

# Scotland's GDP 2023, Quarter 3

## First Quarterly Estimate

29 November 2023

### Key Points

- Scotland's GDP grew by 0.4% in real terms during the third quarter of 2023. Over the same period, GDP in the UK as a whole remained flat (0.0% growth).
- Compared to the same quarter last year, Scotland's GDP grew by 0.4%. Over the same period, the UK as a whole grew by 0.6%.
- In the third quarter of 2023 services output grew by 0.2%, while production output grew by 1.8% with the increase of 5.1% in electricity output making the largest contribution to the overall result.

### Introduction

Gross Domestic Product (GDP) statistics measure the output of the economy in Scotland. All results are seasonally adjusted and presented in real terms (adjusted to remove inflation), and relate to Scotland's onshore economy (which does not include offshore oil and gas extraction).

#### An Accredited Official Statistics Publication for Scotland



These statistics are [accredited official statistics](#). The Office for Statistics Regulation (OSR) has independently reviewed and accredited these statistics as complying with the standards of trustworthiness, quality, and value in the [Code of Practice for Statistics](#).

These statistics were accredited in January 2011 and the [accreditation notice](#) is available on the OSR website.

Accredited official statistics are called National Statistics in the [Statistics and Registration Service Act 2007](#).

Scottish Government statistics are regulated by the Office for Statistics Regulation (OSR). OSR sets the standards of trustworthiness, quality and value in the [Code of Practice for Statistics](#) that all producers of official statistics should adhere to.

## What is in the first quarterly estimate of GDP?

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

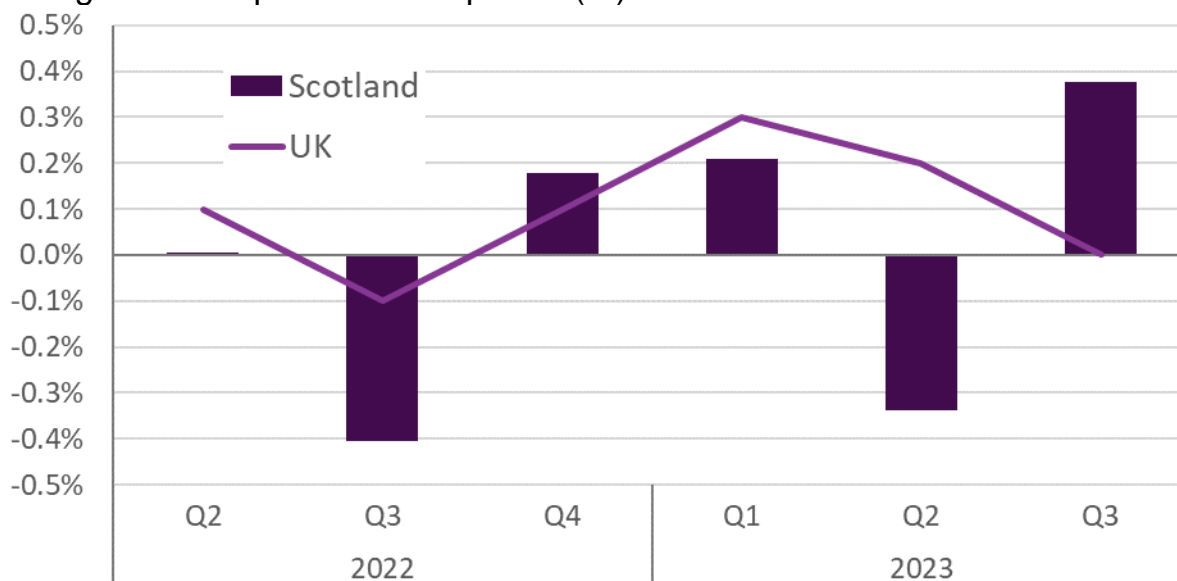
- **Real terms** – results have been seasonally adjusted and had the effect of price changes removed to allow for meaningful comparisons over time
- **Onshore economy** – figures do not include the output of offshore oil and gas extraction (which is included in the headline UK figures)
- **Revisions** – There are no revisions to previous quarters in this release. The GDP Quarterly National Accounts, published on 31 January 2024, will include an updated second estimate of GDP for 2023 Q3 and revisions to previous quarters.

