

# EU membership - Economic implications

# Summary - Trade

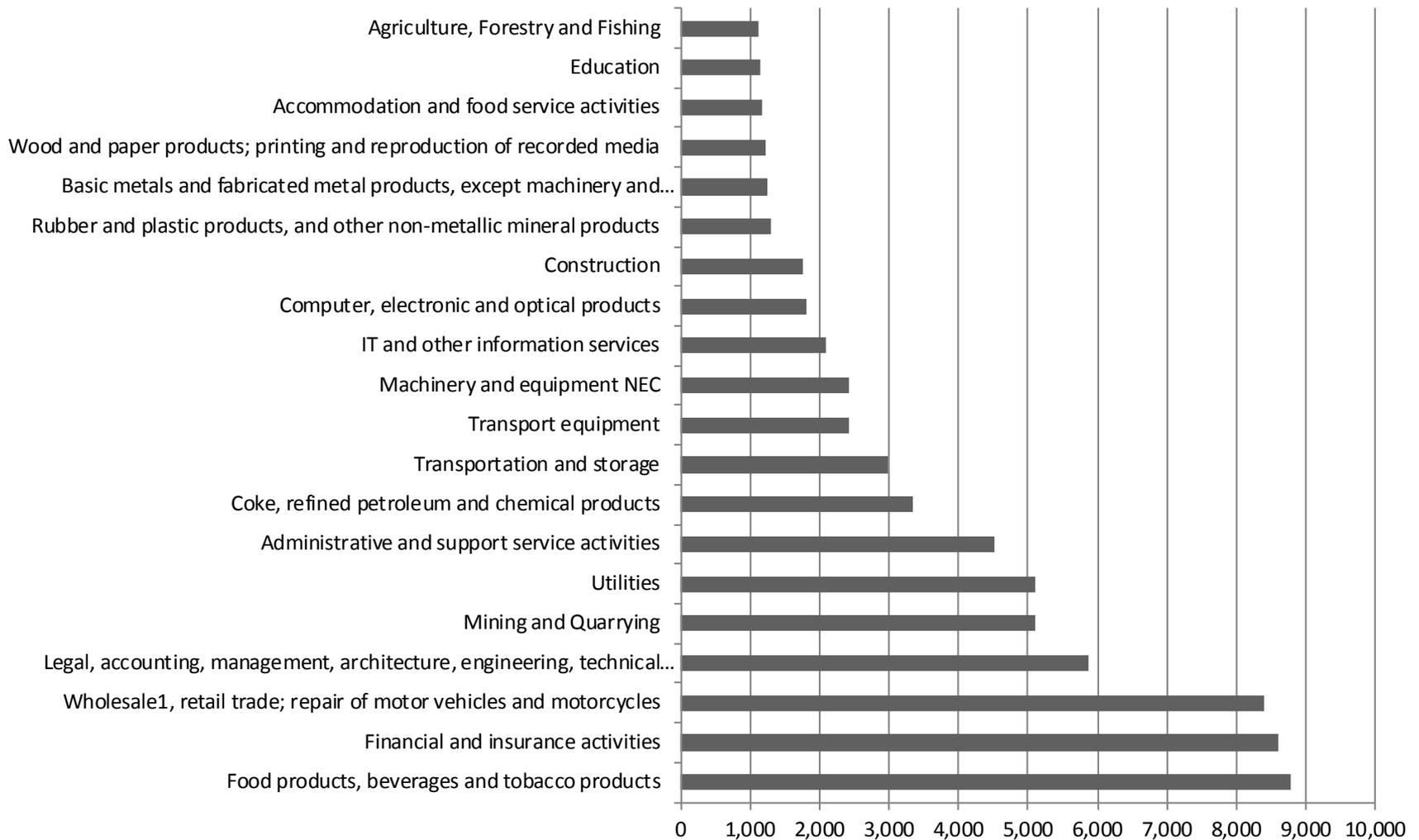
- Scotland like the majority of advanced economies has seen a shift **from manufacturing to services** in the structure of the economy. The increasing importance of non-manufactured sectors is also evident in the pattern of trade.
- The EU is Scotland's largest single destination for **international exports** (around 42%). However, the EU has been **declining as a share of international exports** – accounting for 54% of international exports in 2002.
- Scotland's **international exports** by value are concentrated in a relatively **small number of large firms**, and in a **relatively small number of international markets**.
- In 2014 Scotland's top 10 destinations account for around **54% of international exports**

# Summary – Exports by industry sectors

- **Total exports** - Food and beverages industry is Scotland's largest export sector followed by financial services, wholesale and retail, professional services, and mining and quarrying.
- **R.o.w exports** – top 5 sectors are food and beverages, professional services, mining and quarrying, machinery and equipment, and transport equipment.
- **EU exports** – top 5 sectors are Refined petroleum and chemicals, food and beverage, wholesale and retail, professional services, machinery and equipment.
- **EU as a share of total international exports** - Industries such as Refined Petroleum and chemicals, Pharmaceuticals, Rubber products and utilities are particularly reliant on EU as a share of total international exports.
- **Top UK exports** – top 5 sectors are Financial services, Wholesale and retail, utilities, food and drink and Professional services

