

# Scotland's GDP 2018, Quarter 3

## First Estimate

19 December 2018

This is the first estimate of Scotland's Gross Domestic Product (GDP) for 2018 Quarter 3 (July to September).

### Headline results



Scotland's GDP grew by 0.3% in real terms during the third quarter of 2018. The equivalent growth rate for the UK as a whole was 0.6%.



Compared to the same quarter last year, Scotland's GDP has grown by 1.5%, the same as equivalent UK growth over the same period.



The largest single contribution to growth this quarter came from the **Construction** sector.

### What's in the first estimate of GDP?

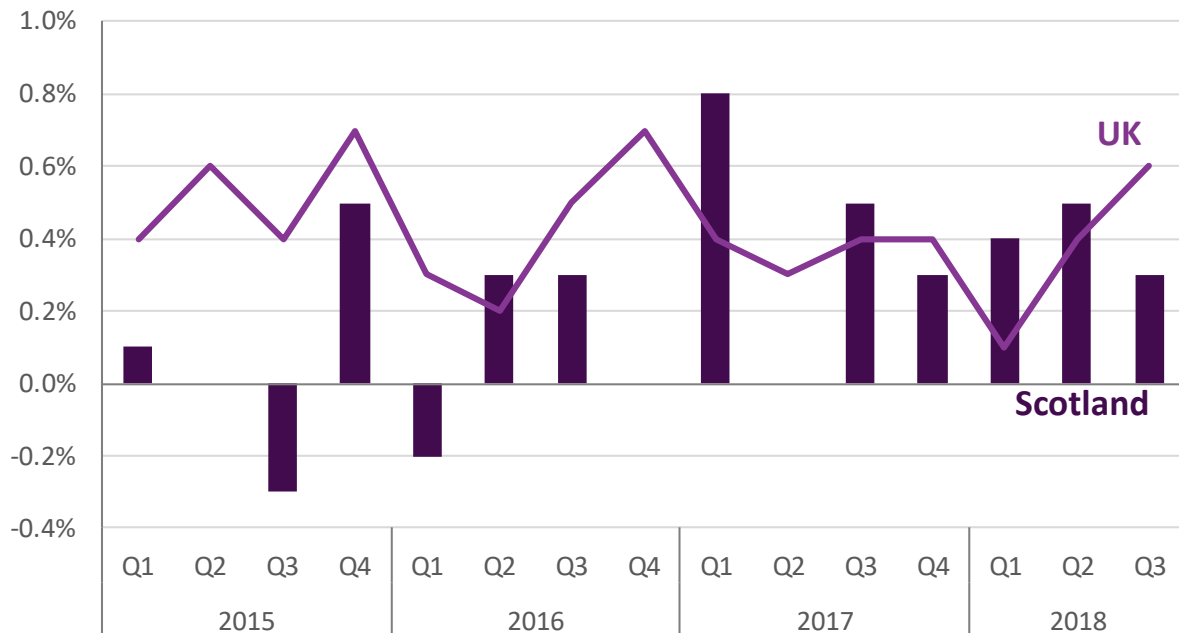
The first estimate of GDP covers the output approach to GDP and its breakdowns and reports on:

- **Real terms** – results have been seasonally adjusted and had the effect of price changes removed to allow for meaningful comparisons over time
- **Onshore economy** – figures do not include the output of offshore oil and gas extraction (which is included in the headline UK figures)
- **Revisions** - Figures for previous quarters are unchanged from those published on 31 October 2018. The GDP Quarterly National Accounts, published on 30 January 2019, will include an updated second estimate of GDP for 2018 Q3 and revisions to previous quarters.

## Total output: Compared to the previous quarter

Scotland's GDP grew by 0.3% in real terms during the third quarter of 2018 compared to the previous quarter. Over the same period, total UK GDP grew by 0.6%.

### GDP growth compared to last quarter (%)



In the latest quarter, output in the Services sector grew by 0.3%, output in the Production sector contracted by 0.7%, and output in the Construction sector grew by 2.7%.

