE WARS, COVID-19 AND OIL AND GAS IN 2020

Key survey result:

› 42.8% made redundant or furloughed since March 2020.

Key survey result:

› 45% ranked the effect of the pandemic on their job 10/10, 7.9/10 average overall.

The UKCS region is in a particularly unattractive position for the industry. Close to a quarter of fields are running on a loss and cost per barrel is high. The remaining reserves are considered “mature”, meaning that future sites would likely be in the small to medium range.28 If the industry goes into harvest mode, whereby companies extract all they can from existing sites and move on to other basins, a premature end is possible.

As in many other sectors, Covid-19 has led to all non-essential work being cancelled, with companies cutting down operations to skeleton crews. As of mid-June, 4,500 jobs had already been cut in the North Sea, with more expected to follow.29 OGUK has stated that they expect 30,000 direct and indirect jobs to be cut by the end of 2020.

Given the nature of working offshore in recent years, and the dramatic circumstances of 2020, the first question respondents were asked was whether they had been made redundant or furloughed since March 2020. They were also asked to rank the effect of the pandemic on their job, on a scale of 0–10.

It is not surprising, given the context above, that 42.8% of respondents reported that they were made redundant or furloughed since March 2020. The speed at which many companies made their workers redundant has been criticised, with companies accused of treating the workforce “as a tap that can be turned on and off when needed.”24

Of wider concern is the average rating of 7.9 out of 10 scored for the pandemic’s impact on respondents’ jobs – even for those not made redundant or furloughed. Out of the 7.9 average, it is particularly revealing that 45% ranked the impact as a 10 out of 10. Cutting down offshore crews to a bare minimum means thousands of layoffs and distress for many workers.

42.8% of those we surveyed have been made redundant or furloughed since March 2020.
2.2 GOVERNMENT SUPPORT

Survey respondents were asked to consider whether the Scottish and UK governments are providing adequate support to workers in the oil and gas industry. The UK’s furlough scheme is due to close at the end of October 2020, while several business loan schemes have been provided by governments in Holyrood and Westminster. This question was important for understanding the effectiveness of government measures at all levels and to ask respondents to share their views on the role of government.

Survey respondents were asked to rank whether the support provided at each level was enough on a scale of 1 (nowhere near enough) to 5 (more than enough). Across all levels of government, support provided was deemed inadequate. This included the most common response being “1” across local, Scottish and UK government support.

Key survey result:
- 1.7/5 on local government support
- 1.8/5 on Scottish government support
- 1.6/5 on UK government support

The widley held view that support from local, Scottish and UK governments is insufficient is profound. Across the vast majority of respondents, issues such as precarious contracts, one move to IR35, and the absence of protection has major impacts on the sense of mistreatment within the workforce.

The dissatisfaction with Scottish and UK governments was attributed to issues like disastrously inadequate Universal Credit payments, the lack of regulation around labour standards and overseas contracts, and the inadequate investment in regional development and training opportunities. While training and regulation will be covered in more detail elsewhere, it is worth noting a selection of written responses related to government failures.

“It’s local councils that’s the problem! It’s local councils. It was the local council that said stop. Not to mention that they ‘didn’t have enough people to do the work even before they let so many people go.’”

Case Study: Dave

Dave lives in Inverness with his three children and has worked in the oil and gas industry for 26 years. Prior to oil and gas, he was in the armed forces for 13 years. Dave has been on furlough since April 2020 and calls it “the worst time of my life”. He is currently in redundancy consultation. He explains how companies are downsizing all over the place and says: “I’ve been applying everywhere, a lot of internal job applications as well, but I have barely been getting any interviews. The two interviews I’ve gotten have been for jobs two grades below mine. I’ve tried to keep busy. Aside from job applications I’ve been doing a further education course, I guess my plan B is to move to Asia. I’d mostly go to look for jobs in renewables. I’m desperate to get into the industry.”

Reflecting on how the current job market has impacted him personally, he says: “I can’t believe this has happened to me, I thought it would be short-lived.” Dave is close to losing his house and is going to put his parent’s house on the market so they can live with him while they pay off his mortgage. He adds: “Some families have kids in school... What do you do if you have a husband and wife both get laid off at once?”

On conditions in the industry, Dave explains: “There are implications for safety. I came to this job from the armed forces, I have decades of marine expertise. He points to the reduction of ships and age of workers as impacting expertise and workload. A lot of deputy superintendents don’t come from a background at sea... They barely know port from starboard. The company could have kept experienced workers, but they didn’t. Frequently you are asked to do too much, and you have to say no – even if it is going to cost a lot – but deputies without marine expertise may not know when to make it safer. The industry is in total shambles.”

Case Study: Tony

Tony lives in Dundee and has been working in oil and gas for 25 years. Here he explains his experience with government support.

“It seems to be that there is no back up from governments, they are not helping this industry in any way. When you look at the Michelin factory that shut down in the government ministers were all there doing this and that. There is a guy I know who worked there who is now training to be a train driver and it was Michelin who arranged for all that.

They’ve not done anything for us. All these guys [offshore] have been highly taxed and they get nothing in return for it. Now the roughnecks and roustabouts, unskilled people, over the three weeks their wages (12 hour shifts for 21 days) are below minimum wage. They only did it for the three weeks off but now their wages are just pathetic and they have to take a 20% wage cut as well.

