

OUR POWER

OFFSHORE WORKERS' DEMANDS FOR A JUST ENERGY TRANSITION

Over the last three years, Platform and Friends of the Earth Scotland worked with offshore oil and gas workers across the UK to develop a vision for a just energy transition. Workers built a set of 10 demands that are backed by over 90% of 1092 offshore workers surveyed.

The demands chart the course for a wholesale reimagining of the energy industry, communities and the economy. Contained within the *Our Power* report is a worker-led vision for a renewable economy that creates jobs, reinvigorates communities and protects our shared planet - and what we need to do to make it happen.

Despite growing pressure to transition away from oil and gas in order to stay within agreed limit of 1.5° of warming, and despite centring just transition in the decarbonisation narrative, the Scottish Government has not created a plan for a managed and fair phase out of oil and gas production. Industry has been left to determine the pace and structure of an 'energy transition', and their current activities will take us far beyond Scotland's fair share of 1.5°. The Scottish Government's draft Energy Strategy and Just Transition Plan (ESJTP) currently out for consultation, neither demonstrates how emissions reductions will be met, nor gives confidence as a just transition plan for the sector.

The current trajectory will also lead to further dismantling of working conditions and leave workers - the people with the skills and experience to power the transition - out of decision-making. The necessity of phasing out fossil fuels creates an opportunity for a just transition, where

we stay within climate limits and centre workers and communities in the creation and benefits of a new energy system.

The demands contained within this briefing make clear that the narrative put forward by industry about the need for continued fossil fuel extraction to preserve jobs is untrue and insincere. The experience of current offshore workers shows that they are treated as disposable in an industry motivated entirely by profit, and that they are ready to fight for a better future. These demands should give politicians the confidence to advocate for a rapid, equitable transition that builds on the vision put forward by workers.

For every one of these demands there are clear actions and steps that the Scottish Government and Parliament can take to act on the expertise of energy workers and put Scotland on a pathway to a real just transition. In the absence of a plan from those leading the country, this is a real and credible plan created by those who will be most impacted. It is backed by unions and climate organisations, and should be seen by decision-makers as a toolkit for transforming our energy system. What workers and the planet need now is for politicians to take serious action to deliver the clear and essential changes put forward in this report.

A revised, robust Energy Strategy and Just Transition Plan would be able to address many of these issues and create the framework for a truly Just Transition in Scotland. **The Scottish Government must amend the ESJTP and ensure that the principles of a just transition and the demands outlined below are incorporated into the final draft.**

The government should be working for the British public, but they're not. They're working for the companies. All day, every day, everyone I know is asking how can this be the situation? How can the government let this happen?

– Mark, Rigging Supervisor

To see the full report and further details including costings, please visit foe.scot/ourpower or email mclarke@foe.scot.

I.

OUR TRANSITION

Solutions for the immediate barriers workers face to moving into renewable industries.

DEMAND 1

WORKERS AT THE CENTRE OF TRANSITION PLANNING

- Workers are largely left out of transition planning decisions - decisions which will have a major impact on their lives - at the workplace, sector, regional, and national levels.
- Workers in every workplace, particularly in the oil and gas sector, should have the opportunity to feed their knowledge and experience into policy.
- **The Scottish Government should ensure greater worker representation in their transition planning through existing bodies such as the Just Transition Commission.**

DEMAND 2

CLEAR, ACCESSIBLE PATHWAYS OUT OF HIGH CARBON JOBS

- Building renewable energy projects has the potential to create thousands of jobs. Many of these will require similar skills, training and experience to the existing oil and gas workforce. Despite this, there is little support provided for high-carbon workers to find alternative jobs, to facilitate retraining where necessary, or to lighten the financial burden of training currently borne by the workers themselves.
- **The Scottish Government must be proactive to ensure the workforce is available to expand our renewables industry.**
- **Skills audits should be conducted at the Scottish level, backed up by a jobs guarantee that secures alternative employment for workers.**

