

From: Maxwell S (Stewart) (Special Adviser)
Sent: 07 May 2018 15:33
To: Ingebrigtsen R (Ross) [redacted]; McAllister C (Colin) [redacted]
Subject: RE: URGENT press query: Missed top five economic targets

Okay

Stewart Maxwell

Special Adviser to the First Minister

Business, the Economy, Skills and Fair Work

Scottish Government

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2 Regent Road

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Tel: [redacted]

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[\[redacted\]](#)

“Scottish Ministers, Special advisers and the Permanent Secretary to the Scottish Government are covered by the terms of the Lobbying (Scotland) Act 2016. See www.lobbying.scot.”

From: Ingebrigtsen R (Ross)
Sent: 07 May 2018 15:31
To: McAllister C (Colin); Maxwell S (Stewart) (Special Adviser)
Subject: FW: URGENT press query: Missed top five economic targets

Will go with this as a spad line if all happy?

Spokesperson for Keith Brown: “The Tories have a cheek accusing anyone else of damaging Scotland’s economy – by far the biggest threat to Scotland’s future prosperity is the Tory hard Brexit which they are forcing on Scotland against its will.

“Of course, the economy is just one of many areas where the Scottish Government is taking action in the face of poor policy decisions coming from Westminster – even Business Secretary Greg Clark admitted recently that he is responsible for the economy in all nations in the UK.

“The fact is, since the financial crisis and recession, Scotland’s productivity has outperformed all other parts of the UK outside London and South East England and it is encouraging to see that GDP grew across 2017 - ending the year over 1% higher than the previous year.

“Figures for the first quarter of 2018 show retail sales also grew by 0.5%, rebounding from a slight decline at the end of 2017, while manufactured exports also increased by over 7%.

“The UK’s growth of just 0.1% in the first quarter of 2018 reflects the effect of Brexit and the weak growth expected for the UK relative to other major economies.”

ENDS

Notes:

House of Commons 18th April:

1.1

1.2 [Drew Hendry \(Inverness, Nairn, Badenoch and Strathspey\)](#) (SNP)

Does he accept that he has responsibility for growth in the economies of all the nations of the UK?

1.3 [Greg Clark](#)

I do indeed.

Thanks

Ross

Please note Scottish Ministers, Special advisers and the Permanent Secretary to the Scottish Government are covered by the terms of the Lobbying (Scotland) Act 2016.

See www.lobbying.scot for information.

From: [redacted]

Sent: 07 May 2018 15:19

To: Ingebrigtsen R (Ross)

Subject: FW: URGENT press query: Missed top five economic targets

Here you go, thanks.

Emails of everyone who has asked for a response:

[redacted]

From: Maxwell S (Stewart) (Special Adviser)

Sent: 07 May 2018 15:08

To: [redacted]; Gillespie G (Gary); McCaig C (Callum); Nicolson S (Stuart) Special Adviser; Ingebrigtsen R (Ross)

Cc: [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; Halliday R (Roger); Fuller S (Simon); Khan U (Uzma); [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]

Subject: RE: URGENT press query: Missed top five economic targets

Could we incorporate this quote from Greg Clark in the HoC on 18th April where he says that he is responsible for growth in the economy of all the UK?

1.4

1.5

1.6

- [Drew Hendry \(Inverness, Nairn, Badenoch and Strathspey\) \(SNP\)](#)

Does he accept that he has responsibility for growth in the economies of all the nations of the UK?

- [Greg Clark](#)

I do indeed.

Stewart Maxwell

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[redacted]

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From: [redacted]

Sent: 07 May 2018 14:54

To: Gillespie G (Gary); McCaig C (Callum); Nicolson S (Stuart) Special Adviser; Ingebrigtsen R (Ross); Maxwell S (Stewart) (Special Adviser)

Cc: [redacted], [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; Halliday R (Roger); Fuller S (Simon); Khan U (Uzma); [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]

Subject: RE: URGENT press query: Missed top five economic targets

Hi spads,

Any views on this? PA, Telegraph, times, Scotsman, Daily Record, Express, P&J and Daily Mail are all asking for our response so I'm keen to get this to Mr Brown for clearance as soon as possible.

Thanks,

[redacted]

From: [redacted]

Sent: 07 May 2018 14:17

To: Gillespie G (Gary); McCaig C (Callum); Nicolson S (Stuart) Special Adviser; Ingebrigtsen R (Ross); Maxwell S (Stewart) (Special Adviser)

Cc: [redacted], [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; Halliday R (Roger); Fuller S (Simon); Khan U (Uzma); [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]

Subject: RE: URGENT press query: Missed top five economic targets

Thanks, Gary.

I've added a line in.

Spads – grateful for your views.

Thanks,

[redacted]

[redacted]

From: Gillespie G (Gary)

Sent: 07 May 2018 13:38

To: [redacted]; [redacted]; [redacted]; Halliday R (Roger); Fuller S (Simon); Khan U (Uzma); Stewart [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]

Cc: [redacted]; [redacted]; [redacted]; McCaig C (Callum); Nicolson S (Stuart) Special Adviser; Ingebrigtsen R (Ross); Maxwell S (Stewart) (Special Adviser); [redacted]

Subject: Re: URGENT press query: Missed top five economic targets

Hi [redacted]

The suggested lines look fine. [redacted]

Gary

Sent from my BlackBerry 10 smartphone.