I am not really sure what the government could do, I’ve been trying to get a claim for stuff, but they say I have too many savings. I’m trying to get the new JSA but with the Jobcentre being closed I’ve got to do everything online, or they are phoning me but not catching me and I spend a whole morning on the phone again.”

The Scottish government don’t seem to have got involved in the oil industry at all, everything was done for that Michelin site – but there is nobody from the government here kicking up to say this isn’t right. There doesn’t even seem to be any figures, how many people have been made redundant because of this? I’m not seeing it anywhere.”

He goes on to explain how the downturn in oil and gas has affected him personally: “I had quite a big mortgage, I bought a house four years ago, and because I was 56 I had to take a high mortgage on it. I’ve had to sell my house, I couldn’t afford the mortgage with no job.

I was fortunate to sell my house quickly, and I’ve moved back in with my mother until things pick up. I don’t know if the Jobcentre would count this as savings, I hope they don’t because I’d like to use it to buy another house if things ever pick up and I get a job again. (The downturn) has hit me quite bad, it is worrying but like I say, luckily I have my mother. The whole Covid-19 thing is worrying on top of all this, it’s been a bad time for me I must admit, a horrendous time.”

As a basically seasonal worker who has been unable to work this year, it’s unlikely I will have employment until 2021. The government should be providing some sort of financial assistance.”

“Covid is not the crisis, the oil price from other factors is. The government has enough on its hands, it only has so much money. The multibillion dollar oil companies should take a small hit since they have used UK waters to earn so much money.”

“If the government had an oil fund it could be used to retain experienced people in the industry and it would make it safer. The industry is in total shambles.”

Major investment and support is needed from all levels of government to help the people from the oil and gas industry retain and apply their skills to other industries so that they can support their families and communities.”

These are just snippets of opinions offshore workers hold about government support and regulation, but illustrate the main takeaway: that government at all levels is failing to support oil and gas workers during this time of crisis, from financial, regulatory and development perspectives.

Key survey result:
The absence of protection has major implications for safety. The industry is in total shambles.
2.3 HEALTH AND SAFETY

Working offshore can be dangerous, and there have been a number of health and safety disasters over the years. We asked workers about their level of satisfaction with health and safety to better understand how workers felt about their situation offshore.

Key survey result:
- 3.36 out of 5 on satisfaction with health and safety standards, with the most common response being ‘3’.

Broken down via union and non-union members:
- Non-unionised workers: 3.46 out of 5 on satisfaction with health and safety standards.
- Unionised workers: 3.2 out of 5 on satisfaction with health and safety standards.

A survey score of 3.36 reflects a feeling from the respondents that they are neither totally satisfied nor totally dissatisfied with health and safety offshore. This is a surprising result, considering the volume of accidents or close calls that interviewees referenced in written contributions.

It is possible that workers have normalised the health and safety standards offshore. The idea of desensitisation is perhaps corroborated by the difference between union and non-union results. Union members, almost certainly have more exposure to information about safety issues and are more likely to know when their rights are not being upheld.

To aid in understanding the survey result, we spoke with Jake Molloy, regional organiser of the RMT, Maritime and Transport Union Offshore Industry Liaison Committee (RMT-OILC) and chairman of the Offshore Coordinating Group, who describes an environment that was built on silence and suppression.

To illustrate, Jake recalls an incident in the southern North Sea. A couple of years ago, RMT-OILC discovered a group of 12 men staying for a fortnight on what should have been an unmanned gas installation. There were eight men working a 12-hour shift, six beds, and in one room with a fridge, television and washing machine. The union contacted the Health and Safety Executive (HSE) and the workers panicked, fearing they’d be fired for speaking out.

Jake Molloy has worked in the industry for several decades. He worked in the industry back in 2003 when two oil workers, Sean McCue (22) and Keith Moncreiffe (40) died on the Brent Bravo rig. They went down one of the rig legs to check on a leak in a two-inch diameter pipe and liquid poured out, dropping through the gratings below their feet and turning back into gas, engulfing them in a mushroom cloud and asphyxiating them almost instantly. Shell was fined £600,000 after pleading guilty to safety lapses following the accident in which Sean and Keith lost their lives.

With Covid-19, an environment of suppression is particularly worrisome with the workforce pared down to the bare minimum. As Jake describes, the main workers made redundant this year have been fabric maintenance workers like welders, platers, riggers, scaffolders and painters. This could cause rig maintenance – including the washing, buffing, painting, and steel working – and day to day activities – like replacing steel gatings or light fittings – to be neglected.

One survey respondent noted: “Oil companies are supposed to carry out yearly inspections on platforms. But as soon as the price of oil goes down they cancel most inspections.” Industry claims they are at least completing the things that qualify as “safety critical” like maintaining blowdown systems and pressure release valves, but there are reports that call this into question.

In August 2020, Jake was contacted by a member who said they are only testing one valve on his installation, and then extrapolating that the rest are safe, rather than testing and stripping down every valve as recommended by HSE. The workers are acting under instruction from the oil company operating the installation, which has told them to leak test one valve and, if gas isn’t passing, assume the rest are functioning properly. In order to investigate, HSE required the member to submit a complaint, which would put them at risk of being sacked.

A clear obstacle to proper health and safety stems from how HSE is set up, with “goal-setting” led by industry rather than prescriptive regulations. This system has faced criticism, including that the regime has been manipulated by employers – with changes benefiting oil companies and limiting the role for organised labour.

