

# My Intervention on the Offshore Petroleum Licensing Bill

John Redwood (Wok, Con):

I want to see far less imported LNG. Can the Minister give us some good news on what we might be able to achieve in getting more gas out, and will he ensure that many blocks—not just one—are put up for a licence round to get rid of that LNG?

Graham Stuart (Minister for Energy Security and Net Zero):

The estimate from the North Sea Transition Authority is that a billion of barrels of oil equivalent, including gas, would be lost if we did not have new licences. That is lost tax revenue for this country, on top of the 200,000 jobs and lower emissions—[Interruption.] So far, I have not mentioned the tens of billions of pounds of tax. [Interruption.] It is not surprising, given how comprehensively easy it is to destroy the Labour party's arguments, that the right hon. Member for Doncaster North keeps up his constant chuntering. He cannot win the argument while he is on his feet, so he sits there and tries interrupting those who can. If we do not have new licensing, which is Labour's policy, we will see emissions go up in the short term; 200,000 jobs undermined; tens of billions in tax not brought into the public Exchequer; and—for those who care about dealing with the climate emergency—we will lose the very engineering skills and talent that we need to retain in this country in order to make the transition.

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## Offshore Petroleum Licensing Bill

The government yesterday secured passage of its Bill to encourage more oil and gas from the North Sea to its next Commons stage.

It was an important policy change when the government announced it did wish more oil and gas to be produced from known fields, and wanted the quango in charge of the North Sea to license more blocs for exploration. It makes no sense to run down our oil and gas fields faster than we need do claiming that helps reduce CO<sub>2</sub> when the country then imports LNG instead. Such gas creates four times as much CO<sub>2</sub> as home gas down a pipe, given the large amounts of energy needed to compress it, transport and to switch it back into gas to go down pipe system from the seaport.

Some query whether it needs a new Act of Parliament to achieve this. Why not just instruct the North Sea Transition Authority and win a vote in the Commons if the Opposition objects? Some wonder why the requirement to hold an

annual licence round is set out with a minimum of one bloc, when of course they will need to offer many blocs to an active industry. It would also help if the Treasury would review energy taxation which is higher in the UK than in many competitor countries. Far from helping our Treasury that policy drives both energy production and energy using industries away from the UK.

The UK needs to take energy security much more seriously and needs to do all it can to extract more home gas all the time people and businesses have gas boilers for their main source of heat. Using the road to net zero as an excuse to make us more import dependent on energy which entails more world CO<sub>2</sub> is a very bad policy favoured by the Labour, Lib Dem and SNP parties. That policy means all those well paid oil and gas jobs are in another country. It means the bulk of the taxes levied on producing oil and gas are paid to a foreign Treasury. It means the UK is made beholden to more overseas energy interests.

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## Time to rejuvenate the Business department

I read and hear in various places that Kemi Badenoch is out to woo the right. I know she has been very loyal to Rishi Sunak. Contrary to some briefings she sent no message of support to the sponsors and supporters of the amendments to the Rwanda Bill. The sponsors in their discussions with No 10 and the Home Office did not report back on any interventions from the Business department to help them amend the draft. She has kept out of the difficult issues preventing GB to Northern Ireland trade.

The relevant groups on the so called right that would like to help her in her important job as Business secretary include the Growth Group, the European Research Group, the NTB and the Net Zero realism group. These Groups were very disappointed when she abandoned the Jacob Rees Mogg Retained EU Laws Bill, which was designed to remove and amend bad or needless inherited EU laws.

We have offered to work with her and the other Business Ministers on a programme of better and less regulation. We have been pressing the need for more and cheaper UK produced energy. The EU carbon emissions and interconnectors framework for more imported power are particular concerns. It is leading to much industry closing down in the UK making us more dependent on imports. We await a response on how the UK can retain a basic new steel making capability. We are worried that current regulations to force Electric vehicles will lead to too rapid a decline in car industry based in the UK and to more Chinese imports.

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## Jobs up and pay up since Brexit

See Facts4EU. Excellent graphs and analysis today showing strength of jobs since the referendum, contrary to gloomy official forecasts.

[https://facts4eu.org/news/2024\\_jan\\_brexit\\_is\\_working](https://facts4eu.org/news/2024_jan_brexit_is_working)

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## The University business model

I am an unpaid fellow of an Oxford College and a former part time Professor at another University. I come to the debate on students from a position of sympathy, wishing to see a strong UK independent university sector. I am pleased we host several of the world's best universities.

I am no supporter of the model which creates a large number of places for overseas students which leads to a major expansion of students staying here after graduating taking low skill jobs and seeking to convert their degree course into a permit to live and work in the UK thereafter. Nor do I think it a good idea to encourage a lot of older postgraduate students to come with their families adding to the pressures on public services and housing. It is a thoroughly bad idea to let good postgraduate students from authoritarian and hostile countries get places in cutting edge research that could be useful for weapons manufacture, electronic surveillance, new materials, and other dangerous technologies as they will return to their homes to apply what they have learned in ways which might harm others.

The government is taking action to restrict university action in each of these three categories. Selling courses to overseas students mainly sells to the rich from abroad as these courses are expensive. Charities and the overseas aid budget can provide money for low and no income students from poor countries to come to gain necessary skills and to return to apply them to help their own country.

UK universities at their best are hosts to the best of world academic talent capable of world class research. Inviting in some overseas students to pay high fees helps with their finances. If they invite in too many without ensuring they return home after their course they add to housing and public service stress. Some of these universities imply there is no other way of covering costs other than a big rise in foreign students. They need to develop other ways of paying for university. Too many foreign students changes the ethos and culture of the institution and limits places for UK students where we want a better educated and skilled workforce.

The Endowment model of leading US and UK universities is a good one. Many ex alumni who succeed are happy to offer money during their lives and or on death to build endowment funds . These provide an excellent addition to student fees. There can be profits from spin out investments from university research. There is also plenty of scope given the many weeks each year when universities do not teach students to use their buildings and personnel to earn conference and adult training money. When I was years ago a full time academic I taught at summer schools as well,