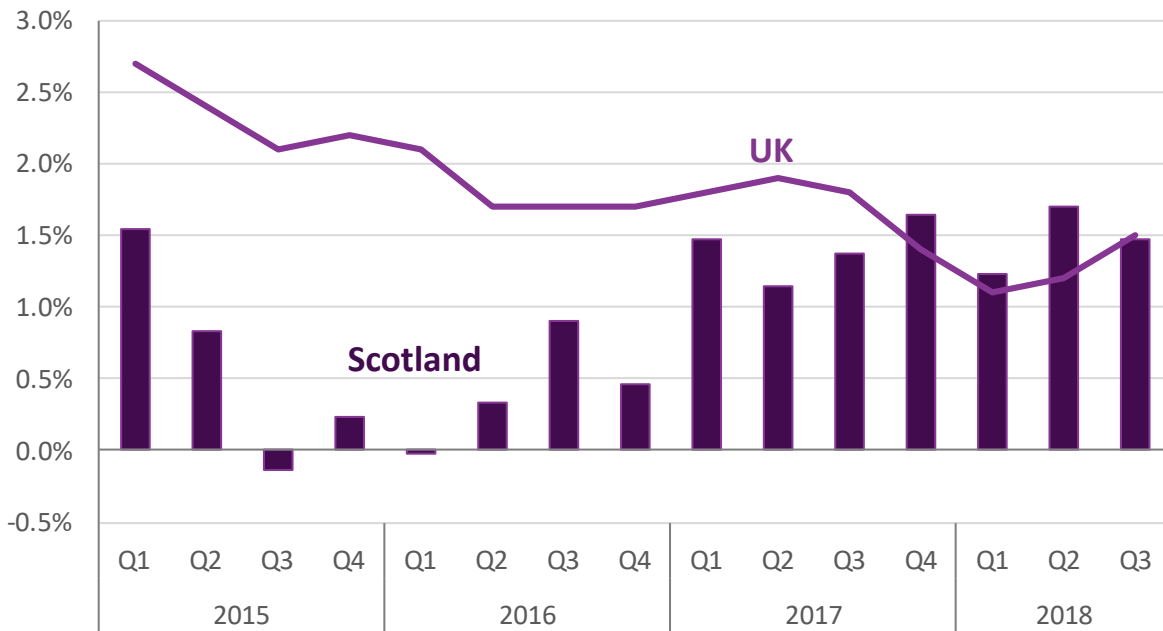
### GDP growth compared to last quarter by sector (%)

		2017		2018		
		Q3	Q4	Q1	Q2	Q3
Real terms	Agriculture, forestry & fishing	0.0	-1.1	0.1	-1.4	-1.1
	Construction	-0.8	0.8	-2.6	1.9	2.7
	Production	1.6	1.3	1.0	0.3	-0.7
	Services	0.4	0.1	0.5	0.5	0.3
	Whole economy	0.5	0.3	0.4	0.5	0.3

## Total output: Compared to the same quarter last year

In the third quarter of 2018, Scotland's economy is estimated to have grown by 1.5% over the year, compared to the third quarter of 2017. Over the same period UK GDP also grew by 1.5%. The growth rate over the year is based on how much GDP has changed in total across each of the latest four quarters.

