

The U.K. will not grow faster if we close industries down

Did the Net Zero Secretary get the memo that the government wants us to be the fastest growing G 7 economy? Up he pops to halt new oil and gas development.

Between 1990 and 2021 the U.K. slashed output of energy from 219 million tonnes of oil equivalent to 106 million. The gross value added of energy to our national income and output slumped from 10.4% of our economy to just 2.5%. No wonder our growth rate slowed. Energy production had boosted our tax revenues mightily and raised our productivity. As Labour closes down our oil and gas we will lose jobs, tax revenue and productivity. Jobs in energy have collapsed from 600,000 to 175,000 over 40 years. There was more oil and gas to find and exploit, onshore and off.

Some say the green replacements will offset. Truth is we are replacing home gas and oil with imports, losing all the jobs and tax revenue to abroad. Where we put in more wind turbines and solar panels much is imported, creating jobs in China, not here.

If the government is serious about wanting a higher productivity better paid faster growing economy it should want to expand our oil and gas industries. That will help growth. It would also cut world CO₂ as we shed imported LNG. LNG generates so much more CO₂ to compress, liquefy, transport and regassify. Why do all this when you can have local gas down a pipe?