Scottish Secretary Alister Jack comments on 2021-22 GERS figures

News story

The Government Expenditure & Revenue Scotland figures show the difference between total revenue and total public sector expenditure in Scotland.



Commenting on the Scottish Government's <u>Government Expenditure & Revenue Scotland figures</u>, Scottish Secretary Alister Jack said:

Today's Scottish Government figures show how people and their families benefit massively from being part of a strong, resilient IIK.

Scotland's deficit — the shortfall between taxes raised here, including oil, and public spending — stands at £23.7bn. But as part of the UK, we can rely on the Treasury to step up to support us in plugging the gap.

At a time of unprecedented challenges, sharing resources around the UK has never been more important.

As we continue to recover from the pandemic and confront global pressures on prices and the cost of living, it is clear we need a shared and a relentless focus on boosting the economy.

- Total expenditure for the benefit of Scotland fell from £98,439 million in 2020-21, to £97,502 million in 2021-22.
- The decline in spending reflects a reduction in spending associated with coronavirus support schemes.
- Although spending as a share of GDP has fallen from the peaks seen

during 2020-21, it remains above 50% of GDP, and around 5 percentage points higher than prior to the pandemic.

- On top of receiving additional Barnett consequentials for the Scottish Government for 2021-22, these figures account for Scotland having benefited from at least an additional £3.7 billion in reserved spending, down from £9.4 billion in 2020-21.
- The figures from the Scottish Government show that Scotland's notional deficit fell from £35,774 billion in 2020-21 to £23,727 billion in 2021-22. This is more than Scotland's entire health, education, economic development, tourism and culture budget for the year, which was a cumulative £23.4 billion in 2021-22.
- Public expenditure per person in Scotland in 2021-22 was £1,963 higher than the UK average. This was an increase from £1,530 in 2020-21.
- Revenue per person in Scotland remained below the UK average. In 2021-22, including an illustrative geographical share of North Sea revenue, revenue per person was £221 lower than the UK average. In 2020-21 when revenue per head was £395 lower than the UK average. This shows the higher variability when North Sea revenues are included.
- The 'Union dividend' per person in Scotland (the combined value of higher spending and lower revenue) was £2,184 in 2021-22. This was an increase from £1,924 in 2020-21 (revised).
- Although spending on the pandemic fell in 2021-22, this has mostly been offset by increases in the cost of servicing public sector debt.

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