## Output compared to the previous quarter

In 2023 Quarter 3 (July to September), Scotland's GDP grew by 0.4% in real terms compared to the previous quarter. Over the same period, GDP for the UK as a whole remained flat. This growth follows contraction of 0.3% in 2023 Quarter 2.

**Figure 1: GDP grows by 0.3% in the third quarter of 2023, compared to quarter 2.**

GDP growth compared to last quarter (%)



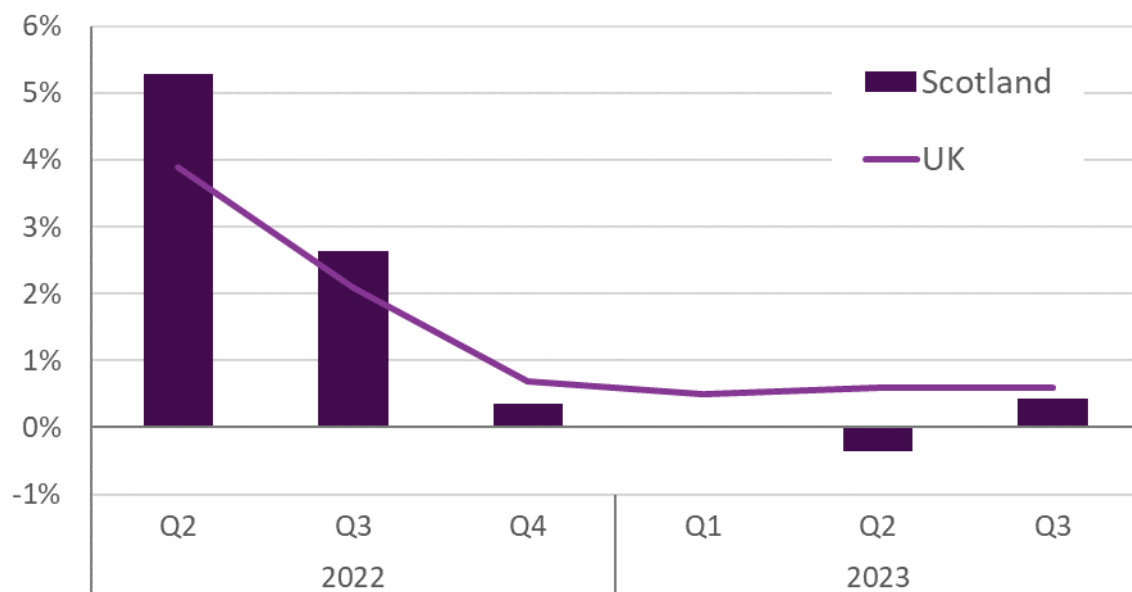
At the broad sector level in the latest quarter, output in the Services sector increased by 0.2%, output in the Construction sector grew by 0.1%, and output in the Production sector grew by 1.8%.

# Output compared to the same quarter the previous year

Compared to the third quarter of 2022, Scotland's economy is estimated to have grown by 0.4% over the year in real terms. Over the same period UK GDP grew by 0.6%.

