

SOCIAL STUDIES — MODERN SCOTLAND · P5–P7

# Ola na Mara Tuath — North Sea Oil

P5–P7

## North Sea oil — key facts

1

### Discovery

Oil was discovered in the North Sea in commercial quantities in the late 1960s. The first major Scottish field, Forties, was discovered in 1970. Production began in 1975.

2

### Peak production

North Sea oil peaked in 1999 at approximately 2.9 million barrels per day — making the UK one of the world's largest oil producers. Production has declined significantly since.

3

### Impact on Aberdeen

Aberdeen became the 'oil capital of Europe'. Rapid economic growth, high wages, and population growth transformed a previously modest fishing and agricultural city. The offshore industry still employs approximately 100,000 people in Scotland.

4

### Political significance

The SNP campaign slogan 'It's Scotland's Oil' (1973 election) was highly effective — arguing that North Sea oil revenues should benefit Scotland rather than the UK Treasury. Oil remains central to the independence debate.

5

### Revenue and taxation

The UK Government has collected approximately £330 billion in North Sea oil and gas taxes since 1975. Scotland has not had a separate fund (unlike Norway's sovereign wealth fund — now worth over \$1 trillion).



6

**Declining reserves**

North Sea oil production is declining. The transition to renewable energy (Scotland is a wind energy leader) is increasingly important as oil revenues fall.