### GDP growth compared to same quarter last year (%)



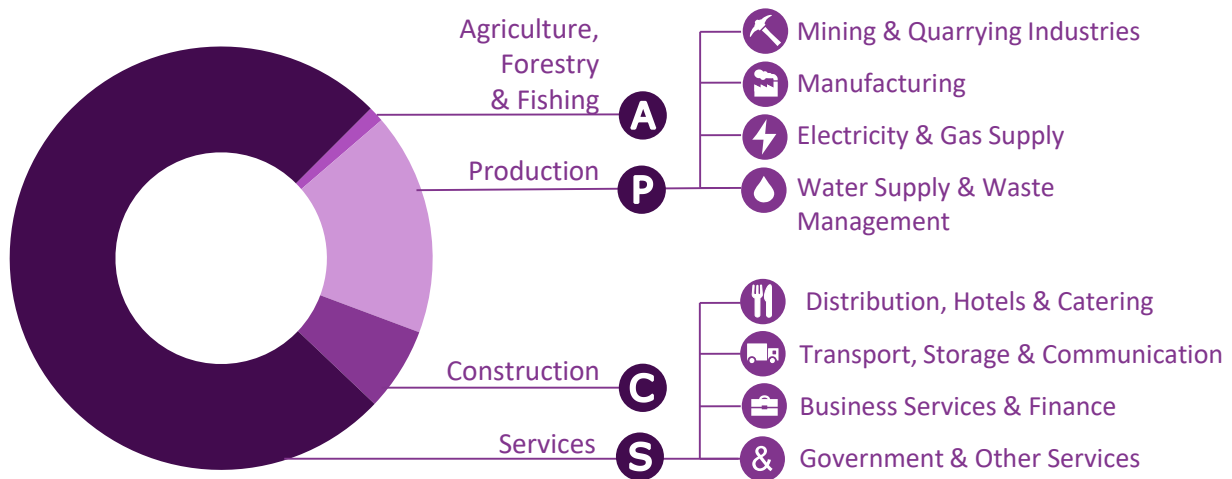
Compared to the same quarter last year, Services have grown by 1.4%, Production has grown by 1.9%, Construction has grown by 2.7% and Agriculture, Forestry & Fishing has decreased by 3.5%

		2017		2018		
		Q3	Q4	Q1	Q2	Q3
Real terms	Agriculture, forestry & fishing	4.9	1.0	0.1	-2.5	-3.5
	Construction	2.9	2.2	-3.1	-0.8	2.7
	Production	3.2	4.5	3.5	4.3	1.9
	Services	0.8	1.0	1.1	1.4	1.4
	Whole economy	1.4	1.6	1.2	1.7	1.5

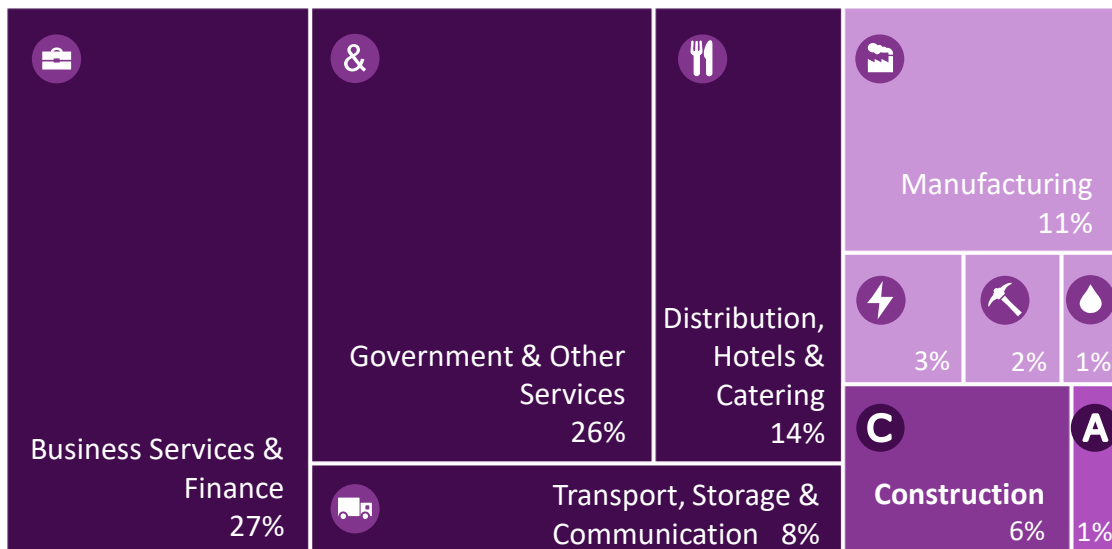
## Output: Size of industries

As of 2015, three quarters (76%) of the Scottish economy was accounted for by Services industries. Production industries accounted for 17%, Construction for 6% and Agriculture, Forestry & Fishing for 1%.