From: Stewart L (Linsey)

Sent: Monday, 7 May 2018 11:50

To: Young M (Michael); Dowens J (John); Gillespie G (Gary); Halliday R (Roger); Fuller S (Simon); Khan U (Uzma); Stewart AJS (Sandy); Cowden DC (Dette); Johnston K (Kathy); White A (Andrew); Edosomwan J (Jonathan); Gardiner I (Ian); Storrie I (Ian)

Cc: MacArthur A (Aileen) (Comms); Communications Economy; News Desk; McCaig C (Callum); Nicolson S (Stuart) Special Adviser; Ingebrigtsen R (Ross); Maxwell S (Stewart) (Special Adviser); McDonald L (Lisa)

Subject: URGENT press query: Missed top five economic targets

Hi all,

The Tories have put out the below news release on SG failing to meet economic targets. PA, Telegraph, Times, Scotsman have all asked for our response so far. Draft lines below based on the comment issued last week in response to the Quarterly National Accounts. Grateful for views as soon as possible.

Thanks,

[redacted]

[redacted]

[redacted]

Duty Comms

[redacted]

SNP has missed top five economic targets

Scottish Conservative and Unionist Party press office

Monday, May 7, 2018

FAO: all newsdesks

Embargo: For immediate release

Research compiled by the Scottish Conservatives has shown that since 2007 the Scottish Government has missed the top five of their own economic targets.

The missed targets include the Scottish Government's target to match UK GDP, to match small EU GDP, to increase productivity, to increase exports and to increase R&D.

Over the last ten years, the Scottish Government has missed matching UK GDP by £1.5 billion, missed matching small EU GDP by £4 billion and missed the target to increase exports by £27.8 billion.

In addition, the Scottish Government missed the target to increase R&D by £600 million.

If added together and combined with the estimated cost of Scotland's low productivity rate, it amounts to more than £80 billion, the analysis suggests.

Commenting on the figures, Scottish Conservative shadow finance secretary Murdo Fraser said:

"The scale of these missed targets is breath-taking.

"It is bad enough that the SNP has missed their own targets, but to have missed them by so much is truly desperate.

"These figures lay bare the utter failure of the SNP to grow our economy and support Scottish businesses.

"The SNP's failure to grow the economy means less money for schools and hospitals.

"And while Scotland's economy is struggling, the Scottish government deficit is one of the highest in Europe.

"The SNP's only solution is to raise taxes on hardworking Scots, which will simply make this situation worse."

Ends

Notes to editors:

Target	Missed by...
Match UK GDP	£1.5 billion
Match small EU GDP	£4 billion
Increase productivity	£47 billion
Increase exports	£27.8 billion
Increase R&D	£0.6 billion
Total	£80.9 billion

1. Target to match GDP growth of the rest of the UK. MISSED: £1.5 BILLION.

Their own purpose target reads: ‘When rounded to one decimal place, at 2017Q4 annual GDP growth in Scotland was 1.0 percentage points lower than in the UK’ (Scottish Government, *GDP Purpose Target* [link](#)). That 1 per cent gap means the SNP are missing their target by approximately £1.5 billion.

2. Target to match GDP of small European countries. MISSED: £4 BILLION.

Their own purpose target reads: ‘At 2017Q4 annual GDP growth in Scotland was 2.7 percentage points lower than in the Small EU Countries’ (Scottish Government, *GDP Purpose Target* [link](#)). That 2.7 per cent gap means the SNP are missing their target by roughly £4 billion.

3. Target to rank in the top OECD quartile for productivity. MISSED: £47 BILLION.

When the SNP came to power, Scotland were in the second quarter of OECD countries for productivity. They aimed to reach the first quarter but the most recent figures show that Scotland has slipped to the third quarter. This year, Scotland is 24.3 percentage points away from a place in the first quarter (Scottish Government, *Productivity Purpose Target*, [link](#)).

The First Minister has stated that 0.1 per cent productivity growth equals 1.3 per cent of GDP, 11,000 jobs and £400 million tax revenue after 10 years <https://news.gov.scot/news/growing-scotlands-economy-scotland-aims-to-join-europes-best>

In 2017-18 cash terms, 1.3 per cent of GDP is £1.932 billion (£148,679 x 0.013). So, by the First Minister’s own numbers, the SNP’s failure to meet their own target over the past 10 years has cost Scotland approximately £47 billion in GDP growth, 267,300 jobs and £9.7 billion tax revenue.

4. Target to increase exports by 50 per cent by 2017. MISSED: £27 BILLION.

	2010	2016	Missed growth	Missed percentage growth
Total Exports (m)	68910	75580	27785	40.32

Source:

<http://www.gov.scot/Topics/Statistics/Browse/Economy/Exports/ESSPublication/ESSEExcel>

5. Target to increase R&D spending to EU average’. MISSED: £593 MILLION.

The SNP are missing this target by 0.4 per cent of GDP. In cash terms, that is a missed target of £593 million (Scottish Government, [link](#))

[redacted] [Press Officer](#)

Scottish Conservatives

[redacted]

[redacted]