An International Labour Organisation review into the UK’s oil and gas industry also stressed that “workforce involvement should be central to the development of an effective safety culture.” Despite this, no formal role for trade unions in safety committees has been specified. This is contrasted with Norway, where trade union representatives hold a compulsory role.

The survey response implies a relative ambivalence, yet the reports shared by workers included numerous deeply concerning health and safety breaches or near misses. It is certain that the current regulatory regime prevents unions from actively participating in health and safety checks, silences workers, and leaves regulatory standards up to industry discretion.

In the face of the largest price drop in the North Sea’s history, health and safety standards must not be left up to an industry pursuing cost cutting and profit maximisation.

2.4 WORKING CONDITIONS

To understand working conditions in the industry and respondents’ relative satisfaction, we asked them to rank their happiness on a scale of 1 (very unhappy) to 5 (very happy) in job security, pay and their workload and hours.

Key survey results:
- Q: How happy are you with:
  - Job security: 1.9 average
  - Pay: 2.9 average
  - Workload and hours: 2.8 average

The results for job security reflect the current volatile nature of the industry, with respondents having an average of 1.9 out of 5 and the majority of respondents (51.7%) choosing 1 out of 5 as their satisfaction rating. This finding is corroborated by a survey by Unite in 2019 where 627 members responded from various companies and 55% said their employment is either “insecure or precarious.”

For pay, satisfaction sits at 2.9 out of 5 as an average, with only 11% of respondents characterising themselves as “very happy” with their pay.

For workload and hours, the average satisfaction was 2.8 out of 5 and only 6% listed themselves as “very happy”, with 18% listing themselves as “very unhappy”.

In further conversation with survey respondents, there was a strong feeling that terms and conditions had worsened with repeated references to changes to IR35 and the status of contractors offshore.

One survey respondent described how: “As I was self employed prior to April, the company put me on a PAYE contract even though the government delayed its implementation of the IR35 rule. Consequently I now earn less, have to pay for all my courses out of my wages, and I have no employee safeguards or protection. It seems the oil companies have got away with everything but the workforce gets hammered.”

[For the vast majority of my life] I have been in a self-employed position but my company would have paid for the courses, travel expenses etc. This is no longer the case but the oil company still benefits from my 30 years experience acting on their behalf. I took a 20% wage cut in the last downturn and have had nothing back from that. Now being on PAYE it’s almost another 20% cut, yet I still act as their representative on the rig. The way the industry is treating their workers, especially those in a situation similar to mine, is an absolute disgrace and should not be allowed to happen. A union won’t stop this, it needs government intervention to hold these companies to account in the way they are treating the entire workforce.”
Section 2: Life in the Oil and Gas Industry

2.5 Demand of the Workforce: A Jobs Guarantee

Respondents to the survey were asked to consider whether a job guarantee scheme should be put in place for their sector to support workers who have suffered the economic impacts of Covid-19. To contextualise the demand for a jobs guarantee, we also asked respondents how concerned they were about a range of social issues, including employment, on a scale from 1 (not at all) to 5 (a lot).

**Key survey result:**
- 4.2 out of 5 average for concern about employment
- 67.3% believe there should be a job guarantee

Evidently, there is a high level concern about employment and job security within the oil and gas sector. 57.5% of respondents listed their concern about employment as 5 out of 5, with an average of 4.2 overall. For a significant majority, this concern translates into a demand for a jobs guarantee for people who are out of work. 67.3% responded “yes” to the question “Do you think the government should offer a job guarantee scheme as part of Covid-19 recovery?” with 19.4% responding “I don’t know” and only 13.4% responding “no.”

The idea of a jobs guarantee is to offer a baseline of financial stability to citizens and communities in periods of economic shock or recession, with the aim to create full employment and price stability by having the state promise to hire unemployed workers as an employer of last resort. The case for a jobs guarantee has been made across political parties, academia and by various trade unions. A scheme targeting young people was introduced in the UK in 2009 and made economic savings worth half its cost. The UK’s Trades Union Congress calls for a jobs guarantee for those under-25 after three months without employment, and for those over-25 after six months without employment. Currently, political debates regarding potential Covid-19 recovery packages must consider the medium and longer-term pathways for workers in different sectors. In oil and gas, suitable job guarantees should be created alongside policies to facilitate the energy transition and deliver on Scottish and UK government domestic and international climate objectives. Stop-gaps that commit oil and gas workers to further boom and bust cycles simply won’t cut it anymore: future support for workers and communities during Covid-19 and the energy transition need to be built hand-in-hand.

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**Case Study**

**Norway’s North Sea**

To compare the terms and conditions of workers offshore, it is most useful to look to Norway. Thousands of British oil workers every year cross an imaginary line to platforms just 20 miles away and enter a relatively different world. Workers in Norway are in the same sea doing the same jobs with the same companies, yet they are treated completely differently.

The difference between regulations in the UK and Norway are most easily summarised by “life, rest and pay.”

- **Life:** Living standards offshore are substantially higher in Norway. In the UK, oil companies over the past eight or so years have started to squeeze workers even harder in terms of standards offshore. They went from two man cabins to putting an extra bunk in cabin rooms and calling it a 2+1. This means that workers off shift never have private space or time. In Norway, they operate on a one in, one out system, where workers have private cabins off shift.
- **Rest:** The most common rota in the UK is currently three weeks on, three weeks off. In Norway, the most common is two weeks on, four weeks off. This is partially because Norway regulates the maximum number of hours you can work offshore.
- **Pay:** In the UK, as we have illustrated, pay fluctuations based on the boom and bust cycle of the industry. In Norway, pay negotiations are done between all of the trade unions and the oil companies. They are done biannually and they set a rate under which no operator or contractor can work on the Norwegian Continental Shelf.

