

Nigg can give a massive boost to Highland economy

Business Comment



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THE recent announcement that Roy MacGregor's Global Energy Group has purchased the former Nigg fabrication yard on the Cromarty Firth is great news for everybody in the Highlands.

Being based elsewhere when the yard developed during the North Sea oil and gas boom of the 1970s and '80s, like many Englishmen I had very little feel for the sheer scale of that operation which at its height added an estimated £100m a year to the Highlands economy whilst providing 5000 jobs. With the yard closing in 2000 my vision of the 238 acre yard has been of a ghost town, although talking to local business leaders over the last couple of years, one could feel the potential, the desire (and frustration) that they saw to get Nigg back into operation.

So all credit must go to Global and the various agencies who have worked together to deliver the newly named Nigg Energy Park. The Scottish government, HIE and Highland Council have all had important roles in developing the site and project which the government has described as a "multi-use modern energy park".

Global's prediction that there will be "at least 2000 jobs created at the yard by 2015 in both offshore renewable energy as well as subsea oil and gas projects" is a mouth watering prospect as such a figure, according to HIE, would account for a rise of 2.9 per cent in employment in the inner Moray Firth area. And it is suggested that even this figure could be boosted by up to a further 1500 jobs if a wind turbine manufacturer could be attracted to the site.

I well remember attending a dinner just after our move here and listening to HIE's chairman Willie Roe explaining the features and drivers of the Highland economy. As I recall it was an eloquent resume over the previous decade. What struck me was how diverse the economy was and different to the cities I had previously experienced.

Included in the mix was obviously tourism, which we all know has an affect across all business sectors from accommodation providers to retail, food and drink to the local corner shop — we all benefit from tourism spend.

Thus one of the aspects of Nigg project

emphasised by first minister Alex Salmond which hit home with me was that the jobs to be created on the Cromarty Firth were high value, with an average salary of £37k pa. This compares with the UK average of £26k and the even lower Highland figure.

Adding this level of new disposable income into our economy will, like the tourism spend, surely benefit all of our business sectors. And from what I have been told of the original Nigg boom that benefit will be spread around Highlands and not just the immediate area.

Of course this project has an obvious synergy with the training and job opportunities for our local youngsters both through the college and university, as well as the Government's Modern Apprenticeship scheme.

For Roy MacGregor, one can only wonder at the emotions he must have had as the project was announced. No doubt as he looks forward to the challenges and opportunities ahead, he will have reflect back to the start of his career at the Nigg yard some 40 years ago.

The Inverness Courier
Tuesday, 8th November
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