

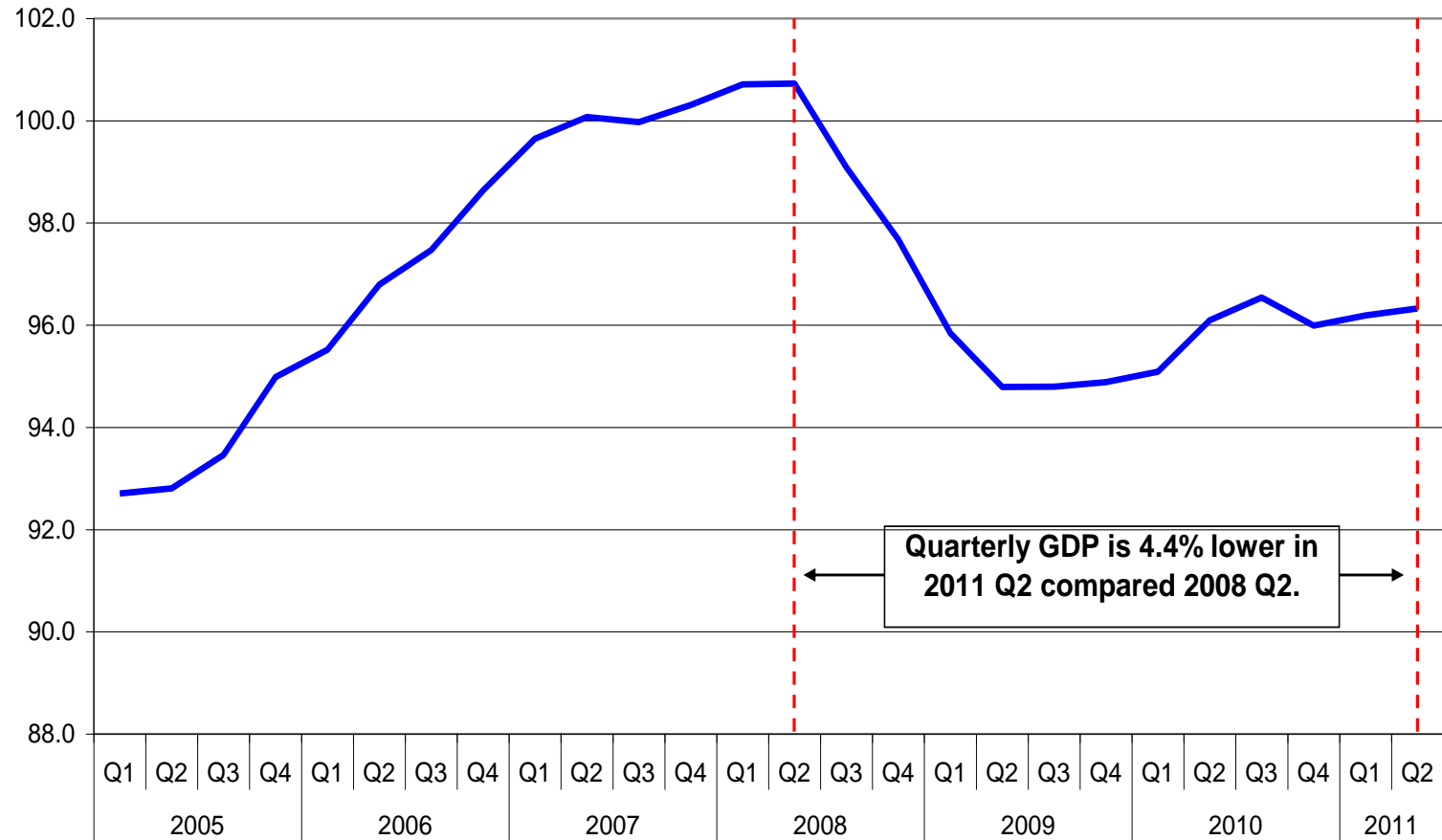
 The Scottish Government

Bringing Business to Scotland

John Mason – Director of Business

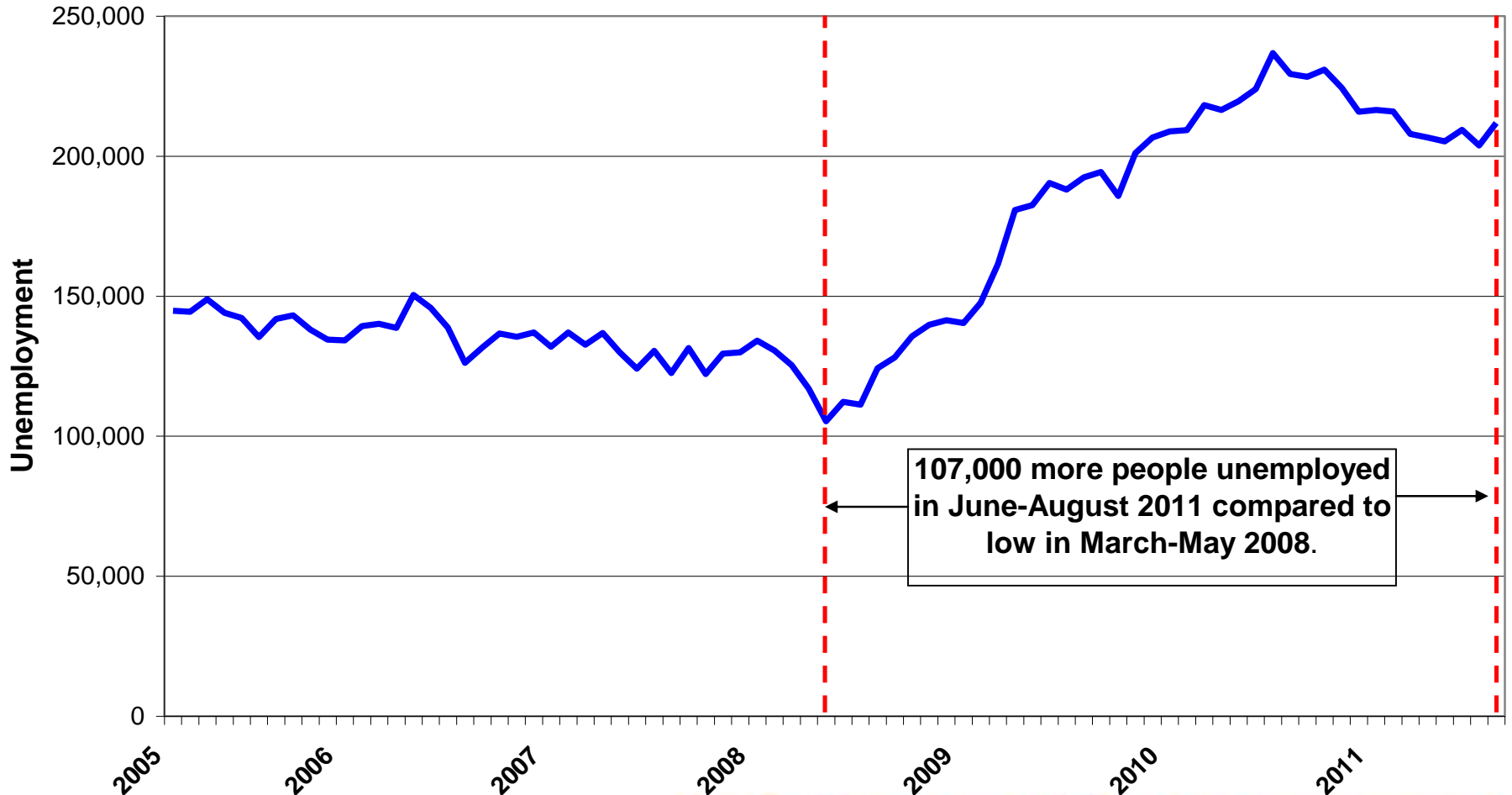
The Scottish Economy

Quarterly GDP, Scotland



Change in Unemployment

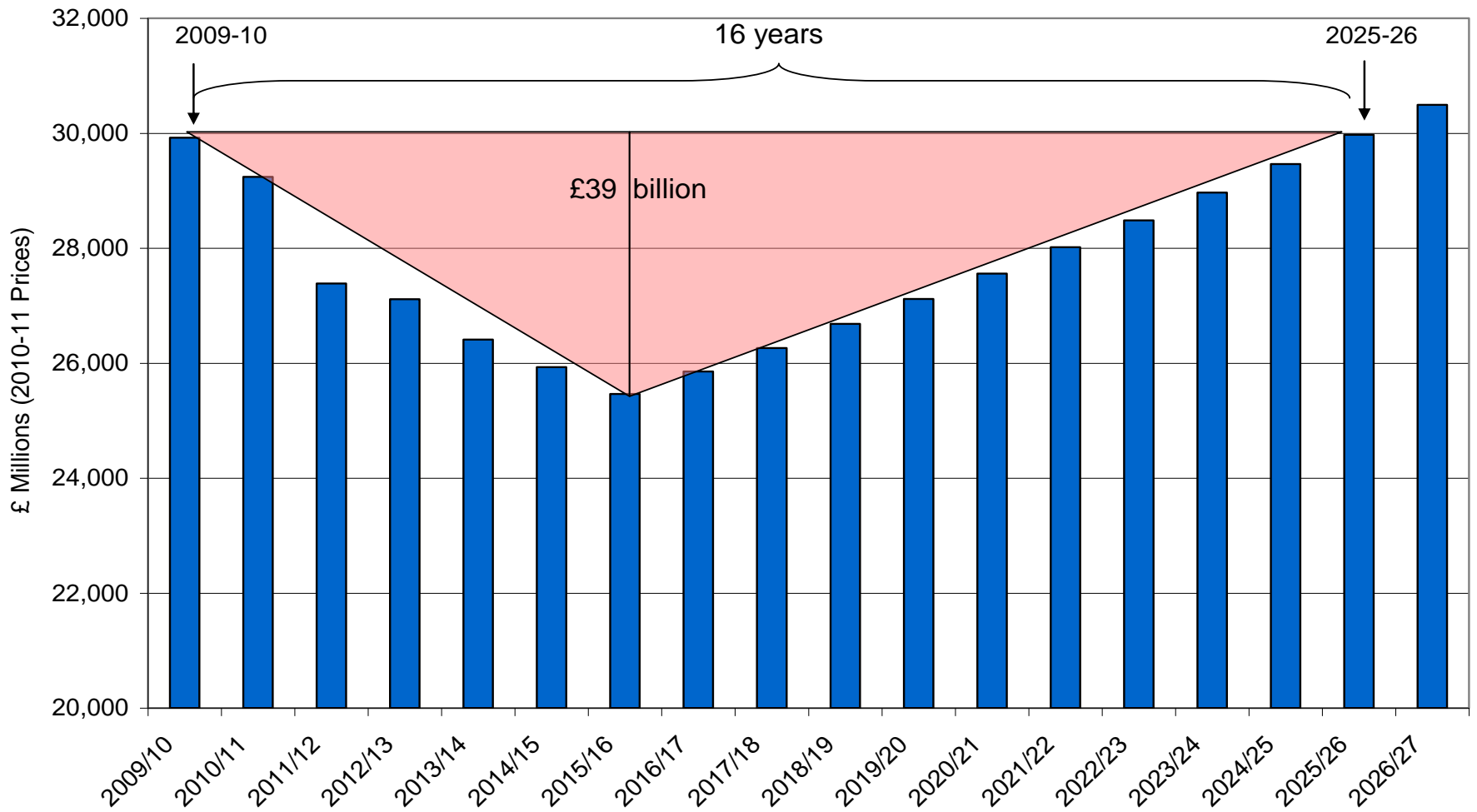
Unemployment Level (16+ population), Scotland





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	Forecast for UK GDP Growth in 2011 (%) made during:				
	Summer 2010	Winter 2010	Spring 2011	Summer 2011	Autumn 2011
OECD	2.5	1.7	-	1.4	-
IMF	2.1	2.0	1.7	1.5	1.1
OBR	2.3	2.1	1.7	-	-





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Capital Expenditure

- Switching £200 million from Resource budget to Capital budget
- Key strategic projects - Forth Replacement Crossing, Southern General Glasgow Hospital
- Alternative models
 - JESSICA
 - Non-Profit distributing model
 - Tax Incremental Funding
 - Cities Investment Unit

The Scottish Government

Access to finance

- Maintaining pressure on UK Government and banks to meet lending commitments.
