

**Funding a Just Transition for Oil & Gas Workers:  
Press & Political Briefing ahead of the 2024 Autumn Statement**

The transition away from oil and gas in the North Sea is already happening. As a mature basin and after 50 years of drilling, its reserves are in decline. Jobs supported by the oil and gas industry in the UK have [halved](#) over the past decade, with some 227,000 jobs lost since 2013. This is despite the previous government issuing roughly 400 new drilling licences and continuing to develop new fields over the same period and companies seeing record breaking profits.

A privatised renewables industry, replicating the structure of the oil and gas industry, will not deliver an energy system that creates good, secure jobs whilst providing affordable, clean energy.

We need a new approach. The UK government has the opportunity to secure a just energy transition that centres the workers and communities who are currently dependent on the oil and gas industry, and whose skills and expertise will help propel the UK government's mission to “make Britain a clean energy superpower”. This will ensure affected workers and communities not only survive the transition, but thrive from the opportunities that it provides.

As the Labour government invests in the renewable energy industry to build towards its 2030 Clean Power target, green groups - with the support of unions - are united in calling for funds to be ring-fenced to support high-carbon energy workers to transfer their valuable skills into the growing clean energy industry.

So far, many workers and communities have yet to benefit from the transition to renewable energy. The rapid growth of the offshore wind industry has not created an [equivalent growth in jobs](#), in part because the [manufacturing work](#) is being done abroad. Meanwhile, the training regime is not fit for purpose: it is not standardised across energy industries, so workers cannot easily move between industries and they face the burden of completing multiple overlapping trainings, at extraordinary cost.

The government should allocate funds to directly address transition barriers in the energy sector. This includes investing in clean energy jobs for oil and gas workers, providing necessary training for their transition, and developing UK ports and construction yards. These efforts aim to revitalise local supply chains, create new job opportunities, and support entire communities as the energy industry evolves.

The government has a range of sources to allocate the public spending requirements: from borrowing-to-invest - so not constrained in the same way by the fiscal rules - in order to build [profitable green infrastructure projects](#), to wealth taxes or extending the windfall tax, or training levies on oil and gas companies to pay for transition training. The oil industry has benefited from tax loopholes for too long, and these must be closed in the upcoming Budget.

Oil companies rake in billions in profits, their CEOs take home millions in bonuses - it shouldn't be workers who lose out. Ring-fenced funding must be part of a broader worker-led plan to transition oil and gas workers including: a UK wide industrial strategy; expanded public ownership of energy production; a jobs guarantee; sectoral collective bargaining; and improvements in pay, rights and working conditions.

### Funds required to deliver a just transition for oil and gas workers:

Just Transition fund	Total public spend/yr	Reference	Jobs supported
Wind manufacturing - jobs creation	£1.1bn	<a href="#">Unite 2024</a>	25,000 in wind manufacturing and operations over 6 years (Unite estimate)
Port upgrades - jobs creation	£440mn (top-up to the £1.8bn already committed to total £4bn over 5 years)	<a href="#">Greenpeace 2023</a> and <a href="#">Floating Offshore Wind Taskforce 2023</a> (section 5: Ports and Supply Chain)	40,000 with investment over 5 years (FOWT estimate)
Training Fund	£355mn	<a href="#">Platform, FoES 2023</a> (p.29)	
<b>TOTAL</b>	£1.9bn		75,000

### Three opportunities for securing a just and fair transition

#### 1. Investment in offshore wind

- The UK has been world-leading in the rollout of offshore wind energy. However, this has not translated into equivalent successes in creating jobs or local economic prosperity. This is because the vast majority of Britain's offshore wind capacity is owned by companies outside the UK and the typical North Sea turbine contains more than [three times](#) as much material content from abroad as it does from domestic manufacturers.
- The manufacture and assembly of wind turbines is where the majority of job opportunities in wind are, not the operations or maintenance of wind farms. The government needs to invest in UK manufacturing capacity so that the rollout of wind that the Labour government has promised is done with UK content. Each additional [1% of UK content in the UK offshore energy industry could deliver around £275 million in spending and nearly 4,000 additional direct and indirect jobs in 2030.](#)
- One vehicle outlined by Labour for supply chain manufacturing is GB Energy, but in order to move away from the current model of privatisation and marketisation, we require a new mode of investment decision making – not mimicking private developers' approaches. This includes certainty of demand via a long-term pipeline of projects, coordination of resources, and the public developer not seeking lower per unit prices

through unsustainably low margins in their supply chain, exploitative labour practices, and defaulting to overseas procurement (as happens currently).

- We echo the calls from Unite the Union for the government to invest £1.1bn per year to develop permanent, local jobs in wind manufacturing. The government has pledged £500 million for the British Jobs Bonus, which has the potential to contribute to this funding, but we are waiting for clarity on the structure and regulations tied to these promised funds. With this first iteration of BJB, we are concerned by the primary goal being to incentivise businesses. Furthermore, BJB is only set to come into effect in 2026 and last for three years, which does not account for the speed or amount of funding we believe is required. Similarly, Great British Energy has the potential to deliver on manufacturing jobs, but requires significant market reform intervention to be successful.

## **2. Investment in UK ports**

- Crucial for the delivery of offshore wind are the UK's ports. However, chronic underinvestment means that the current port infrastructure is not set up to deliver the energy transition. Many don't have yards large enough for the fabrication and assembly required, which has undermined local content, domestic manufacturing and job creation.
- There is a need to rapidly invest in upgrading the UK's port infrastructure, making ports ready for the rollout of renewable energy to create hubs for good clean energy jobs.
- A crucial blocker is the private ownership of ports in the UK, unlike other European countries who hold significant public stakes in their ports. Private owners of ports or manufacturing sites will simply not invest in pre-emptive development, and will only upgrade when they already have signed contracts with offshore wind developers. The UK Infrastructure Bank must invest in and take equity stakes in more ports.
- The 'free ports' agenda must be scrapped, it is an approach that exempts ports from existing protections, weakens workers rights and jobs quality, undermines environmental protections and reduces community benefits. The "free" element of this programme is forecast to suck in economic activity that already exists or would have been created elsewhere, instead of boosting investment or creating new jobs in the UK.
- The government should commit further public investment and take equity stakes in ports as critical national infrastructure, and to ease pressure on supply chain bottlenecks. The [£1.8bn funding for ports in the National Wealth Fund](#) is a start, but it does not reach the £4bn needed according to the [Floating Offshore Wind Taskforce](#). To fill this gap, £440mn of further investment is needed each year, totalling an additional £2.2bn over five years.

## **3. Developing a training fund**

- As well as creating jobs through wind manufacturing and port upgrades, workers need to be supported with training requirements to transition into these clean energy jobs.
- The current training system is set up in the interests of training providers, not in the interests of workers or in the public interest. Workers face costly training barriers to switch between industries and no training schemes offer workers paid time off to retrain.
- Energy workers are demanding clear accessible pathways out of high carbon jobs. Retraining options should be accessible to every offshore worker, and funding must be put in place to provide paid time off to retrain. The costs of retraining workers should fall

on employers, or where this is not possible, on government. An Offshore Training Passport would assist workers to access jobs in both renewables and oil and gas.

- £710mn is needed in total, of which £355mn should come from the government and £355mn should come from industry. The government should extend the Windfall Tax on operators to fund its own contribution, and enforce the Training Levy on employers to cover the rest.

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