**Figure 2: GDP grows by 0.4% in the third quarter of 2023 compared to the same quarter of 2022**

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

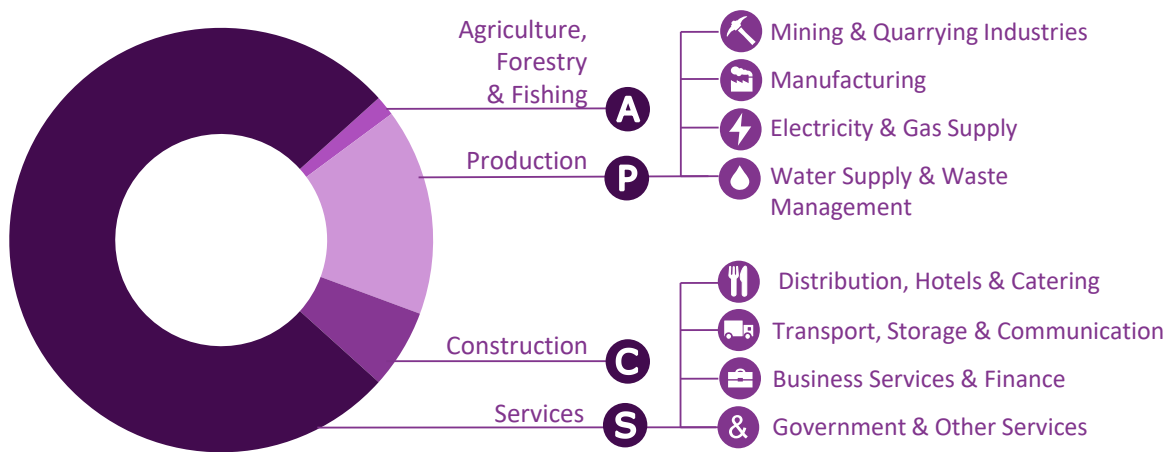


Compared to the same quarter last year, Services have grown by 0.5%, Construction has grown by 2.5%, Production has fallen by 0.9%, and Agriculture, Forestry & Fishing has fallen by 0.5%.

# Size of industries

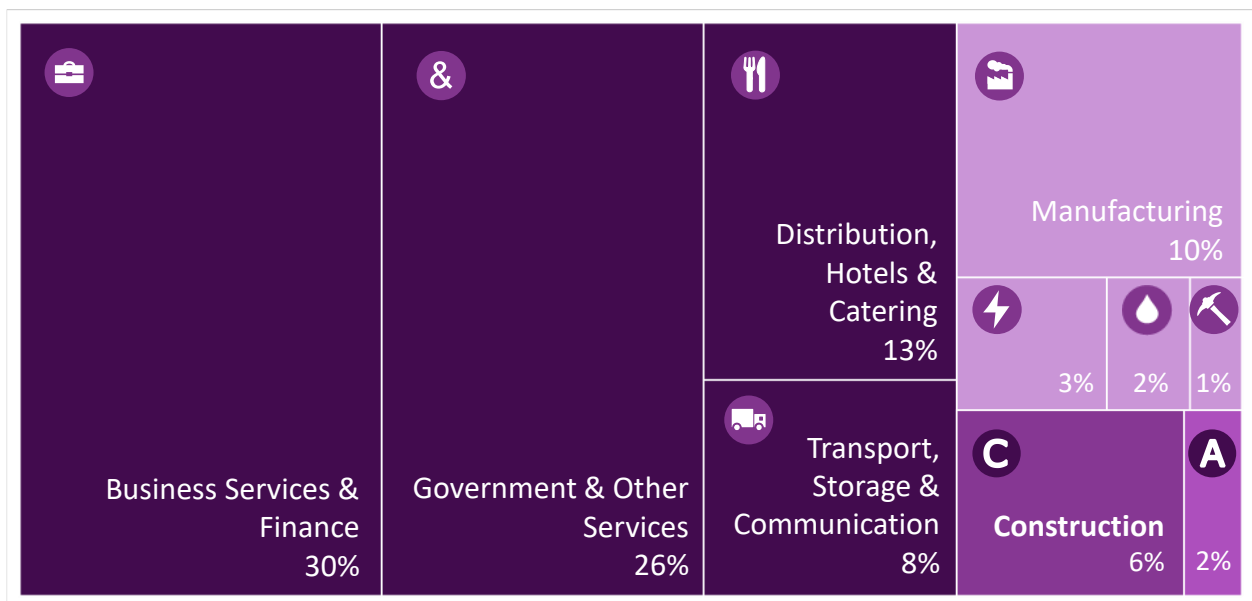
As of 2019, over three quarters (77%) of the Scottish economy was accounted for by Services industries. Production industries accounted for 16%, Construction for 6% and Agriculture, Forestry & Fishing for 2% (does not sum to 100% due to rounding).