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**Case Study**

**Matt**

*Job Title: Drilling Safety Advisor*

**Age:** 38

**No Employment Rights Means No Job Security**

Matt has worked in the oil industry for almost 13 years. He has a partner and two children and lives in Aberdeen. He started off as an employee for a drilling contractor. He explains: “The company didn’t pay the best, but they didn’t lay people off, it looked after its staff. But when the company grew, things began to change. You became a number rather than an individual.” Matt describes how he witnessed the rise in contract work and people being forced to take massive employment risks.

The industry has become more and more divided between employed and contracted workers, many of whom are on zero-hours contracts only, which offer no security or training assistance. Working as self-employed or off payroll (IR35) leaves another subset of workers without employment rights or benefits in the sector. The glaring risks of this employment structure are anecdotally playing out to extremes in the sector.

Matt reported: “Since the IR35 tax break, there’s a difference between a contractor that works for a company and someone who isn’t an employee – because the companies don’t want the risk. I’ve gone to agencies who employ contractors as staff, and have had to go back as an independent contractor and take a 25% pay cut. This is happening on a wide scale. It’s very attractive to companies because they don’t have to take on the risks of employees. I fear in the long term that IR35s will allow for companies to get rid of workers whenever they want. They have zero risk, they can take on 150 guys and then get rid of 150 guys 6 months later.”

Now, he says: “There are a few companies that have actual offshore staff, everyone is an agency worker.” Matt became self-employed and works for a large oil company now. He made the move because “the money was life changing money. It allowed me to pay my mortgage, save for the future and take care of my kids. But now I carry the risk of what I say and do. I have no employment rights as a limited company. I have to pay for my own training and everything else, which used to be covered by my employer.”

On top of that, he has been “hearing from other contractors that workers in the UK have been furloughed or laid off, while the company brings in migrant workers to do the work cheaper.” Matt adds that he is “very pro-immigration, but it is all structure are anecdotally playing out to extremes in the sector.

In terms of the effect of Covid-19 and the severe impacts of the situation, Matt has heard of “several people killing themselves because of the uncertainty.” He reads a lot about developments in energy technology and explains how he is “concerned about myself and my family. I ask myself if we can taper off smoothly. I believe a transition will happen”.

**Key survey result:**
- 67.3% respondents listed their concern about employment as 5 out of 5, with an average of 4.2 overall.
- For a significant majority, this concern translates into a demand for a jobs guarantee for people who are out of work. 67.3% responded “yes” to the question “Do you think the government should offer a job guarantee scheme as part of Covid-19 recovery?” with 19.4% responding “I don’t know” and only 13.4% responding “no.”

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**Q: Do you think the government should offer a jobs guarantee as part of Covid-19 recovery?**

![Pie chart showing the distribution of responses to the question.](chart.png)
SECTION 3: WILLINGNESS TO TRANSITION

Given the volatility of the oil and gas industry and the variety of concerns related to working conditions, there are a lot of reasons why workers would want to get out of the industry. This was true even before governments and society began to make changes to tackle the climate emergency facing us all.

In this dual context, the pressing question is how workers feel about the changes ahead as part of the energy transition. This includes what they’d like to see happen, but also whether they feel supported and heard by decision-makers. Their responses made it clear that there is a huge appetite for jobs in alternative and renewable energy technologies, and that the industry is buzzing with people full of skills and ideas. Whether their experience and needs are being taken into consideration in policy development, however, is the glaring issue facing the transition process.

3.1 OFFSHORE WORKERS HAVE A HUGE APPETITE FOR SOMETHING DIFFERENT

When asked: “Would you consider moving to a job outside of the oil and gas industry?” the vast majority of offshore workers were interested in leaving the industry.

Key result:
- 81.7% said they would consider moving to a job outside of the oil and gas industry. 10% didn’t know and 7% said no.

The fact that a huge majority of workers are interested in leaving the industry speaks volumes about the stability and future of oil and gas. There are of course a multitude of reasons why anyone would consider changing jobs, but it is clear that the offshore workforce is willing to make large lifestyle changes given the opportunity.

In case studies and written responses, the vast majority of offshore workers state that they are fed up with the lack of security, decreasing employment rights and hostile conditions.

The three main reasons listed by those who said “No” to moving to a job outside of the oil and gas industry and the offshore industry has been allowed to descend into a race to the bottom particularly where it could lead to a greater degree of security. Where the offshore industry has been allowed to descend into a race to the bottom on terms and conditions, there is an opportunity to build something different in the clean energy industry. However, as illustrated in the Scottish Trades Union Congress (STUC) report “Broken Promises and Offshored Jobs”, a lack of government action has meant a failure to capture the full jobs and economic potential in the growth of the renewables sector so far.

3.2 MIRRORING THE CONCERNS WITH CURRENT ROLES IN THE OIL AND GAS INDUSTRY

After asking whether respondents would be interested in transitioning, it was crucial to understand what workers prioritised in considering a new role in an alternative industry. To understand these priorities, respondents were asked to rank job security, pay, similar work schedule, health and safety regulations, and work schedule.

Q: In considering moving to a job outside of the oil and gas industry and/or your industry changing please rank what is most important to you.

