

(Press Release - 10 February 2015)

## **Brief Analysis of latest Quarterly National Accounts Scotland (2015 Q3) statistics**

The bad news over the Scottish economy continues with the latest publication of Scottish National Accounts figures.

### **Key points**

- **Excluding offshore (North Sea) activity, cash terms Scottish GDP grew in Quarter 3 (+0.6%) after a couple of quarters of falls. However, including (a geographical share of) the offshore sector resulted in a fall (-0.8%) in overall Scottish GDP in Q3.**
- **This latest fall means that Scottish GDP per head of population (including the North Sea) is now 1% lower than that of the UK as a whole. Only two years ago this figure was 6% in Scotland's favour and in 2008 it was over 15% in Scotland's favour.** (Note: Using GDP per capita gives an exaggerated picture of Scotland's relative decline, due to ownership issues, and the use of Gross National Income would be a better measure, but is currently not available for Scotland.)
- **Scotland's (onshore) Net Trade position in Quarter 3 was -£4.25 billion, the highest deficit on record. Scotland looks to be on course for a deficit of over £15 billion in 2015, well above the previous record annual deficit level seen in 2008, of just under £12 billion, and around £6 billion worse than was seen in 2013.**
- **This rising deficit is due in large part to a deteriorating trade position with regards to the Rest of the UK, which has worsened by £1.5 billion in the last 3 quarters alone, with exports down and imports up, both by around £750 million.**
- **As well as a trade deficit Scotland also continues to have a Net Tourism deficit, of around £300 million in the third quarter. Although this is well down on the (record) deficit seen in Q3 of 2014, it remains at a relatively high level in historical terms.**
- **Compared to the third quarter of 2014, overall Scottish Public Service Revenues have fallen in Q3 of 2015 (-£95 million), due to declining North Sea receipts.**
- **Scotland's geographical share of North Sea revenues amounted to only £21 million in Q3, as against £2,700 million in the same quarter of 2011 and £4,300 million in 2008.**
- **Onshore tax receipts were up 3% over the year to Q3 (£390 million), with most tax sources contributing to this rise.**

## **Quotes:**

### **John McLaren:**

*“Scotland’s economy continues to show worrying signs of distress.*

*The fall in GDP per capita to below the level of the UK is clearly connected to the on-going decline in North Sea activity and output.*

*The worsening trade position, largely with respect to the UK, is a bigger worry as it has real implications for Scottish prosperity and jobs.”*

### **Contact details**

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