



Comments on large-scale redundancies in the oil and gas sector from GQ Employment Law

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Comments from Paul Quain, Partner at GQ Employment Law:

“The oil and gas giants will already be looking at the different ways that they can cut staff costs with minimal impact on available headcount and without incurring massive redundancy costs. That might involve offering employees part-time work, lower salaries, or extended sabbaticals.”

“It’s also vital that the oil and gas companies are aware of the impact of the redundancies on the remaining staff. These situations can make workplaces more stressful and combined with heightened concerns over job security that could potentially lead to an increase in stress related claims further down the line if not managed correctly.”

“Oil and gas businesses that are undergoing significant restructuring over the next year or so will need to make sure they can maintain good staff morale.”

Paul Quain says that even though a large proportion of the latest job cuts have come from staff working in the North Sea, the global nature of the oil and gas industry means that employees based outside the UK or employed by an overseas group company might be able to make a claim to the English courts.

“Employment disputes that arise from redundancies in the oil and gas sector raise questions over where the claims will be heard and whether the claim is covered by UK law. Many employees working overseas and off-shore may want to pursue employment disputes in the UK, attracted by the more favourable dismissal and discrimination rights.”

“These claims can create significant unanticipated legal costs for employers.”

Press enquiries

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