Key result:
- Pay: 21%
- Similar work schedule: 11%
- Health & safety regulations: 5%
- Similar location: 2%
- Job security: 58%

Consistent with our Section 2 findings that the least satisfactory element of current terms and conditions was job security, the biggest priority for moving to an alternative industry was also found to be job security. There is a palpable exhaustion with the precarious nature of work in offshore oil and gas. The 58% of people selecting job security as their most important concern is a significant distance from the second most popular option for this question: Pay, at 21%.

These survey results convey a clear appetite to move beyond oil and gas, particularly where it could lead to a greater degree of security. Where the offshore industry has been allowed to descend into a race to the bottom on terms and conditions, there is an opportunity to build something different in the clean energy industry.

In case studies and written responses, the vast majority of offshore workers state that they are fed up with the lack of security, decreasing employment rights and hostile conditions.
SEARCHING FOR AN INDUSTRY THAT ISN’T IN DECLINE

Steve lives in Stonehaven, Aberdeenshire with his three children. He has worked in the oil and gas industry for 24 years. Steve has recently considered moving into renewables and has a few reasons why he thinks this would be a good career change.

“I think the reasons are multifaceted — moving into renewables is something to feel good about. There is a part of renewables that makes you feel good. Like the targets of the 2045 contribution, it would be an achievement in my working life and mean a lot to me. Also, like anybody, I want to have fairly secure employment for the remainder of my working life and that’s just not going to be viable in the oil and gas industry.

2016 took a huge toll and it’s just coming back and it feels like we are just repeating it. They’ve cut out all of the duplication and eliminated anything that was unnecessary in the organisations, I don’t see how you can do that again personally — current cuts have to have a consequence. You have to sacrifice quality, maintenance or the level of engineering — you are now going to have to alter criteria standards, they must if they are going to save money now.

I just think it’s a better work environment out of the oil and gas industry, it’s always boom and bust to some degree but the last five years have not been a pleasant environment to work in — that’s five years of mental toil. To be in an industry that’s growing, versus one that’s declining, that’s really what it’s all about to me. The way people are with each other, the whole spirit, I assume will be very different because I remember what the oil and gas industry was like when I joined compared to what it was like at the end. I’d like to see the renewables industry blow up and become something we can be proud of and have it pick up some of the slack of the decline of oil and gas.”

Steve has recently considered moving into renewables and has a few reasons why he thinks this would be a good career move.

**CASE STUDY**

**PSYLDONYM: STEVE**

**AGE: 43**

**JOB TITLE: INFORMATION MANAGEMENT LEAD**

3.3 WHICH SECTORS WOULD YOU PREFER TO MOVE TO?

The intention of this question was to capture a deeper sense of which alternative sectors currently interest workers. Survey respondents were offered a list of ten fields of work to select, choosing as many as they liked. Each percentage is therefore out of the whole, rather than representing a prioritisation.

Q: If you could receive training or education to help you move to a new part of the energy sector, what education or skills training would you be interested in?

- Offshore wind 53%
- Renewables 51%
- Rig decommissioning 38%
- Carbon capture and storage 26%
- Non-energy sector 20%

The other sectors offered to select from which received smaller uptake were: Solar installation (19%), geothermal technologies (18%), battery technologies (16%), transport (15%), electrical engineering (13%) and other (2%).

The results show a broad interest in a range of sectors, mostly related to energy but some broadening out further. There is evidently a lot of interest in renewables and offshore wind in particular, which aligns with the closest overlap in skills between the industries. But there is also significant qualitative evidence to suggest that, despite attempts by individual workers to transition, the conditions present multiple challenges, many of which could be overcome through better government intervention.

Although carbon capture and storage (CCS) is highly touted by OGUK and the Oil and Gas Technology Centre (OGTC), it appears workers are less convinced that a technology that is still unproven at scale will address their pressing employment needs – a concern shared in the recent report of the UK Climate Assembly.

In written responses, some workers referenced CCS as a potential decarbonisation route for oil and gas, but predominantly with caveats such as: “CCS and Hydrogen, with offshore wind to produce clean hydrogen” or “CCS technologies exist to some extent but they are still unrealistic to be applied on a large scale. They are too expensive to be justified.” One interviewee noted the self-interest in promoting carbon storage as a method of reducing emissions, saying: “It’s oil and gas only hope!” i.e. CCS is the only way the industry can justify continuing business as usual rather than facing up to the urgent need to reduce emissions by cutting production of fossil fuels.

The interest in rig decommissioning is significant, as it is a necessary aspect of phasing-down oil and gas extraction. Responsibility for decommissioning has been debated since the 1960s. For decades, oil companies lobbied to make the state pay but it wasn’t until the 2008 global financial crisis and the fall in oil prices in 2010 that Chancellor George Osborne agreed for the state to pay almost half of the estimated £60bn cost. The state’s caveat was to offer the funds as tax deductions applicable only once the decommissioning work was in progress or completed.

The government has committed significant financial support for companies’ costs yet there is no support for the wider repercussions of decommissioning and phasing-down the sector. This area presents an obvious opportunity for policy change.

The experience of workers attempting to switch from offshore oil to wind highlights the barriers to alternative employment. As one interviewee explained: “At my last job in Thurso, Scotland, our safety guy had worked in oil for 15-20 years. He applied for a job on the Beatrice wind farm and it was going to be offshore. He was told he’d have to do the offshore survival course for wind. If he wanted the job he would have to spend at least £1,000 for offshore wind qualifications, but the main theory behind offshore survival is surviving a helicopter crash, and it’s the same helicopter if you are going offshore to a wind turbine or an oil rig. Even a half day conversion course would be better, because as it stands it’s perceived as a money-making scam.”

