

Backbench Committee

Representations: Backbench Business

Tuesday 27 March 2018

Ordered by the House of Commons to be published on 27 March 2018.

Watch the meeting

Members present: Ian Mearns (Chair); Bob Blackman; Patricia Gibson; Nigel Mills; Alex Sobel; Mr William Wragg.

Questions 1-7

Representations made

[I](#): Colin Clark, Peter Aldous, and Andrew Bowie.

Written evidence from witnesses:

– [Add names of witnesses and hyperlink to submissions]

Colin Clark, Peter Aldous and **Andrew Bowie** made representations.

Q1 **Chair:** Good afternoon. Welcome to the Backbench Business Committee. This is the first meeting for our new member, Nigel Mills, who has just had to leave because he is on a Statutory Instrument Committee. It would have been nice to have him here for public business.

We have one application this afternoon, which is from Colin Clark. It is for a debate with a motion on whether the House has considered the future of the UKCS oil and gas industry. Colin, over to you.

Colin Clark: Thank you very much, Chair. Thank you, Committee. My constituency is Gordon, which has the biggest oil and gas footprint in the country, so my interest in this debate is pretty obvious.

North sea oil and gas employs 300,000 people. It is highly skilled work, and the skills are very transferable. The total of those employed has fallen from 460,000 to 300,000. It is a highly productive sector with a strong training and apprenticeship ethos. Oil and gas spans the whole country, exporting £12 billion of goods and services.

To date, the North sea has produced 40 billion barrels of oil, and there are an estimated 20 billion barrels to be recovered. That is very important in terms of energy supply security and reducing imports. The basin needs fresh capital, however, and we have to show that we have confidence in the basin. We also need to promote the environmental credentials—greenhouse gas reduction and the other credentials—that the UK continental shelf has. The UK continental shelf is distinct from other areas of the world because it has developed much of the technology now being used in offshore production.

Q2 **Mr Wragg:** Thank you, Mr Clark, for your succinct exposition of your application. In terms of the application being in order, you have posed the topic as a question. Should it not be posed as a statement?

Colin Clark: It should be. It should be, “That this House has considered the future of the UK continental shelf”—

Q3 **Mr Wragg:** You put a request in for 90 minutes. Is that for either the Chamber or Westminster Hall?

Colin Clark: Westminster Hall.

Q4 **Mr Wragg:** It is just that it does not specify that. In terms of the number of speakers—I assume that Mr Aldous will be one of those speakers—the names on the list are a bit scarce, excellent though they are. What are you going to do about that?

Colin Clark: We have padded out the list since then, Mr Wragg. Peter Aldous, Andrew Bowie, Ross Thomson, David Duguid, myself, Alistair Carmichael, Jamie Stone, Martin Whitfield, Mary Glendon, Kirsty Blackman—I think she would speak for the SNP—and Chris Law have all shown an interest.



Mr Wragg: I am reassured. Thank you.

Q5 **Chair:** If you could furnish the Clerk with that list of names, that would be very useful. Would your colleagues like to add anything? Peter?

Peter Aldous: Yes, I would like a quick word. I am the chairman of the all-party parliamentary group for the British offshore oil and gas industry, and it is very much all-party—we have representatives from the four main parties who are interested in the issue. The main cluster for oil and gas is in Scotland, but there are also clusters in East Anglia, which I represent, and the north-east, which Mary Glendon plays the main role in representing.

I would say that this particular junction is important for the oil and gas industry. They have come through a difficult time, with much lower oil prices. The industry has got leaner and has shed jobs, which has caused a lot of challenges. I think it is now a more efficient industry. Production is up, surprisingly, but there is a lack of drilling activity currently taking place in the North sea, which means that, in two to three years' time, we might have a particular challenge. So that is something to be addressed as well.

On the plus side, a number of new entrants have come into the industry as a result of the work that the Oil and Gas Authority has done to encourage collaboration between operators in the North sea. I think there are also opportunities—decommissioning is an opportunity. One does not want to decommission early, but a lot of the oil and gas platforms, particularly in the southern North sea, which is the area I represent and the area that was opened up first, are beginning to get rather old and need to be closed down, and there are significant job opportunities in doing that. Also, the operators have very much moved on and fully understand that they need to be working with their supply chain and promoting and encouraging their supply chain so that, as much as possible, the jobs that come out of the North sea—if you plot the jobs on a map, they extend way beyond the coastal communities that we represent—can be for Britain.

I would just sum up by saying that, at this particular junction in time, with a focus on our relations with Russia and the gas supplies that may come from Russia, there are significant untapped gas supplies—particularly in the southern North sea—that new technology might enable us to realise to increase our energy security. I think that Mr Clark has put in a very well-timed application, and I am very happy to support it.

Andrew Bowie: I do not have very much to add. I am here in my capacity as a colleague to support Mr Clark's bid and also as MP for the neighbouring constituency of West Aberdeenshire and Kincardine, which is the global capital for subsea excellence and which also houses the Decom North Sea and Subsea UK trade bodies. I agree with and reaffirm everything that Mr Aldous and Mr Clark have said this afternoon regarding the challenges and opportunities facing the North sea.

Patricia Gibson: I was simply going to ask Mr Clark about the number of



HOUSE OF COMMONS

names and the lack of cross-party names, but he has reassured me on that point.

Q6 **Bob Blackman:** Given the subject matter—you have added the names, which is very helpful—you have put down for a 90-minute debate, which you are at liberty to do. We have potentially some opportunities for Westminster Hall debates: two 90-minute slots, on Tuesday 24 April and Tuesday 8 May, when it would presumably be the Business, Energy and Industrial Strategy Department answering. The alternative would potentially be 19 April in Westminster Hall, which at the moment would be clear. On 19 April, you could get extra time if you were minded to provide the speakers to fill the time. Is that something that would be of interest?

Colin Clark: If it helped the Committee, yes, it would be, but I would be happy to do it in the main Chamber as well if there was an opportunity.

Q7 **Bob Blackman:** No, no, no—that was not the option. All those three options were in Westminster Hall.

Colin Clark: I think we could do a longer debate if that helped the Committee, and we could get the numbers for it if we put our mind to it.

Bob Blackman: Okay. Obviously, 19 April is the week we come back after Easter. The debate would be from 1.30 pm to 4.30 pm—potentially, that is the time we have in Westminster Hall. At the moment we do not have another application for that day, and we have to allocate it today.

Chair: The effects of the oil and gas industry extend inland, as you say. In my own constituency of Gateshead, we have quite a number of engineering companies that provide engineering materials for the oil and gas industry, so you are quite right that it extends well beyond the coast. Thank you very much.

Bob Blackman: The Chair is offering to be one of your speakers.

Colin Clark: Thank you very much, Mr Mearns.

Chair: I will defer to Mary. Thank you very much indeed. That concludes our public session this afternoon.