



Report Overview

This report will outline the strongest industries in Scotland and further evaluate niches in Edinburgh. The research will focus on the city previously mentioned and will have a focus on the top industries in those cities as well as a focus on the college's interest in European Countries.

Scotland at a Glance

Scotland remains a small but open economy and accounts for about 5% of the United Kingdom's export revenue. Its gross domestic product (GDP) per capita is higher than in all other areas of the United Kingdom outside London and England's eastern regions, and its level of unemployment is fairly low.¹ However, wealth in Scotland is not evenly distributed, and the average unemployment rate hides pockets of much higher unemployment in some regions and localities. Although the British government controls Scotland's macroeconomic policy, including central government spending, interest rates, and monetary matters, the Scottish Parliament has power over local economic development, education, and training.²

Scotland's labor market tightened in 2017 with the unemployment rate reaching a record low of 3.8% and the employment rate rising to a record high of 75.8% during the year. While easing back slightly from these peaks, the labor market continued to perform strongly at the start of 2018. Latest data for February to April 2018 shows that the unemployment rate is 4.3%, the economic inactivity rate is 21.4% and the employment rate is 75.2%, all of which are close to record levels.³

- Population: 5.4 million (2017)
- GDP per capita: (EUR) 38,860 equiv. (USD) 43,740 (2018)
- GDP: (EUR) 211.1 billion equiv. (USD) 237.6 billion (2018)
- Unemployment: 4.3% (2017)
- Youth unemployment: 9.8% (2019)
- Inflation: 2.5% (2018)⁴

Scotland was one of the industrial powerhouses of Europe from the time of the Industrial Revolution onwards, being a world leader in manufacturing. This left a legacy in the diversity of goods and services which Scotland produces, from textiles, whisky and shortbread to jet engines, buses, computer software, ships, avionics and microelectronics, as well as banking, insurance,

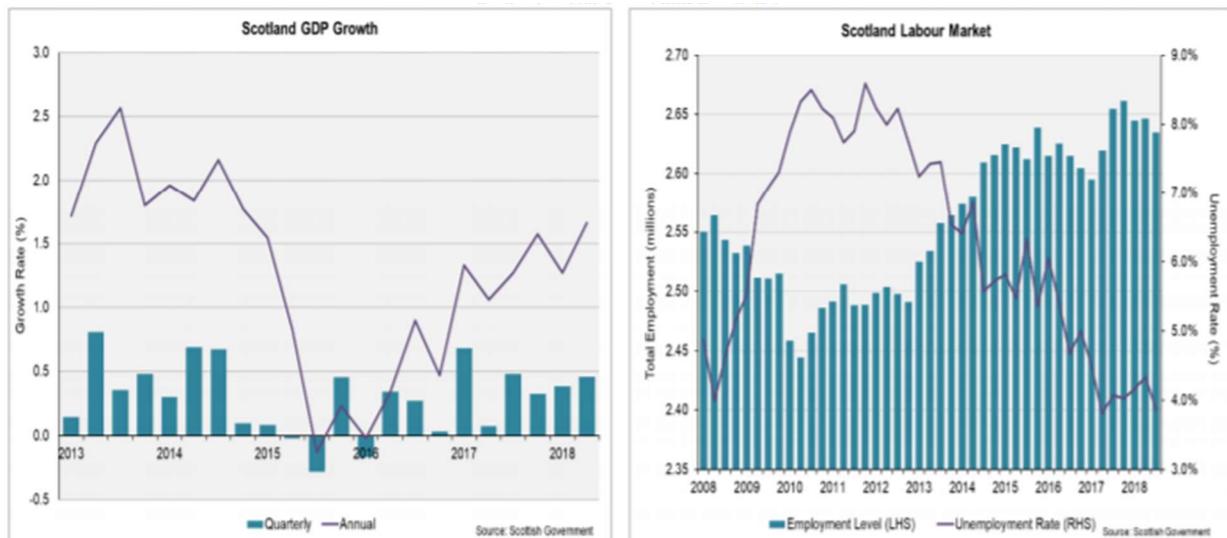
¹ <https://ec.europa.eu/growth/tools-databases/regional-innovation-monitor/base-profile/scotland>

² <https://www.britannica.com/place/Scotland/Economy>

³ <https://theferret.scot/youth-unemployment-scottish-government-fact-check/>

⁴ <https://www.idsca.co.uk/news/business-news/archive/article/2018/September/inflation-rate-rises-to-six-month-high>

investment management and other related financial services. In common with most other advanced industrialised economies, Scotland has seen a decline in the importance of both manufacturing industries and primary-based extractive industries. This has, however, been combined with a rise in the service sector of the economy, which has grown to be the largest sector in Scotland.⁵



**Growth was broad based with the services, production and construction sectors all growing.
**Tightness in the labour market at the aggregate level remains evident in business surveys which continue to signal that recruitment conditions remain challenging for firms. Stronger declines in the number of permanent and temporary staff available in the face of rising job vacancies was accompanied by an increase in temp wages and starting salaries in September 2018⁶*



Edinburgh overview

People from all over the world are drawn to Edinburgh by the wealth of career and cultural opportunities. World-leading research in fields as diverse as life sciences, data science, cyber security, blockchain and robotics have helped position Edinburgh as a global learning center, supported by four universities that support a thriving student population. The city has grown by 12.5% over the past

⁵ <https://www2.gov.scot/About/Performance/scotPerforms/purposetargets/economicgrowth>

⁶ <https://www.gov.scot/publications/state-economy/pages/12/>

10 years to 2017, with significant growth coming from the city's working age population. By 2026, it is predicted that 70% of the population will be of working age and in 2017, Edinburgh also had the second highest number of higher education students per 1,000 population across all the UK's major cities.⁷

Population: 90,280 (2017) **Unemployment rate:** 3.6%
GDP per capita: (EUR) 51,530 equiv. (USD) 58,000

There are around 366,000 private sector enterprises currently operating in Scotland. An estimated 99% of these companies are small or medium-sized enterprises. Scotland's main sectors (ordered by value added to the economy) are in energy, financial and business services, engineering, construction, digital, consumables, creative industries, tourism, chemical sciences, and forestry textiles. The top five companies ranked by its employees in Edinburgh are: Skyscanner (Flight comparison website), Ballie Gifford (Investment management firm), University of Edinburgh (University), Blue Branch Marketing (Promotions marketing company), The Royal Bank of Scotland (Banking).⁸ There are some notable start-ups that are taking Edinburgh by storm as well, which are: Administrate (E-learning for businesses), Appointedd (Online booking and management platform), FanDuel (Fantasy sports gambling site), FreeAgent (Web-accounting), The ID Co (Online personal data tool), Machines with Vision (Sensor and mapping technology), Mallzee (Retail tech data platform), PureLiFi (Data communications), SenseWhere (Indoor location tech), Sharein (Investment platform), Snap40 (Wearable life scanner device), TravelNest (Data platform for rental hosts), TVSquared (Advertisement data analytics), Topolytics (Waste data analysis tool), and ZoneFox (Security software).⁹

⁷ <http://www.investinEdinburghh.com/choose-Edinburghh/a-knowledge-economy/>

⁸ <https://www.Edinburghhlive.co.uk/news/Edinburghh-news/best-companies-work-Edinburghh-according-15485183>

⁹ <https://www.siliconrepublic.com/start-ups/Edinburghh-scotland-2018>