The move to push the burden of paying for certifications onto workers is happening across the offshore oil, gas and wind industries. Urgent government regulation is required to prevent both industries from offloading training costs onto workers and the further growth of exploitative certification companies. The UK government has the opportunity to benefit from skilled workers entering the renewables industry if they streamline certification qualifications.

Q: If you could receive training or education to help you move to a new part of the energy sector, what education or skills training would you be interested in?
BUYING A TICKET TO EMPLOYMENT IN OFFSHORE WIND

Mark, an electrical technician from Tyne and Wear, reported that although he had maintained employment through the oil price crash of 2014, he lost a whole line-up of jobs to the pandemic, during which he “just about managed on minimum wage furlough”.

He explains: “I first thought, I’ve had it with oil and gas. Boom and bust and too many busts.” He wanted to start to build alternative employment pathways for himself and so paid for his own Global Wind Organisation (GWO) training, which involves an introduction to offshore wind, sea survival, essentially all basic safety and technical training “which I didn’t need because of my electrical background anyway.”

Despite registering with various agencies, no jobs in offshore wind presented themselves, but one more in oil and gas did so he took it. He remains uncertain about what the future holds however, saying: “I can’t say never and it might recover once the price rises, but [oil and gas] won’t go back to pre-2014. Oil and gas is a shrinking industry, less platforms means less jobs.”

Mark sees a clear role for the government in offering support and opportunities. “What the sector needs is skills direction – there’s a lot of trades that could slot immediately into a wind farm and there are people who are really capable of progressing in wind power. Workers in mechanical, electrical, project management and so on will have no problem fitting in. The skills are just right. The government should offer grants as they do for people coming out of the military. Renewables is getting bigger and it’s going to be here to stay.”

3.4 RE-IMAGINING GOVERNMENT SUPPORT

Offshore workers understand what knowledge and skills they possess and are best placed to determine what transition support is needed. Their intimate understanding of offshore work and how it is similar to or differs from renewable energy is unparalleled. This is precisely why any government action to support workers through an energy transition should be drawing directly from the insights workers possess.

While there is significant interest in the alternative industries listed above, many workers expressed a lack of opportunities and presented suggestions for policy changes that could improve the situation. One interviewee comments: “I worked in Norway for a year and you’d never see a Norwegian project built anywhere other than in Norway. They want to support the economy so they insist the work is carried out there. In Scotland, they’ll build jackets overseas and ship them by barge, where they arrive in the global yard in Nigg [Cromarty Firth marine facility] that has been building those things for 40 years. They try to say it’s good news for Nigg but it’s crutches. It’s almost rubbing their face in it by using their yards to store them until they can go offshore.”

Another explains: “I think there should be an active programme to retrain and reskill people, there’s a duty of care for all those people who are involved to turn their hand – could be renewables or anything else – but there needs to be an active programme to find related disciplines to help those people transition. Programmes for people in the industry should be free or at least accessible. Education is an expensive activity, it could help people to be in a better place in four or five years, but it requires funding and an aspect of it is to find related needs in other industries that people could move across to with some training.”

We asked for written responses to the question: What could the government at any level do to help you if the oil and gas industry doesn’t recover from the current crisis?

We were interested in why workers felt supported or unsupported by the government at all levels. The survey results clearly indicated that workers were unsatisfied with government support, but it is useful to understand exactly what they wish the government would provide.

The overwhelming majority of workers asked for some form of training, support to leave the industry or investment in renewables. Other prevalent themes included a need to invest in decommissioning, financial support and local supply chains. Here is a selection of their responses.

“A fund to help retrain or help in securing employment. I have worked through a few downturns and it is always the same, offshore workers get forgotten about.”

“Help redundant oil and gas workers gain new skills to get work away from the oil industry as it’s not a stable industry and hasn’t been for years now it’s all cuts cuts cuts.”

“Offer courses either free or heavily subsidised, unlike the last downturn in oil and gas where it was an absolute nightmare to get funding for retraining, they made it so difficult and unrealistic that the local governments basically piffered the funds for themselves. They should offer better rates than what is given from the completely useless and proven to be absolutely absurd! Universal Credit. Nobody can survive on that.”

“Offer training to allow skills to be transferred from oil and gas to renewables sectors. Invest heavily in renewables. Encourage children, students, graduates away from an unsustainable oil and gas sector and into renewables. As Scotland has huge wind/wave/hydro resources we must become a front runner in the global renewables sector.”

“Retrain while keeping a livable wage. Last time there was a slump in oil prices there was opportunity to retrain but it was near impossible to navigate the red tape to get access to the training.”

“We need retraining and a job at the end of it. I can’t get any work, I was an agency worker so I get no money or help whilst not working. I have to use the money I have previously earned to live. I can’t claim one single penny from the government, it’s soul destroying. I’m 52 years old and I feel my life is finished already.”

“Offer retraining. Support Aberdeen and the local economy to transition into alternative energy. £60m for a transition fund just brings more meetings and no action.”

“I have now been off work for 14 weeks and I have not received a penny due to me being employed by an agency. They have just ended my contract and hung me out to dry. I do not fall into any category for receiving any payment from anywhere.”

“I’m a software engineer living in Aberdeen dying to move out of the oil industry and hasn’t been for years.”