DEMAND 3

A TRAINING REGIME BUILT TO KEEP WORKERS SAFE INSTEAD OF FOR PROFIT

- The qualifications required to work in offshore oil and gas and in offshore wind industries are aligned to standards set by different industry bodies, respectively, OPITO (Offshore Petroleum Industry Training Organisation) and GWO (Global Wind Organisation (GWO)).
- An earlier survey of offshore workers found that most were paying thousands out of their own pocket just to complete the training for their jobs in oil and gas. Under the current system, they would need to duplicate much of this training (and the cost), despite significant overlap in skills, before they could even consider applying for alternative jobs in the renewables industry.
- **The Scottish Government must ensure the creation of an Offshore Training Passport that aligns standards across the energy industry and call on the UK Government to establish a levy on energy companies to raise funds for offshore worker retraining.**

DEMAND 4

INVEST IN DOMESTIC MANUFACTURING AND ASSEMBLY FOR RENEWABLES

- The number of jobs created in the renewables industry has fallen short of government promises. Even though Scotland has one of the highest levels of onshore and offshore wind in the world, we have failed to build up an associated industrial base.
- Much of the supply chain servicing the oil and gas industry could be retooled to support the offshore renewables industry with the right investment and support.
- There are fewer jobs required to maintain and operate wind farms compared to oil and gas production offshore, and this means creating jobs in manufacturing and assembly is vital for ensuring there are jobs available to transitioning workers and for creating new opportunities in communities across Scotland.
- **The Scottish Government should use the Scottish National Investment Bank to funnel money into ports and infrastructure upgrades to build the capacity to deliver large-scale offshore wind projects. Strict conditions should be placed on licences awarded to renewable companies to ensure a minimum percentage of components are sourced from Scottish manufacturing hubs.**

OUR RIGHTS

Solutions to ensure work in renewables is secure, well-paid and safe.

DEMAND 5

COLLECTIVE BARGAINING WITH STRONG RANK AND FILE UNION REPRESENTATION ACROSS THE WHOLE OFFSHORE INDUSTRY

- The increasing shift to casualisation across the UK and Scottish economy, alongside legislation that is evermore aggressive to trade union organising, has weakened the position of workers and trade unions. Collective bargaining agreements protected 80% of workers in the UK in the early 1980s. Today, this is down to 25%.
- In the offshore renewables industry, there is currently no sectoral collective bargaining deal covering offshore workers.
- **The Scottish Government should support measures that would ensure every offshore job is covered by a sectoral collective agreement, negotiated with trade unions and employers at the table, that covers pay, health and safety, and benefits at work - including for on payroll, off-payroll and self-employed workers.**

DEMAND 6

ESTABLISH UNIVERSAL RIGHTS AND A WAGE FLOOR ACROSS THE UK CONTINENTAL SHELF

- Loopholes in the law and inferior employment protections for offshore work allow employers to exploit foreign workers by undercutting wages. There are even less protections in offshore wind than oil and gas, and the UK Government has granted the offshore wind industry other concessions that allow them to undercut wages at the expense of all workers, while under-resourced regulators are unable to adequately monitor conditions.
- Fossil fuel and renewable companies cannot be allowed to build a transition through the exploitation of foreign workers in UK seas.
- **The Scottish Government must lobby Westminster to legislate to guarantee all workers across the UK's continental shelf and across the energy industry full employment rights in line with workers onshore, and provide necessary resources to regulators to enforce standards properly.**

DEMAND 7

EFFECTIVE AND TRUSTED WHISTLEBLOWING PROCEDURES

- Many workers do not feel safe raising concerns, creating a risk to the health and safety of all offshore workers.
- Although UK law protects workers from being dismissed or victimised when they blow the whistle, this protection does not apply to self-employed or off-payroll workers. There is also no legal or regulatory requirement on offshore companies to have whistleblowing policies, to investigate concerns, or to train managers on how to respond to whistleblowing.
- **The Scottish Government must lobby Westminster to amend legislation to expand the scope of whistleblowing rights to cover all offshore workers, to require companies to have whistleblowing procedures and to create powers for a regulator to monitor whistleblowing in the energy sector. Employers in the energy industry must commit to change the culture offshore through adequate reporting and monitoring of grievances and whistleblowing.**



OUR ENERGY

Solutions for a new energy system, where benefits are shared fairly and there is greater public control.