### Size of high level industries



### Size of more detailed industries

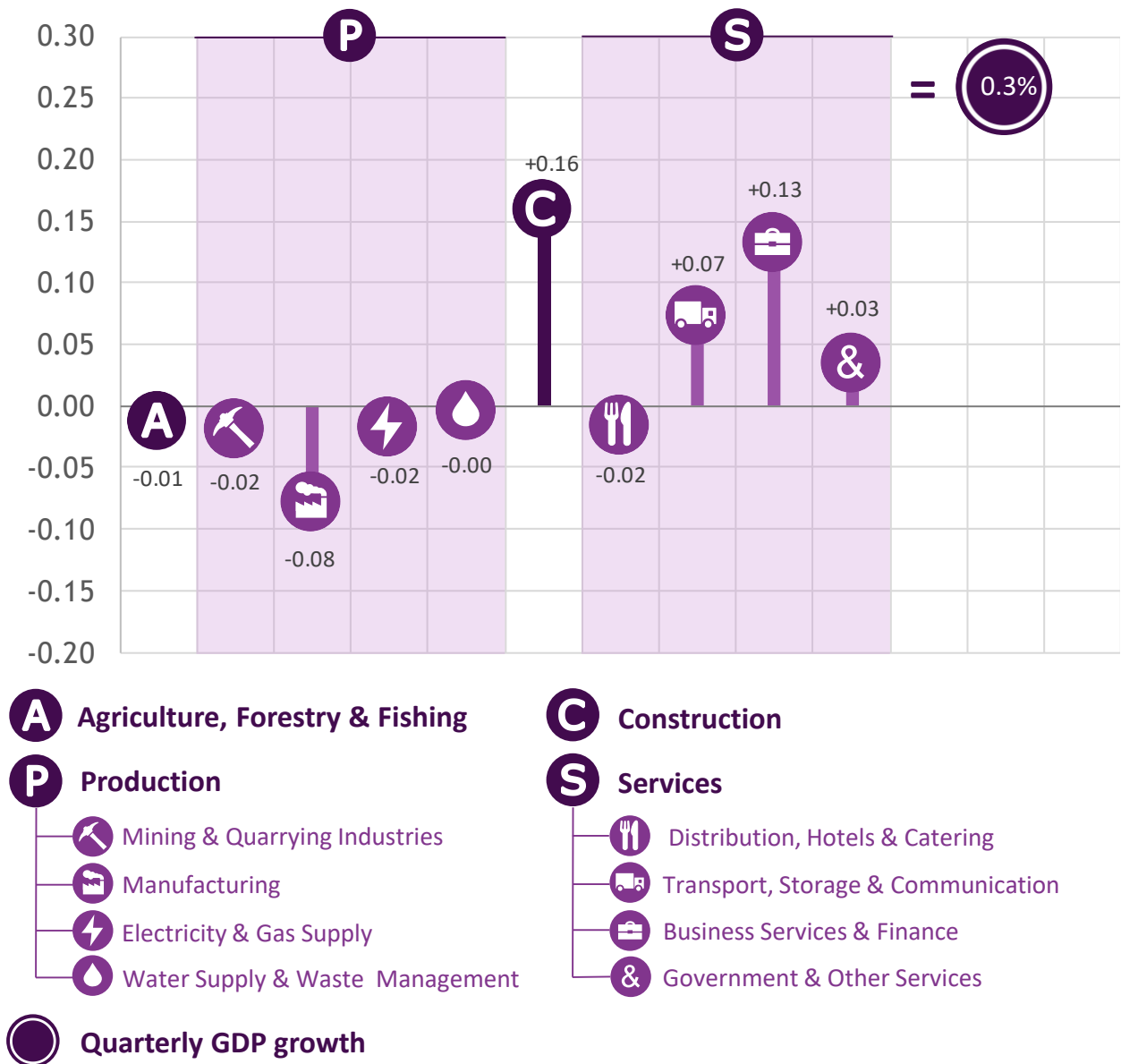


## Output: Industry contribution to growth

Industries which make up a larger proportion of the economy, or which experience large quarterly changes in output, make the largest contributions to overall GDP growth.

The chart below shows the contribution to the headline quarterly GDP figure made from each of the ten sectors of the economy (Services and Production have been broken down into their four sub-categories). If you add the unrounded percentage point contribution of each of the sectors the total is the overall quarterly growth rate of 0.3% (figures below may not sum exactly due to rounding).