EXPLORING THE FUTURE OF RENEWABLE ENERGY

Tom lives with his partner in Angus, Scotland and has worked in the oil and gas industry for 25 years. He considers himself an environmentalist which he realises “is a bit off for someone working in oil and gas” but explains how “it is what has driven me to look for alternative work.” He explains what moving out of oil and gas looks like for him.

“People who are working in oil and gas are getting the message now [that we are in decline] and you’ve got to have an eye on what is required to run the country. Up until now we’ve been quite reliant on oil and gas for transport, heating and generation of electricity and obviously that’s going to have to change. I am a Tory voter but I think that kind of idea is ideal for what we have at the moment. We have a lot of people that would potentially want to retrain as they recognise that oil and gas is declining.”

Tom has done lengthy research on his own about batteries, biomass and tidal energy. He spoke a lot about renewables projects he has been involved in.

“If we want to look at training people towards understanding how we maintain our planet, it’s really important that people understand that there are ideas out there that are fantastic. But of course, not all of them are that sustainable, including biomass. I’m interested in a degree in tidal generation, mostly because we live near Montrose and there’s a three square mile basin that fills with seawater everyday, it’s what you’d call an enclosed estuary for the North Esk river. It empties and fills twice a day and I can’t help but think ‘surely we could be taking advantage of that’. The amount of rivers around the UK including the Severn, there’s just a huge tidal influx across the UK. That’s what I’d like to base my research on for my degree. We’ve got no infrastructure for tidal, it needs a lot of investment to see if it’s viable.”

CASE STUDY

NAME: MARK
AGE: 44
JOB TITLE: ELECTRICAL TECHNICIAN

CASE STUDY

NAME: TOM
AGE: 53
JOB TITLE: SENIOR DESIGN ENGINEER
SECTION 4: RECOMMENDATIONS AND CALL TO ACTION

4.1 RECOMMENDATIONS

Workers in the oil and gas sector are well-informed and keen to express their views on conditions within the industry and how to build a future run on renewable energy, but their knowledge and expertise is untapped. Workers are willing to retrain and move to new sectors. They are open to change and job security is their biggest concern. They want secure and well-paid work that makes use of their skills and experience.

The UK and Scottish governments have policies and ambitions on climate, green recovery and “levelling up” or investing in regions where jobs and economies are built around manufacturing and industry. Oil and gas workers are the potential champions to deliver on these objectives and the experiences, demands and recommendations from workers themselves must be at the heart of policy-making. The historic mistreatment of workers by predatory business in oil and gas has left them feeling disillusioned and open to transitioning to a new industry with a more secure and prosperous future. Given the skills and experience of the current energy workforce, ensuring good working conditions and pathways into the renewables industry is in the interests of the government.

Our report indicates that morale is low amongst the oil and gas workforce. They feel neglected and unheard – in the past and in the context of the current crisis. Mismanagement is widespread across the industry, with a lack of government regulation resulting in decommissioning and manufacturing contracts being lost overseas, training costs being borne by the workforce and exploitative certification regimes.

In order to build a more sustainable, just society and an equitable energy transition, any substantial decision-making must centre those affected by policy outcomes. To meet this ambition, we call on the government to consult with and defer to impacted workforces when building transition policy. By beginning to consult with a representative section of the oil and gas industry through this survey and its case studies, we hope to offer some initial indications of where this kind of approach could lead, building on firm foundations to enable a fair and worker-led energy transition.

Given the findings of this survey, Platform, Friends of the Earth Scotland and Greenpeace make the following recommendations:

1. The skills and experiences of oil and gas workers are essential to deliver an equitable and rapid transition to renewable energy. This requires engaging a representative section of the workforce in participatory policy-making, where workers are able to help determine policy, in addition to engagement with trade unions. The rhetoric of a just transition means nothing if impacted workers are not at the heart of shaping policies that affect their livelihoods and communities. It is the only means to ensure no harm to communities currently dependent on high-carbon industries.

To harness the skills and experiences of oil and gas workers have to offer in supporting the renewables transition, policy development must be accountable to workers and communities, who must be involved in shaping and determining the transition to a zero-carbon energy sector. Participation by the workforce for the duration of the transition is integral to its success.

This requires:

- All government Secretaries, Ministers, parliamentary committees, and public bodies involved in the energy transition committing to this process. The most pressing include the UK Secretary of State for Business, Energy and Industrial Strategy, UK Energy Minister, Scotland’s Energy, Connectivity and Islands Minister, Scotland’s Cabinet Secretary for the Environment, Climate Change and Land Reform, Cabinet Secretary for Economy, Fair Work and Culture, the UK Environmental Audit Committee, and the UK Business, Energy and Industrial Strategy Committee, the Scottish Just Transition Commission, and the Oil and Gas Authority.

- We invite the aforementioned government Secretaries, Ministers, parliamentary committees and public bodies to begin this process of participatory policy-making by meeting with this survey’s pool of respondents.

2. Improve job security and working conditions for workers in the oil and gas sector, to boost morale, improve quality of life and mitigate the risk of workers leaving the energy sector altogether.

Immediate government regulation and intervention is required to resolve workers’ concerns. Any government intervention, whether the North Sea Energy Transition Deal or other Covid-19 support, must allocate funds to workers affected by the energy transition. These measures must prioritise people over private profit. This incorporates:

- Creating a jobs guarantee throughout the pandemic and the energy transition.
Strengthening employment rights by negotiating and enforcing an industry baseline on pay, terms and conditions with workers and their trade unions, learning from the Norwegian example and addressing issues such as IR35, zero-hours contracts and conditions offshore.