**Figure 3: Services account for over three quarters of the Scottish economy**  
High level industry breakdown



**Figure 4: Within Services, Business Services & Finance is the largest industry group**

Size of more detailed industries



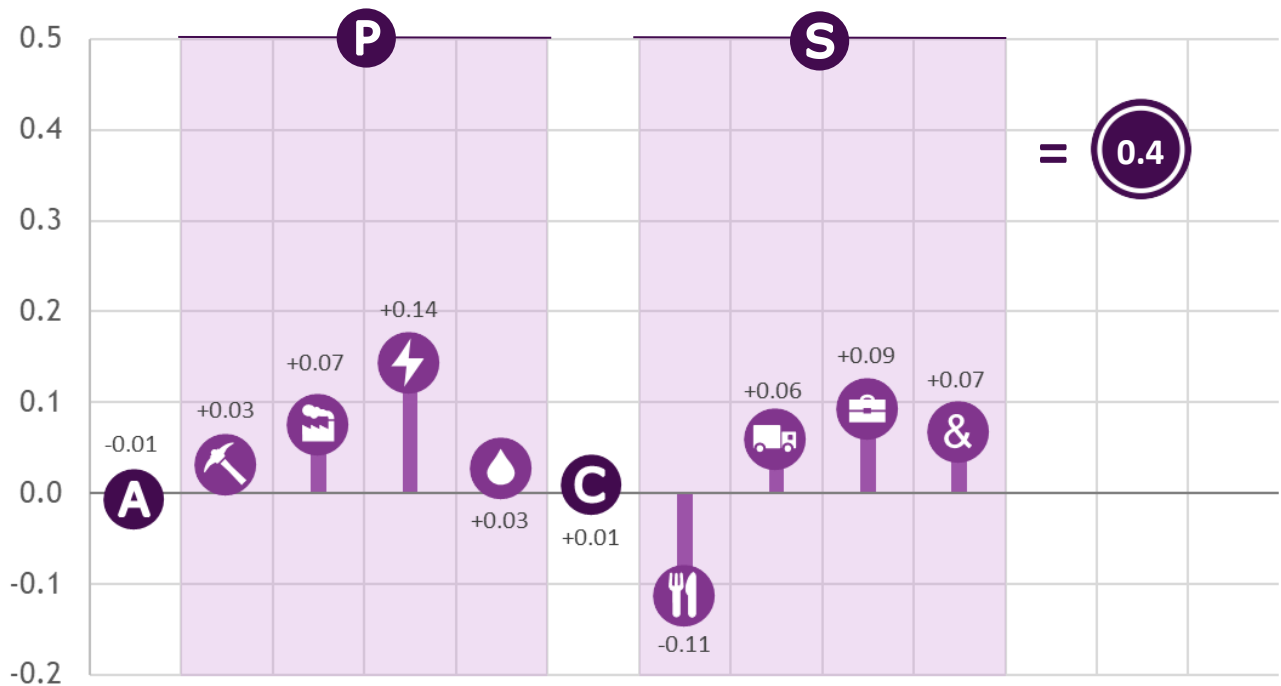
# Industry contribution to change

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 change.

The chart below shows the contribution to the headline quarterly GDP figure made from each of the ten broad sectors of the economy (Services and Production have been broken down into their largest four sub-categories). If you add the unrounded percentage point contribution of each of the sectors the total is the overall quarterly increase of 0.4% (figures below may not sum exactly due to rounding).

A increase in electricity output contributed a third of the 0.4% growth in GDP in the third quarter of 2023.