DEMAND 8

PUBLIC OWNERSHIP FOR THE PUBLIC GOOD

- By privatising its oil resources, Britain has missed out on an estimated £400 billion in public revenues from North Sea oil compared to Norway. Offshore wind is one of Britain's greatest natural resources and unlike oil and gas, it will never run out. And yet, our wind - a common resource - is being privatised. Across the whole UK, just one single offshore wind turbine in Fife is publicly owned.
- We've witnessed the consequences of a privatised energy system with soaring private profit and rising energy bills. This privatisation has watered down job quality and hindered the development of a well-trained workforce that is large enough to roll out renewable power at the scale needed now.
- Across the UK there is huge potential for publicly owned renewable energy companies at a national and regional level. They can prioritise renewable energy and domestic supply chains to create new jobs all while ensuring money is reinvested back into local communities.
- **The Scottish Government must set up a publicly owned energy company to invest into and develop renewable energy generation, including offshore wind and tidal stream, as well as taking ownership stakes in crucial port infrastructure. Local authorities should be proactive in setting up regional public energy companies building new renewable generation projects with Scottish Government support.**

DEMAND 9

REORGANISE THE TAX SYSTEM FOR PUBLIC GOOD

- The UK's lax tax regime for oil and gas means that companies extracting on the UK Continental Shelf walk off with the highest proportion of revenue of any country in the world. In 2019, the UK Government took less than a tenth of what the Norwegian Government took in taxes per barrel of oil.
- Despite the huge profits, workers in the industry haven't seen equivalent improvements to their pay or working conditions. They see the struggle of people in their communities to afford energy and come home to higher energy bills themselves.
- **The Scottish Government should lobby Westminster to establish a Wealth Fund for new offshore wind projects, amend tax codes covering North Sea extraction to raise the level to at least in line with Norway and amend the legislation to ensure decommissioning costs are covered by oil and gas companies alone. Where the Scottish Government has power, like the Scotwind projects, the Scottish Government should establish its own wealth fund to ensure maximum benefit for Scotland's communities.**

DEMAND 10

NO COMMUNITY LEFT BEHIND

- Areas with a high reliance on fossil fuel jobs, such as Aberdeen and Aberdeenshire are particularly exposed to the risk of an unjust transition. There is a lack of sufficient planning to ensure these areas are supported through a transition, especially when many feel they are already struggling economically despite the industry's presence.
- Offshore workers want to see investment to provide decent lives and livelihoods in their communities for the long term. Growth in the renewables industry presents an opportunity to use the benefits of our natural resources towards improving people's lives, quality of work and local infrastructure.
- **Local authorities should create regional economic diversification programmes, promoting community wealth building strategies to substitute the local economic contribution of oil and gas as well as building greater local democracy and social benefits. The Scottish Government should provide funding to support these programmes through the Scottish National Investment Bank.**

“ This report shines a light on the reality for workers in the oil and gas sector whose terms and conditions are being eroded at the same time as bosses make eye watering profits. In stark contrast to industry reports and Government consultations about a just transition, this research starts from the perspectives of workers – enabling them to identify their key demands and only then developing policy proposals that flow from these. The recommendations should be seriously considered by policy makers. ”

– Roz Foyer, General Secretary, Scottish Trades Union Congress (STUC)

“ The voices in this report make it clear that our current energy system is not just bad for the planet, it’s also unsustainable for oil and gas workers—even at a time of record profitability. A proper plan in the UK and Scotland for a just transition is essential, and it must be worker-led. The demands in this report should be a foundation for that process. ”

– Tessa Khan, Executive Director, Uplift

“ The science is clear - if we are to stand a chance of limiting temperature rises to 1.5 degrees, there must be a swift and just transition away from fossil fuels. In the year that the Scottish Government is consulting on a new Energy Strategy and Just Transition Plan and Climate Change Plan, this report is a timely and essential reminder of the need to include trade unions, workers and communities affected in this process so that no one is left behind. ”

– Mike Robinson, Chair, Stop Climate Chaos Scotland

THESE DEMANDS ARE SUPPORTED BY:



To see the full report and further details including costings, please visit foe.scot/ourpower or email mclarke@foe.scot.