

# News story: UK Government reaction to GERS

Reacting to the Scottish Government's [GERS figures](#), published today, Scottish Secretary David Mundell said:

These figures from the Scottish Government are a cause for concern, and show clearly there is still much to be done to improve Scotland's economy.

They also highlight the value of pooling and sharing resources around the UK. Being part of a strong UK has protected our living standards, and that's one reason the people of Scotland clearly rejected Nicola Sturgeon's plan for a second independence referendum at the election.

Scotland's deficit is falling at a slower rate than the UK as a whole and economic growth is lagging behind. It is vital we grow the economy and we want to work with the Scottish Government to achieve that.

We will continue to invest in Scotland, with new initiatives such as UK City Deals, which have already seen around £1 billion of UK Government money committed to Scotland. I would also urge the Scottish Government to use their significant economic levers – including on tax, skills and getting people into work – to improve Scotland's economic future.

## Key facts

At -8.3% of GDP (£13.3 billion), Scotland's deficit is more than three times higher than that of the UK as a whole (-2.4%).

Public spending per person in Scotland is more than £13,000, compared with £11,739 for the whole of the UK. Since 2012-13, public spending per person in Scotland has been significantly higher than the UK average.

Scotland's borrowing per person is £2453, more than £1700 higher than the rest of the UK (£704 per person).

Scotland contributed 8% of UK tax and received 9.2% of UK spending in 2016-17.

Scotland's currently devolved tax revenues are up. This includes £4.6 billion from the Scottish Rate of Income Tax (SRIT), and raised a total of £10bn in 2016-17.

Scotland's geographical share of North Sea revenues increased from £56m last year to £208m in 2016/17. [NB: UK-wide revenues were £84m in 2016/17. The reason for this discrepancy is due to the allocation of tax relief on petroleum relief tax-paying fields, 40% of which are based in English waters).

Non-North Sea revenue in Scotland grew by 6.1% in 2016-17, similar to that for the UK as a whole at 6.2%. This relatively strong growth is driven by increased national insurance contributions and corporation tax revenue.