

Scottish Economic Facts

April 2018

SCOTLAND - THE BASICS

Population	5,424,800	2017
Area	77,911km ²	2017
GDP	£151.2billion	2017, Q3
Total GDP growth on year	1.1%	2017, Q4
GDP per capita*	£27,874	2017, Q3
Employment rate (16-64)	75%	Dec-Feb
Employment	2,645,000	Dec-Feb
Unemployment rate (16+)	4.2%	Dec-Feb
Unemployed	115,000	Dec-Feb
Av. gross weekly wage (f/t)	£548	2017

Sources: latest data from [Mid year population est 2017](#) and [Office for National Statistics](#). [GDP Bulletin](#), [Scottish Government Quarterly National Accounts Scotland](#) (onshore figure)*, [Scotland's labour market](#) (April 2018), [ASHE](#) (table 8)

SCOTLAND'S CITIES

	Council Area	City Region
Aberdeen City	228,800	490,600
Dundee City	148,710	*787,500
Edinburgh, City	513,210	1,375,880
Glasgow City	621,020	1,827,240
Inverness (Highland)	235,180	235,180
Perth and Kinross	151,100	*787,500
Stirling	94,000	145,450

Source: [Mid-2017 population estimates Scotland](#) (based on strategic planning areas) *part of Tay cities region partnership

2016 EMPLOYMENT by BROAD INDUSTRY GROUP

Regional level employment (Scotland)	000s
Health	411
Retail	245
Accommodation & Food Services	190
Education	189
Business Admin & support services	188
Manufacturing	180
Professional, Scientific & Technical	178
Public Administration	154
Construction	141
Other	136
Transport & storage (inc postal)	108
Finance & Insurance	87
Wholesale	78
Agriculture, Forestry and Fishing	77
Information & Communication	74
Mining, quarrying & utilities	68
Mining, quarrying & utilities (ex offshore oil & gas)	58
Motor trade	49
Property	39

Source: [Business Register and Employment Survey \(BRES\)](#), 2016 provisional, Table 4 - Regional level employment by BIG (public/private sector split), [Scottish Government Growth Sector statistics database](#)

SECTOR PROFILES

GVA (£m)	2015
Energy (includes offshore oil & gas)	16386
Financial & Business Services	16126
Energy (excludes offshore oil & gas)	9773
Engineering	9496
Sustainable Construction	7531
Digital Economy	5853
Food & Drink	5196
Creative Industries	4646
Tourism	3761
Life Sciences	1280
Chemical Sciences	1085
Forest & Timber	912
Textiles	374

Source: [Scottish Government Growth Sector Statistics database](#), [Regional GVA \(Income Approach\)](#) (Dec 2016), [Scottish Annual Business Statistics](#).

BUSINESSES IN SCOTLAND

As at March 2017, there were an estimated 365,600 private sector enterprises operating in Scotland - the highest figure since the time series began (in 2000). Between March 2016 and March 2017, the estimated number of enterprises increased by 3.1% (11,110 enterprises). The number of VAT/PAYE registered businesses has increased - up by 2,405 (1.4%) from 173,995 to 176,400. There were 363,235 Small and Medium-sized Enterprises (SMEs) operating in Scotland, providing an estimated 1.2 million jobs. SMEs accounted for 99.4% of all private sector enterprises for 55.0% of private sector employment and 40.1% of private sector turnover. Registered private sector enterprises with ultimate base outside Scotland (RUK

based or abroad owned) represented 2.9% of enterprises, accounting for 34.4% of employment and 53.3% of turnover. Within large firms (250+ employees) they represented 81.2% of enterprises, accounting for 62.4% of employment and 73.7% of turnover. The two largest industry sectors were 'Professional, Scientific & Technical Activities' (52,985 enterprises) and Construction (45,940 enterprises), together making up 27.1% of all private sector enterprises in Scotland.