Contribution of industries to overall GDP growth of 0.3%

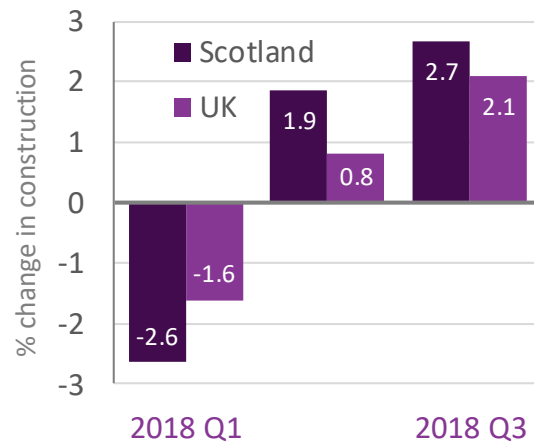


## Output: Most influential sectors this quarter

### 1. Construction

In 2018 Q3 Construction grew by 2.7%, which contributed 0.16 percentage points to total GDP.

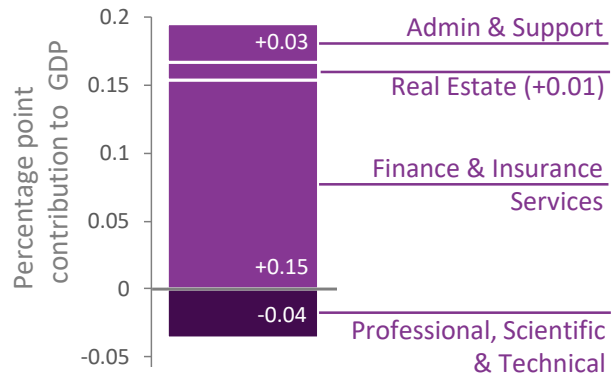
Growth in Scottish construction in Q3 and Q2 follows contraction in Q1 (a period which saw adverse weather across the UK).



### 2. Business Services & Finance

In 2018 Q3 Business Services & Finance increased total GDP by 0.13 percentage points.

Almost all of this growth came from the Finance & Insurance Services.

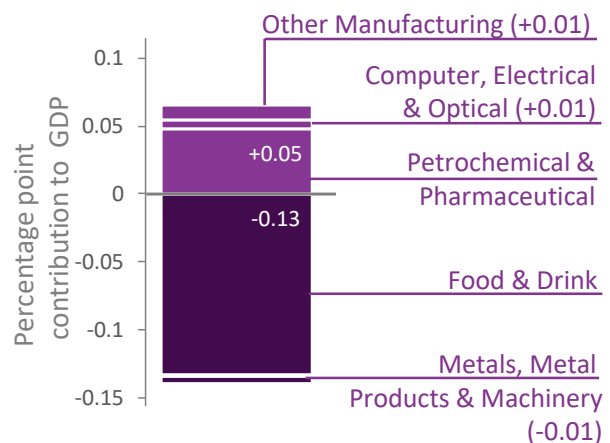


### 3. Manufacturing

In 2018 Q3 Manufacturing decreased total GDP by 0.08 percentage points. There was some growth in the Pharmaceutical industry this quarter, offset by falls in Food & Drink.

Almost all of the contraction in Manufacturing this quarter was driven by falls in Food & Drink and in Other Manufacturing.

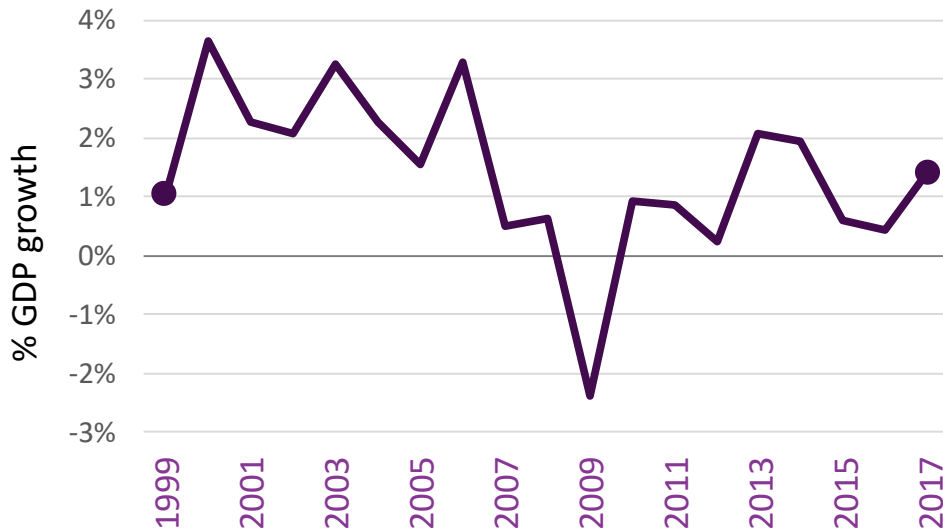
The falls in Food & Drink may be related to the impact of adverse weather on Agriculture in the first half of 2018.



