



Scottish Council for
Development and Industry

ED MILIBAND AND IAIN GRAY MEET OIL AND GAS INDUSTRY AT SCDI MEETING IN ABERDEEN

15 April 2011

Ed Miliband MP, Leader of the Labour Party, and Iain Gray, Scottish Labour Leader, today held talks with the oil and gas industry in Aberdeen on the promotion of growth, jobs and exports.

The impact of the increase in the Budget in the rate of supplementary charge paid by the industry in addition to corporation tax was the key issue raised by senior representatives from exploration and production companies, the supply chain, trade unions and wider North East business community at the meeting arranged by the Scottish Council for Development and Industry (SCDI).

Following the meeting, **Duncan Skinner, SCDI North East Chairman**, commented:

“The oil and gas industry is the largest UK industrial investor, largest corporate tax payer and a large employer, supporting 440,000 UK jobs, including tens of thousands in North East Scotland. Every £1 billion spent by the industry in the North Sea supports 15,000 jobs throughout the UK.

“We welcome the opportunity to discuss with Ed Miliband and Iain Gray how Westminster and Holyrood can support growth, jobs, skills and exports in the industry here in Aberdeen and across the UK.

“The industry was investing £8 billion this year and had plans to invest £40 billion or more over the next five years. As a result of this and recent oil price increases, the Treasury stood to gain an extra £3 - £4 billion in revenue from the industry, even before the latest tax change.

“However, the recent unexpected tax increase from the UK Government has shaken confidence in the UK. It will inevitably hit investment - putting new developments, jobs, security of supply and future tax revenues at risk. Our world-class supply chain cannot plan for future growth with any certainty.

“The message from the industry is that confidence must be rebuilt in the UK as a destination for international energy investment if the industry is to maximise its contribution to the country's growth, jobs and exports, and we were pleased that Ed Miliband and Iain Gray listened and took that message away with them.”

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For further information please call Gareth Williams, SCDI Head of Policy, on 07917 103 997

Notes to Editors

SCDI is an independent membership network which strengthens Scotland's competitiveness by influencing Government policies to encourage sustainable economic prosperity, with offices in Aberdeen, Inverness and Glasgow. Our membership is drawn from Scottish business, trade unions, public agencies, educational institutions, local authorities, voluntary sector and inter faith groups.