Source: [Business in Scotland 2017 \(November 2017\)](#), Scottish Government

INNOVATION

Scottish Business Expenditure R&D (BERD) expenditure in Scotland in 2016 was £1.072 billion, representing 4.8% of the UK total of £22.2 billion. Scottish expenditure increased by 10.1% in real terms compared to 2015 figures. BERD expenditure in Scotland is dominated by Manufacturing (£592 million), followed by Services (£366 million) and then 'Other' product groups (£114 million), such as 'extractive industries'. Expenditure on Manufacturing R&D increased by 12.4% (£65 million) in real terms between 2015 and 2016, expenditure on Services R&D decreased by 0.8% (-£3.1 million) and expenditure on 'Other' R&D increased by 45.9% (£36 million). Enterprises in Scotland employed 11,943 R&D staff in 2016, up from 11,864 in 2015, an increase of 0.7%. In 2016, around two thirds (62.5%) of BERD expenditure was undertaken by businesses located in just four local authority areas: City of Edinburgh (26.6%), Aberdeen City (15.4%), West Lothian (10.3%) and Glasgow City (10.2%). Gross Expenditure on Research and Development (GERD) in Scotland was £2,331 million in 2016, 7.0% of the UK total. In nominal terms, GERD increased by 4.5% between 2015 and 2016. In real terms, this represents an increase of £50 million or 2.2%, taking GERD spend to its highest level since the series began in 2001.

Source: [Business Enterprise Research and Development Scotland 2016 \(Dec 2017\)](#) Scottish Government and [Gross Expenditure on Research and Development Scotland 2016 \(March 2018\)](#)

PRODUCTIVITY

On a rolling annual basis to 2017 Quarter 3, comparing the most recent four quarters to the previous four quarters, output per hour worked decreased by 3.2% in real terms due to the growth of 0.3% in GVA being outweighed by an increase of 3.6% in the total number of hours worked. In the latest full year (2016), output per hour fell by 1.4% in real terms. On a quarterly basis, it is estimated that the trend in real output per hour worked declined by 0.7% between the second and third quarter of 2017, following a decline of 1.2% in the previous quarter.

Source: [Labour productivity statistics, Q3, 2017 \(February 2018\)](#) Scottish Government

EXPORTS

Scotland's international exports (excluding oil and gas) increased in 2016 by £460 million (1.6%) from £29.3 billion in 2015 to £29.8 billion in 2016. Scottish exports to Non-EU countries increased by £565 million (3.4%) to £17.1 billion and exports to EU countries decreased by £105 million (0.8%) to £12.7 billion. Within the EU, the Netherlands (£2.1 billion) was the largest market, followed by France (£2.0 billion) and Germany (£1.9 billion). Scottish exports to the rest of the UK in 2016 (excluding oil and gas) were estimated at £45.8 billion, a decrease of £4.4 billion (8.8%) since 2015. Total international and rest of the UK exports in 2016 (excluding oil and gas) were estimated at £75.6 billion, down £3.9 billion (5.0%) from 2015. Exports to the rest of the UK accounted for 61% of this total, EU exports accounted for 17% and non-EU exports accounted for 23%.

Top International exporting industries	£billion	Top 5 export destinations	£billion	International exports by region	£billion
Food & Drink	5.5	USA	4.8	EU	12.7
(of which whisky)	4.0	Netherlands	2.1	North America	5.4
Professional services	3.7	France	2.0	Asia	3.2
Petroleum & Chemicals	2.6	Germany	1.9	Rest of Europe	2.9
Mining & Quarrying	2.0	Norway	1.4	Middle East	1.7
Wholesale & Retail	1.7			Central & South America	1.6
				Africa	1.6
				Australasia	0.8

Source: [Export Statistics Scotland 2016](#)

(Total international sales from Oil & Gas supply chain made up of £4.1 billion export sales + £7.3bn sales from international subsidiaries = £11.4bn) [Survey of International Activity in the Oil & Gas Sector 2015-16](#)