

# Letter from Scotland

When I lived in Aberdeen 50 years ago, the city was famous for two things – granite and fishing. But when the first oil was pumped ashore from the North Sea in 1976, it became an oil-boom town. Now it is facing the big “transition” to off-shore wind, and thereby hangs a tale.

The climate change transition is one of the distinctive issues of the election campaign in Scotland. The industry is worth 11.8 per cent of the Scottish national income and employs between 50,000 and 100,000 people, depending on how biased your counting is.



The granite city and its off-shore challenge. Marischal College in Aberdeen is the second largest granite building in the world.

“It’s Scotland’s Oil” has been a totemic slogan for the SNP for decades but the party got its sails in a flap this week over its “presumption” against new oil and gas exploration in the North Sea. The party’s Westminster leader, Stephen Flynn would not confirm that the promise will be repeated in the party’s manifesto. He rather hopes it won’t be, because his constituency is Aberdeen South where many oil families live.

Mr Flynn has tried to turn the issue into a barge pole to beat the Labour Party, which is against new oil exploration. His argument is that ending investment in new oil and gas would cost Scotland 100,000 skilled jobs, skills that are needed for the transition to off-shore wind. It’s not a good argument, in my view, because the oil and gas industry will not transition unless it is forced to do so. And the longer the oil industry continues, the less likely we are to reach net

zero by 2045 because the oil companies will not divert all their investment funds into renewables.

It's worth pointing out, too, that it's not The Scottish Government that will decide the matter. Westminster is in charge of granting exploration licences and last year Rishi Sunak's government approved hundreds of new licences.

All the parties across the UK – except the Greens – are now in retreat on the issue of climate change. There's been a general shrugging of shoulders at targets being postponed, north and south of the border, on electric cars, home boilers, recycling and investment in renewables. It's part of the political game not to annoy any particular part of the electorate and to offer inducements to some you want to please.

So this week, Rishi Sunak came up with his plan to re-introduce National Service and to offer pensioners a tax cut in the form of a higher income tax threshold for pensioners than anyone else. Labour have promised the finance markets, and worried taxpayers, that they will stick to the "fiscal rules", which translates as more government "austerity".

Both manoeuvres, by the Conservatives and Labour, are unnecessary, since the election is already a foregone conclusion (Labour are 20 points ahead in the opinion polls). The Conservatives can relax in the knowledge they will not have to put their plans into practice or work how to pay for them (£2.5bn a year for National Service and £3.5bn for the tax cut for pensioners). Labour, on the other hand, will have to work out how to save the NHS and other public services without raising taxes or borrowing. And I don't think they can rely on "growth" to magically solve the problem.

While all this high-end political manoeuvring was happening on the election platform, The Scottish Parliament was churning

through domestic matters. A bill to pardon the 60 or so Scottish victims of the Post Office scandal was duly passed. Another bill gives local authorities the right to introduce a tourist tax. And MSPs were told that some 500 prisoners are to be released early because our prisons are too full.

But what really excited MPS was the fate of the former health secretary Michael Matheson. He's been suspended from parliament for 27 days and had his pay cut for 54 days for covering up his claim for £11,000 of expenses for the use of his parliamentary ipad. He has since re-paid the money, resigned as a minister and explained that, unbeknown to him, his children used the device to watch football while on holiday abroad. The first minister John Swinney has been backing Mr Matheson but the SNP abstained in the final vote.

In one of those cruel ironies of political life, it was the same Michael Matheson who was energy secretary when the SNP adopted its policy of a "presumption" against oil and gas exploration. Now as his own career falters, he is watching his policy beginning to sway in the wind and perhaps collapse.

I wonder if the city of Aberdeen will make the transition for oil-boom town to off-shore wind headquarters before it is washed away by the rising sea.



Health Secretary Michael Matheson, the First Minister and CEO of Thistle Foundation Mark Hoolahan PHOTO ©2023 The Edinburgh Reporter