

Shell profits fuel calls for increase in oil and gas windfall tax

The record profits announced by [Shell](#) have heaped pressure on Prime Minister [Rishi Sunak](#) to increase the windfall tax on oil and gas giants.

Labour said Mr Sunak was “too weak” to stand up to energy firms, and the Liberal Democrats said the companies must pay more tax at a time when people were struggling to heat their homes.

The [Trades Union Congress](#) (TUC) said an increased windfall tax could help fund wage rises for public sector workers currently locked in a wave of strikes in a protest over pay.

Shell recorded the highest profit in its 115-year history as it benefited from soaring energy prices driven by Russian President Vladimir Putin’s invasion of Ukraine.

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It said that core profits rocketed to 84.3 billion dollars (£68.1 billion) in 2022, surpassing the expectations of industry experts.

Adjusted earnings, including taxes, more than doubled to 39.9 billion dollars (£32.2 billion).

Shell said it paid 1.9 billion dollars (£1.5 billion) in windfall tax charges to the UK and EU.

Shadow climate change secretary [Ed Miliband](#) said: “As the [British](#) people face an energy price hike of 40% in April, the Government is letting the fossil fuel companies making bumper profits off the hook with their refusal to implement a proper windfall tax.

“Labour would stop the energy price cap going up in April, because it is only right that the companies making unexpected windfall profits from the proceeds of war pay their fair share.

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“But when it comes to oil and gas interests, Rishi Sunak is too weak to stand up for the British people.”

Lib Dem leader Sir Ed Davey, a former energy secretary, said: “No company should be making these kind of outrageous profits out of Putin’s illegal invasion of Ukraine.

“Rishi Sunak was warned as chancellor and now as Prime Minister that we need a proper windfall tax on companies like Shell and he has failed to take action.

“Families across the country are struggling to heat their homes and feed their families and this Government turns round

and says 'there is nothing we can do'.

"They must tax the oil and gas companies properly and at the very least ensure that energy bills don't rise yet again in April."

From April, the energy bill for an average household will be capped at £3,000, up from the current £2,500.

Oil and gas firms are subject to the energy profits levy, a windfall tax which increased from 25% to 35% in January, but critics have said that it should go further.

TUC general secretary Paul Nowak said: "The time for excuses is over.

"The Government must impose a larger windfall tax on energy companies. Billions are being left on the table.

"Instead of holding down the pay of paramedics, teachers, firefighters and millions of other hard-pressed public servants, ministers should be making big oil and gas pay their fair share."

Fairly taxing their excess profits could help to fund a nationwide programme of insulation and a renewable energy drive, which would lower bills, keep homes warmer and reduce harmful carbon emissions

Environmental campaigners from Greenpeace targeted Shell's headquarters in London as the profit was announced.

Greenpeace UK's Elena Polignano said: "While Shell counts their record-breaking billions, people across the globe count the damage from the record-breaking droughts, heatwaves and floods this oil giant is fuelling.

"This is the stark reality of climate injustice, and we must end it."

Friends of the Earth's Sana Yusuf said: "People can see the injustice of paying eye-watering energy costs while big oil and gas firms rake in billions.

"Fairly taxing their excess profits could help to fund a nationwide programme of insulation and a renewable energy drive, which would lower bills, keep homes warmer and reduce harmful carbon emissions."