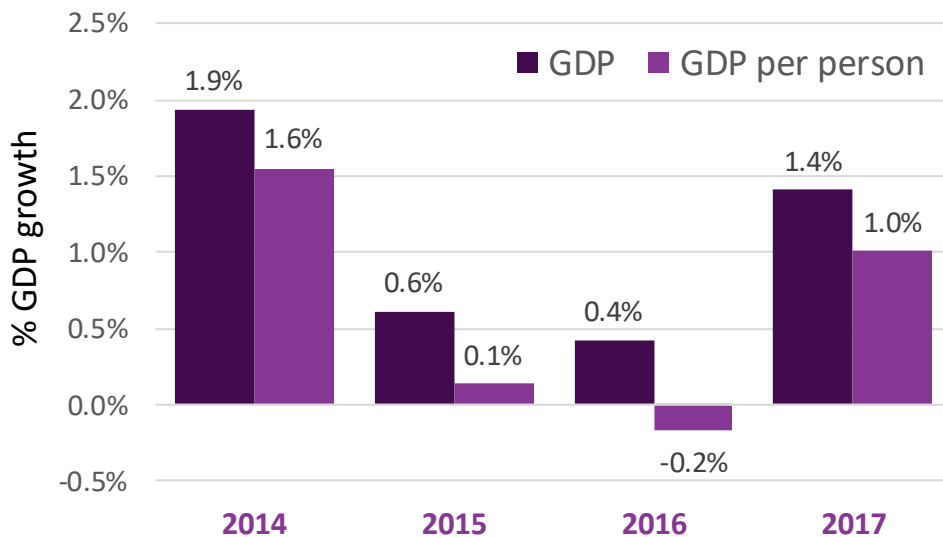
## Output: Calendar year summary

### Calendar year growth over time

You can also measure the growth of GDP in terms of the average growth over one calendar year compared to the previous year. In 2017 (the most recent calendar year for which we have four quarters of data) the Scottish economy grew by 1.4% compared to 2016.