Creating a new health and safety regime with a compulsory role for trade unions and mandatory standards enforced by the Health and Safety Executive.

Repealing the Trade Union Act 2016 and other anti-union legislation that prevents workers from organising and creating and enforcing collective bargaining agreements.

In addition to the above, any sector deal, Covid-19 support and recovery measures must comply with Scottish, UK and international climate change commitments and obligations.

3. Address barriers to entry and conditions within the renewables industry, including creating sufficient job opportunities, to harness the skills of oil and gas workers and enable an equitable and rapid energy transition.

A transition to renewable energy is an opportunity to build an energy sector that works for everyone. This includes ensuring that UK offshore wind is a thriving industry, seen to be a desirable destination for energy workers. In turn that means addressing barriers to entry, working conditions, and increasing secure job opportunities within the industry. We call for government to:

- Standardise certification for offshore work across oil and wind, allowing workers to move more easily between the industries.
- Build and fund a skills and retraining programme in consultation with oil and gas workers to ensure targeted support for a smooth transition to jobs within the clean energy sector and a living wage for workers during retraining.
- Strengthen employment rights by negotiating and enforcing an industry baseline on pay, terms and conditions with workers and their trade unions.
- A comprehensive regulatory regime to guarantee the safe decommissioning of oil and gas infrastructure in the transition, with a requirement for quality jobs locally.
- Give priority to offshore wind use of the seabed, ahead of oil and gas extraction, and require the Crown Estate and Crown Estate Scotland to designate more seabed for appropriately sited offshore wind than currently proposed, with a requirement for quality jobs locally.
- Update the Offshore Wind Sector Deal to unblock policy bottlenecks, including direct government investment to expand and improve docks and fabrication yards across the UK, particularly along the North East and Scottish coastlines, and in South Wales as floating offshore wind develops (without such development we may end up with too few ports large enough for the next generation of turbines), with a requirement for quality jobs locally.
- Establish publicly-owned energy companies in Scotland and the UK to drive new renewable energy generation, creating secure and sustainable work and prioritising the domestic supply chain.

4.2 CALL TO ACTION

Top-down support from the government will not be sufficient. Organising together is vital to assert workers’ voices at the core of the energy transition and control over their working conditions. It is the very power-relation between workers and employers that needs to change. It is not fair for workers’ lives and livelihoods to be constantly put on the line only to enable a multi-billion pound industry to stay uncompromising in its maximisation of profits.

To support this shift in power balance towards increased workers’ control, a just transition requires the resurgence of rank and file trade union organising. Building safe and secure working conditions will require an organised workforce prepared to take action.

We also believe that the environmental movement has a responsibility to take into account the effect its demands have on workers and to build solidarity with the labour movement. Strengthening this relationship will contribute to both a shift in power and campaigns toward a vision of climate justice that take care of everyone.

The global oil and gas industry is responsible for devastating harm to lives, livelihoods and ecologies around the world. The current deference to industry interests in transition consultation prioritises private profit over peoples livelihoods and risks the future of our planet. In our view, legitimate stakeholders in a just energy transition include the workers and their trade unions, impacted communities and environmentalists.

Our call to action:

There is no just transition if it is not worker-led. Following the completion of this survey, Platform, Friends of the Earth Scotland and Greenpeace will be running a participatory consultation of oil and gas workers across the UK. Workshops will enable energy workers to draft policy demands for a transition that works for them, and a renewables industry they want to work in.

We welcome any energy workers, union branches, local communities, environmental groups or other stakeholders to get involved.
Endnotes


3. In the maritime industry, a group of six companies that control the chartering of the majority of oil tankers worldwide are together referred to as “Oil Majors.” These are: Royal Dutch Shell, BP, ExxonMobil, Chevron, Total and ConocoPhillips.


5. There is no single definition of a mature oil field however it is generally understood to be a field where production has peaked and is in the phase of decline. In the maritime industry, a group of six companies that control the chartering of the majority of oil tankers worldwide are together referred to as “Oil Majors.” These are: Royal Dutch Shell, BP, ExxonMobil, Chevron, Total and ConocoPhillips.


8. Brent crude is one of three major oil pricing benchmarks. It is the standard oil pricing benchmark of the North Sea oilfields.


10. OPEC is an Organisation of 13 oil-exporting developing nations that co-ordinates and unifies the petroleum policies of its Member Countries.

11. Anjali Raval, Coronavirus: why oil companies are struggling to survive, Financial Times, 14 July 2020, https://www.ft.com/video/80203000-3111-4b2a-ad86-655909e84d4a


26. The Health and Safety Executive is an independent regulator that aims to prevent work-related death, injury and ill health. It was officially established in 1975 and took responsibility for safety offshore based on the findings of a major review, the Cullen Report, prompted by the Piper Alpha Disaster in 1998.


32. John Layard, How a job guarantee scheme can avoid the slide into long-term unemployment, 21 May 2020, LSIE blog, https://blogs.lsie.ac.uk/loi/2020/05/21/john-layard-how-a-job-guarantee-scheme-can-avoid-the-slide-into-long-term-unemployment/


35. Platform, Oil Change International and Friends of the Earth Scotland, Sea Change: Climate Emergency, Jobs and Managing the Phase-Out of UK Oil and Gas Extraction, May 2019, pp.33