

Boosting supply to ease the squeeze and lower inflation

The UK is short of oil and gas from domestic sources. In recent years we have come to rely more and more on imports of gas and oil, despite having more reserves available at home. During this next decade when we still need plenty of gas for home heating and industrial processes, and plenty of oil for transport and petro chemical activity there is a good case to extract more of our own oil and gas. The understandable wish of the west to remove Russian oil and gas from supply chains adds more impetus to the need to reduce our use of imports.

Those who are most concerned about the output of CO2 need to accept that if we substitute domestic gas supplied by pipe from a UK field we will greatly reduce the CO2 output compared to importing LNG gas which requires energy to compress, transport and decompress it. The Treasury would be delighted as home produced gas means a big tax bonanza for UK state instead of passing huge sums of money over to foreign governments and companies for the imports. Anyone keen to promote more better paid jobs would also welcome it, as the oil industry does usually pay well and we would have more of these skilled jobs in the UK benefitting our citizens and tax collectors.

Ministers have announced that they do wish to see more UK gas produced as a transition fuel here at home. Today I ask will the Regulators and officials press on with a greater sense of urgency? Where are we with the potential of Cambo, Rosebank, Bentley, Finlaggan, Jackdaw, Lancaster fields and the others that could be speeded up? What scope is there to accelerate production from fields that are up and running already? Where have we got to on the possible reopening of the Rough storage facility?

At a time when the EU is facing rationing and a difficult future without Russian gas the UK could assist by producing and investing in more production in its own oil and gas fields.