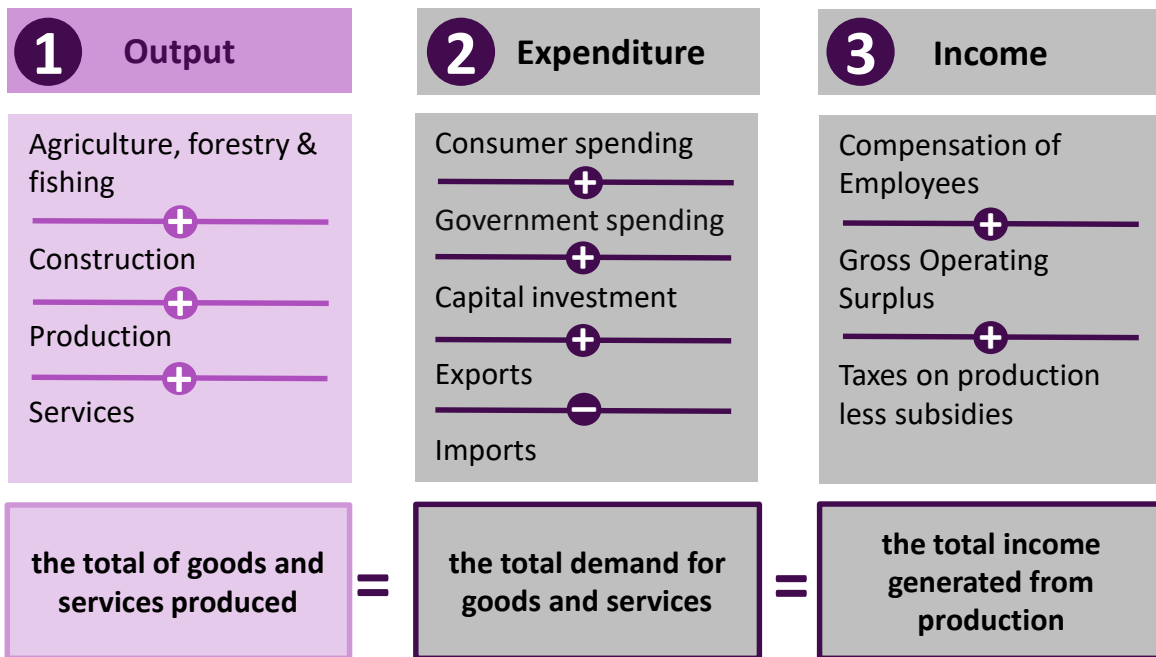
### GDP per person and total GDP



GDP per person shows economic growth after taking population growth into account. Growth in GDP per person increased from -0.2% in 2016 to +1.0% in 2017. Over the same period GDP growth increased from 0.4% in 2016 to 1.4% in 2017

## About the first estimate of GDP

Change in gross domestic product (GDP) is the main indicator of economic growth in Scotland. There are three ways in which GDP can be measured which should all produce the same result. Each of these approaches allows GDP to be broken down into different categories.



The first estimate of GDP contained in this publication covers the output approach to GDP and its breakdowns. The second estimate of GDP published in Quarterly National Accounts covers all three approaches and their different breakdowns.

If you are looking for cash value GDP data or output estimates which include the offshore economy these are available in the second estimate of GDP. The most recently published second estimate is available up to 2018 Quarter 2 (which is fully comparable to these data) at [gov.scot/gdp](http://gov.scot/gdp).

## Next publications

**Second estimate 2018 Q3**  
30 January 2019

**First estimate 2018 Q4**  
20 March 2019

## Contact

[gdp\\_stats@gov.scot](mailto:gdp_stats@gov.scot)

@ScotGovOCEA



## A National Statistics publication for Scotland

The United Kingdom Statistics Authority has designated these statistics as National Statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the Code of Practice for Official Statistics.

Designation can be interpreted to mean that the statistics: meet identified user needs; are produced, managed and disseminated to high standards; and are explained well.

## Correspondence and enquiries

For enquiries about this publication please contact:

Carrie Graham,

Office of the Chief Economic Adviser

Telephone: 0131 244 1995

email: [carrie.graham@gov.scot](mailto:carrie.graham@gov.scot)

For general enquiries about Scottish Government statistics please contact:

Office of the Chief Statistician, Telephone: 0131 244 0442,

email: [statistics.enquiries@gov.scot](mailto:statistics.enquiries@gov.scot)

## How to access background or source data

The data collected for this statistical bulletin may be made available on request, subject to consideration of legal and ethical factors. Please contact [gdp\\_stats@gov.scot](mailto:gdp_stats@gov.scot) for further information.

## Complaints and suggestions

If you are not satisfied with our service or have any comments or suggestions, please write to the Chief Statistician, 2W, St Andrew's House, Edinburgh, EH1 3DG, Telephone: (0131) 244 0302, e-mail [statistics.enquiries@gov.scot](mailto:statistics.enquiries@gov.scot).

If you would like to be consulted about statistical collections or receive notification of publications, please register your interest at [www.gov.scot/scotstat](http://www.gov.scot/scotstat)

Details of forthcoming publications can be found at [www.gov.scot/statistics](http://www.gov.scot/statistics)

## Crown Copyright

You may use or re-use this information (not including logos) free of charge in any format or medium, under the terms of the Open Government Licence. See: [www.nationalarchives.gov.uk/doc/open-government-licence/](http://www.nationalarchives.gov.uk/doc/open-government-licence/)