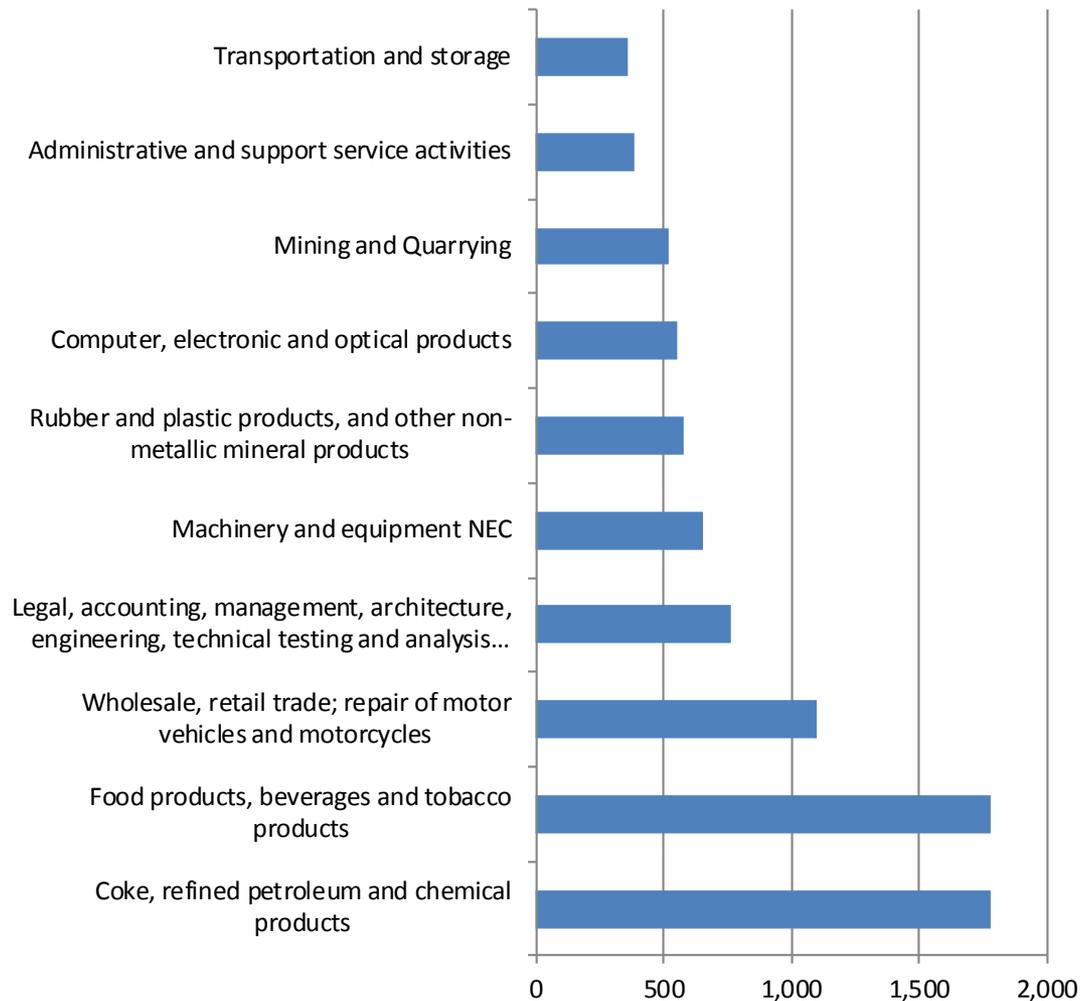


# Total Exports (International plus rUK) 2014 – (£ million)



# EU exports – top 10 sectors by value

## 2014 - (£ million)



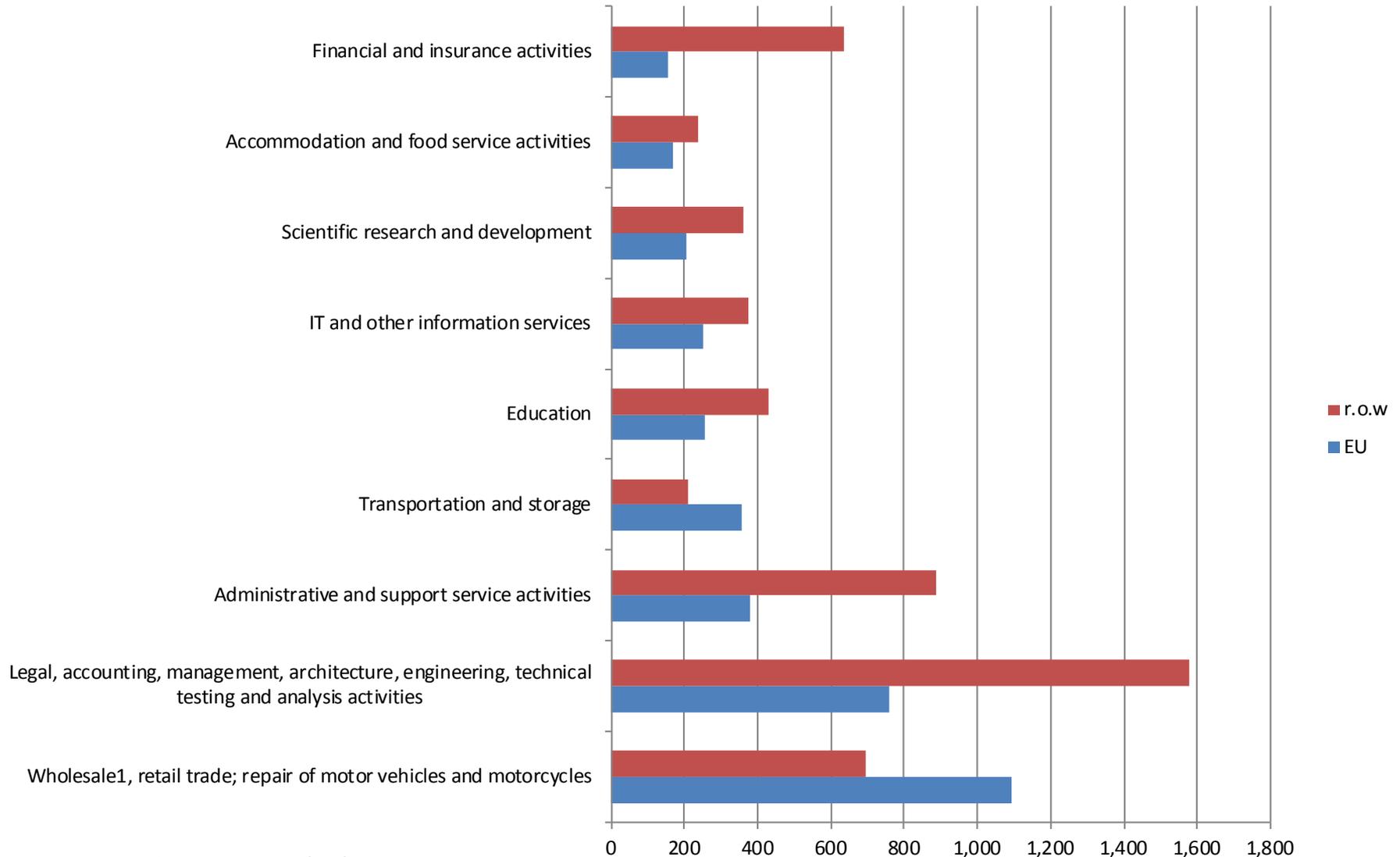
- The EU is a vital export market for Scottish firms – accounting for almost half (42%) of Scotland’s international exports in 2014 (worth £11.6 billion).

### Top 5 sectors;

- Coke, refined petroleum and chemical products (£1.8bn);
- Food products , beverages and tobacco (£1.8bn);
- Wholesale, retail trade , repair of motor vehicles and motorcycles (£1.1bn);
- Legal, accounting, management, architecture, engineering, technical testing and analysis activities (£0.8bn);
- And Machinery and equipment (£0.7bn).

# International Exports – Services

## 2014 - (£ million)



Source – Exports Statistics Scotland

# EU nationals in employment

	(000's)	% of all EU Nationals in employment <sup>1</sup>	% of all in employed in Sector <sup>2</sup>	% of UK wide EU Nationals in sector <sup>3</sup>
All in employment	115.1	100	4.5	6.0
Agriculture & fishing	*	*	*	*
Energy & water	*	*	*	*
Manufacturing	15.7	13.7	7.1	5.4
Construction	6.8	6.0	3.9	4.4
Distribution, hotels & restaurants	32.8	28.6	6.9	7.4
Transport & communication	8.3	7.3	4.4	4.2
Banking, finance & insurance etc	18.4	16.0	4.5	5.4
Public admin, educ & health	19.6	17.1	2.4	5.7
Other services	7.6	6.6	4.9	8.5

- In 2015, 115,000 EU nationals were in employment in Scotland – 4.5% of total Scottish employment.
- In 2015, the employment rate for EU nationals is 79%, higher than the overall Scottish employment rate of 73%.
- Distribution, hotels and restaurants is the most important source of jobs for EU nationals (33,000) - around 28.6% of total EU national employment.