- Established Scottish Investment Bank.
- Introduced a £94 million Scottish Loan Fund under SIB.
- Looking at developing a brokerage style service for SMEs
- Using European Funding to support initiatives such as West of Scotland Loan fund and East of Scotland Investment Fund.

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Meeting skills needs of businesses

- Opportunity for All – every 16-19 yr old not in work, a Modern Apprenticeship or education to be offered a place in education or training.
- Delivering 25,000 Modern Apprenticeships per year
- Access to higher education based on ability to succeed rather than ability to pay.
- Developing Skills Investment Plans for key sectors
- Working with colleges and universities to respond quickly and flexibly to employer demand



The Scottish Government

Supporting Business

- Maintained operational funding to Enterprise Agencies and VisitScotland to allow them to focus on growth companies, growth sectors and growth markets
- Set a target to deliver a 50% increase in value of international exports by 2017
- Attracting inward investment
 - Gamesa – 430 jobs
 - Amazon – 950 jobs
 - Mitsubishi Power Systems – 200 jobs

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Transition to a low carbon economy

- New priority in the Government Economic Strategy
- Investing over £300 million in energy over the next three years
- Includes a new £60 million capital budget to support the development of offshore wind and marine technologies
- £70 million through the National Renewables Infrastructure Plan
- Prioritised use of European Funding - over £20 million this year across a range of projects.

The Scottish Government

Digital Investment

- In the Spending Review, £50 million Next Generation Digital Fund for broadband rollout announced
- Supplemented with up to £25.5 million of European Funding
- Looking to leverage significant private sector investment to match public/EU investment
- Exploring alternative funding models – such as revenue financing and profit sharing