**Figure 5: Contribution of industries to overall GDP increase of 0.4%**



**A** Agriculture, Forestry & Fishing

**C** Construction

**P** Production

**S** Services

- Mining & Quarrying Industries
- Manufacturing
- Electricity & Gas Supply
- Water Supply & Waste Management

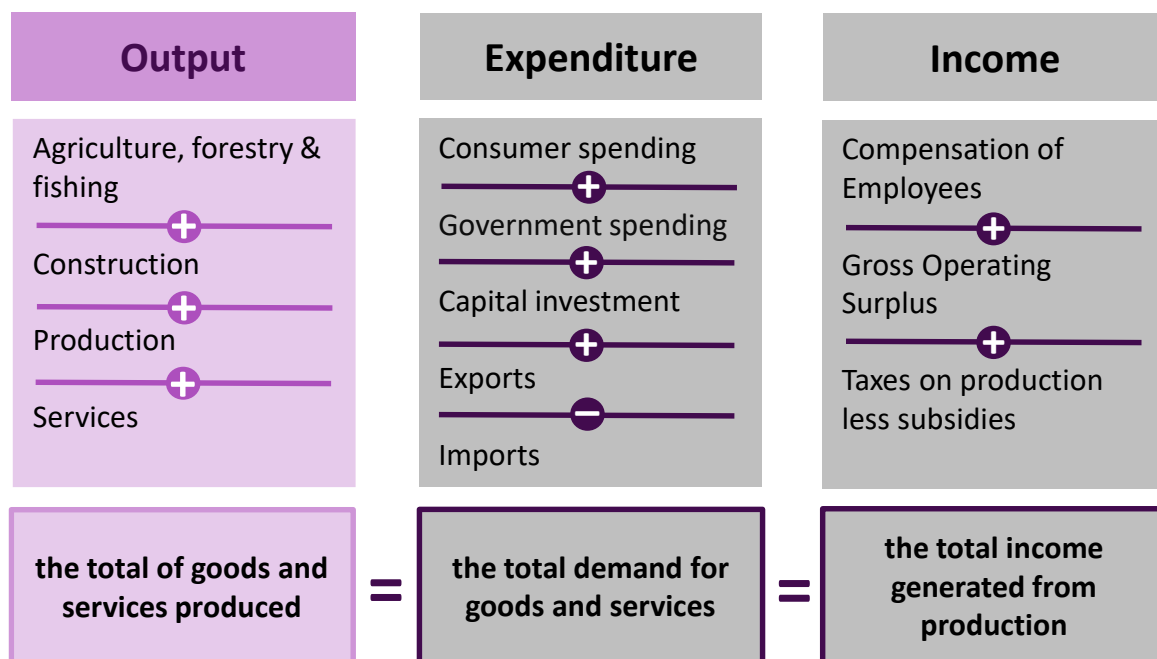
- Distribution, Hotels & Catering
- Transport, Storage & Communication
- Business Services & Finance
- Government & Other Services

Quarterly GDP growth

# About the first quarterly 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.

**Figure 6: The first quarterly estimate of GDP covers the output approach to GDP**



The first quarterly 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 GDP Quarterly National Accounts. The most recently published Quarterly National Accounts estimate is available up to 2023 Quarter 2 (which is fully comparable to these data) at <http://www.gov.scot/gdp>.

If you are looking for information on the relative size of industries within the economy please refer to the Scottish Supply and Use Tables at <http://www.gov.scot/input-output>. The most recent figures were published on 29<sup>th</sup> November 2023 and cover the years 1998 to 2020.

This publication uses the Scottish Supply and Use Tables for 2019, published on 26<sup>th</sup> October 2022. The coronavirus pandemic led to a number of challenges in collecting and processing the data to calculate GDP, as well as leading to large impacts on structures and behaviours in the economy. As a result, estimates for 2020 and 2021, in particular, are subject to more uncertainty than usual and may

be more prone to revision over time. As the economy in 2023 is more similar to that of 2019 than 2020 we will continue to use the 2019 weights.

## Data and Methodology

Information on the methodology and data sources used to produce GDP are available at [www.gov.scot/gdp](http://www.gov.scot/gdp).

## Tell us what you think

We are always interested to hear from our users about how our statistics are used, and how they can be improved.

### Feedback survey

We'd appreciate it if you would complete our short [feedback survey](#) on this publication.

### Enquiries

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