



ECONOMY AND LABOUR MARKET

Labour Productivity Statistics

2019 Quarter 1

14 August 2019

This publication includes estimates of labour productivity for Scotland's onshore economy up to the first quarter of 2019 (January-March).

Headline results



In 2019 Quarter 1, labour productivity in Scotland, measured by output per hour worked, has increased by 1.1% compared to the same quarter last year.



Compared to the previous quarter, labour productivity is estimated to have grown by 0.4% in 2019 Quarter 1, following growth of 0.2% in the previous quarter.

What's included in this release?

Labour productivity measures the amount of economic output that is produced, on average, by each unit of labour input, and is an important indicator of economic performance.

This publication contains a brief summary of the key results from the latest productivity statistics, focussing in on the headline measures of change in output per hour worked.

To aid comparability with other economic measures for Scotland and the UK as a whole, this publication reports growth rates for the latest quarter and compared to the same quarter a year ago.

The key results are presented in real terms, i.e. where the effect of price changes has been removed to allow for meaningful comparisons over time. Estimates are for Scotland's onshore economy.

Data

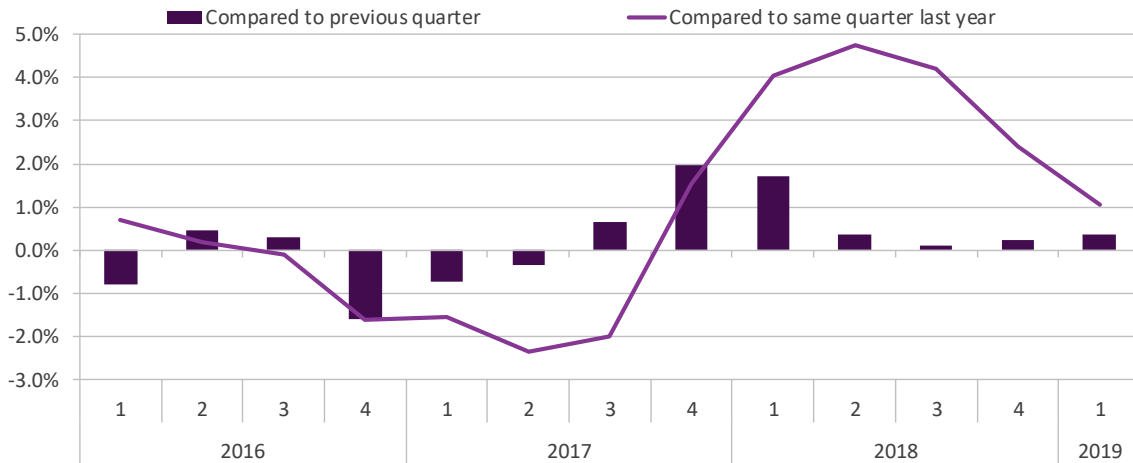
Full results including estimates of output per job, current price productivity measures (not adjusted for price changes) and experimental estimates of labour productivity by industry are available in [online tables](#).

In 2019 Q1, productivity has grown by 1.1% compared to the same quarter in 2018

Compared to the first quarter of 2018, labour productivity has increased by 1.1% in real terms. The growth rate over the year is based on how much output per hour worked has changed in total across the latest four quarters.

Compared to the previous quarter, labour productivity is estimated to have grown by 0.4% in 2019 Quarter 1, following an increase of 0.2% in the previous quarter.

