

Scottish Secretary Alister Jack responds to GERS 2020-21 figures

News story

Stats reveal unprecedented level of support from UK Government as Scotland tackles pandemic



Commenting on the Scottish Government's GERS figures, Scottish Secretary Alister Jack said:

These figures show how all of us in Scotland have benefitted from being part of a strong United Kingdom. Public spending in Scotland reached nearly £100 billion as we tackled the pandemic and protected lives and livelihoods.

Unprecedented UK Government support has allowed us to treat patients, vaccinate people, protect a third of our workforce through furlough and issue crucial loans to more than 90,000 Scottish businesses.

We have been able to weather the Covid storm as part of the UK but we now face the challenge of rebuilding our economy and supporting our heroic NHS and other public services. Our focus remains on that task.

We have faced a terrible crisis far, far stronger as one UK – and we will build back better as one UK.

Background

- Total public spending for the benefit of Scotland increased from £81.9bn in 2019-20, to £99.1bn in 2020-21.
- Increased spending on the pandemic amounted to £17.2 billion – equivalent to more than £3,100 per person in Scotland.
- Scotland's notional deficit rose from £15.8 billion in 2019-20 to £36.3

billion in 2020-21. This is more than Scotland's entire health, education, transport, housing and culture budgets for the year, which was cumulative £35.8 billion in 2020-21.

- As a percentage of Scotland's GDP the notional deficit increased from -8.8% in 2019-20 to -22.4% in 2020-21. For comparison, the UK's deficit rose from -2.6% of GDP to -14.2% over the same period. New members of the EU are required to have a deficit less than 3% of GDP.
- Public spending per person was £1,828 higher in Scotland than the UK average. This was an increase from £1,754 the previous year.
- Tax revenues in Scotland were £382 per person lower than the UK average, compared with £290 lower the previous year.
- The 'Union dividend' (reflecting Scotland's lower tax revenues and higher public spending) was £2,210 per person compared with £2,043 the previous year.
- North Sea revenues fell from £643m in 2019/20 to £414m in the last financial year.

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