

Better SNAP-shot figures needed

Today, as the latest National Accounts (SNAP) figures were released, Scottish Environment LINK called for national figures which tell about our wellbeing and our success as a society, not just how busy the economy is. Gross Domestic Product data don't tell us who gets the benefit of the economic activity recorded, nor whether it is making us healthier and happier.

Matthew Crighton, the Convenor of LINK's Economic Taskforce said **"The Scottish Government is attempting to broaden out the scope of economic statistics but they need go further. We would like to see information on how households are faring, such as median household income and expenditure, the state of household assets and the impact of household expenditure changes on the environment. Without this range of information we can't properly assess the success or health of our economy."**

"Today's figures tell us that household consumption has increased in the last year, but at a faster rate than household income, so that indicates that households have been saving less or borrowing more during the period. This is reflected in the falling Household Savings Ratio, which is 6.7% in the latest quarter, down from 9.2% a year ago. The impact of this change on household stress and resilience may be as important as the rise in expenditure".

- During the twelve months to March 2015, onshore Scottish Gross Domestic Product (GDP) is estimated at £141 billion in total, or £26,400 per person (£26,700 when offshore population activity included, and £28,500 when offshore geographic activity included).
- Over the last year, Household Final Consumption Expenditure increased by 4.9% in current prices (not adjusted for inflation) compared to the first quarter of 2014.
- Gross Disposable Household Income increased by 3.8% compared to the first quarter of 2014, in current prices (not adjusted for inflation).

Scottish Environment LINK is contributing to the review of indicators in the Government's National Performance Framework. LINK supports the use of an improved range of indicators that can adequately reflect the wellbeing of society and the health of our environment as well as a sustainable economy. A sustainable economy should serve wellbeing through quality jobs and fair incomes and operate within environmental limits.

Matthew Crighton added - **"We must remember our economy should be a means to well-being and not an end in itself. Too often GDP, which only measures how busy the economy is, is seen as synonymous with a successful economy and a successful country. We need to pay far more attention to measuring wellbeing and the health of our environment, which provides the resources and support systems for our economy and wider existence."**

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Notes to Editors

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The quarterly Scottish National Accounts Project (SNAP) enhances the scope of economic statistics for Scotland – as well as providing GDP figures these accounts give figures for Scotland's additional share of GDP from offshore activity, household sector income and expenditure accounts, and public sector revenues. <http://www.gov.scot/Topics/Statistics/Browse/Economy/SNAP>

- Household expenditure is the final consumption expenditure made by households on goods and services
- Gross disposable household income is the income available to households rather than the government or business
- Household savings ratio is the relative difference between household income and expenditure.

ONS have a similar set of expanded economic indicators: *Economic well-being – Framework and Indicators*. It is more comprehensive than the SNAP and includes household measures. <http://www.ons.gov.uk/ons/rel/wellbeing/economic-well-being/framework-and-indicators/art-economic-wellbeing.html>

Median household income figures from Family Resources Survey <http://www.gov.scot/Publications/2015/06/7453/downloads>

SG National Performance Framework <http://www.gov.scot/About/Performance/scotPerforms>

Currently the indicators for the National Performance Framework are under review through a roundtable on which LINK sits.

Scottish Environment LINK is promoting a suite of indicators that can adequately reflect the wellbeing of society (such as quality of relationships, affordable and decent housing) and the health of our environment (such as status of biodiversity, material footprint, air quality) as well as the state of our economy (such as quality of work, employment levels, status of natural asset base, waste produced). Given the oft-quoted adage that 'what we measure affects what we do', it is argued that, through better indicators, public policy will be better guided. More information at Flourishing Scotland page and NPF paper <http://www.scotlink.org/workareas/economics-forum/>

The full statistics publication, including quarterly results back to 1998, is available at:

<http://www.scotland.gov.uk/Topics/Statistics/Browse/Economy/QNA2015Q1>

Quarterly National Accounts Scotland (QNAS) provides users with a range of macroeconomic statistics for Scotland, including Gross Domestic Product (GDP) of the onshore economy measured using output, income and expenditure approaches, estimates of UK extra-regio (offshore) activities attributable to Scotland, household sector income and expenditure accounts, and public sector revenues.

Today's (and further) information on Scottish economic statistics is available at <http://news.scotland.gov.uk/News/Quarterly-National-Accounts-Scotland-2015-Q1-1bf1.aspx>

Scottish Environment LINK is the forum for Scotland's voluntary environment organisations, with over 35 member bodies representing a range of environmental interests with the common goal of contributing to a more environmentally sustainable society.

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