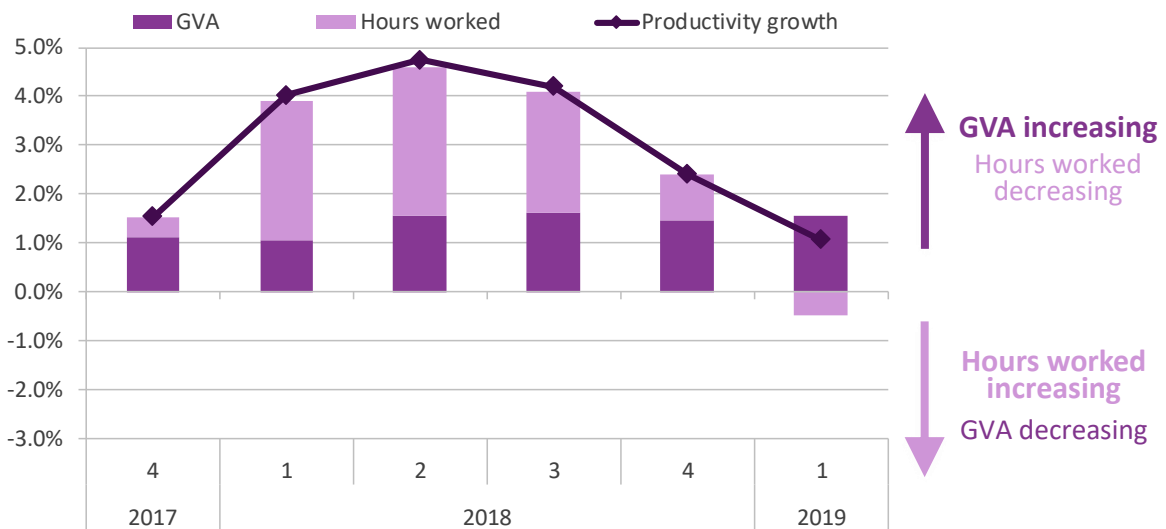
Output per hour worked, percentage change



Changes in productivity can be simply broken down into growth in output (GVA) *minus* growth in total hours worked. Therefore, when output grows faster than hours, productivity increases.

Compared to the same quarter a last year, output per hour increased by 1.1% as GVA growth (1.5%) outweighed a rise in the total number of hours worked (0.5%). While GVA growth has been relatively steady in recent quarters, the number of hours worked has increased over the year for the first time since 2017 Quarter 3.

Growth in productivity, output and hours worked, compared to same quarter last year



About Labour Productivity Statistics

Labour productivity measures the amount of economic output that is produced, on average, by each unit of labour input, and is an important indicator of economic performance.

Labour input is measured in terms of the number of jobs in the economy (giving a measure of output per job), and also the total number of hours worked (giving a measure of output per hour worked). Output per hour worked is usually viewed as the most comprehensive indicator of labour productivity and is thus taken as the headline measure.

Labour productivity statistics presented in **real terms** (where the effects of price changes have been removed) are used to analyse changes in the level of activity over time within a particular country or industry, or to compare growth rates between countries or industries on a consistent basis. Results are indexed to a reference year – set at 2007=100 in this release in order to focus on movements since the onset of the recession in 2008.

Results presented in **current prices** (unadjusted for the effects of price changes) are used to make comparisons of the relative level (not growth rate) between countries or industries at a particular point in time.

Quarterly movements of labour productivity can be volatile, making short term trends difficult to discern. To aid interpretation, quarterly estimates of productivity growth are calculated using a trend-based labour input series. The quarterly estimates presented indicate the underlying rate of change after removing both seasonal and irregular (volatile) movements from the data.

Further information on the production and interpretation of these statistics is available [here](#).

What's changed in this release?

Labour productivity estimates are derived using simple calculations on other source statistics and any revisions to these sources of data have a consequent impact on the productivity estimates.

This publication reflects revisions to jobs and hours data published by the Office for National Statistics (ONS) affecting all time periods. This release also contains revisions to GVA growth following the annual updates to data sources and industry weights published in the annual Supply and Use Tables for 1998-2016 on 24 July 2019.

The latest two quarters of the trend-based measure of productivity are provisional and are subsequently revised as new data become available. The cumulative effect of these revisions is presented in the online revision tables.

Next publication

Labour Productivity Statistics, 2019 Quarter 2

6 November 2019



An Official Statistics publication for Scotland

These statistics have not been assessed by the Office for Statistics Regulation and are therefore not yet been designated as National Statistics.

Official and National Statistics are produced to high professional standards set out in the Code of Practice for Official Statistics. Both undergo regular quality assurance reviews to ensure that they meet customer needs and are produced free from any political interference

Correspondence and enquiries

For enquiries about this publication, please contact:

Statistician:

Ian Gardiner,
National Accounts Unit,
Office of the Chief Economic Adviser
e-mail: ian.gardiner@gov.scot
or economic.statistics@gov.scot

For general enquiries about Scottish Government statistics please contact:
Office of the Chief Statistician, Telephone: 0131 244 0442,
e-mail: statistics.enquiries@gov.scot

Complaints and suggestions

If you are not satisfied with our service or have any comments or suggestions, please write to the Chief Statistician, St Andrew's House, Edinburgh, EH1 3DG, Telephone: (0131) 244 0302, e-mail 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

Details of forthcoming publications can be found at 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/