

Media Release

For immediate release

GDP growth not good enough on its own - say Scottish Environment LINK members

6 April 2016 - The GDP figures released today show us that the Scottish economy grew by 0.2% in the last quarter of 2015 and by 1.9% over 2015 as a whole but tell us very little about whether Scotland is a better country to live in.

Scottish Environment LINK members believe that while too much attention is given to GDP figures, which only tell us how busy our economy is, not enough attention is given to the sort of economy we want or the resource base on which our economy relies. This seems particularly counter-intuitive given the Scottish government's commitment to creating a more circular economy and a fairer society as a whole. Matthew Crighton, Convenor of LINK's Economic Group, said *"GDP is a poor proxy for success. It was designed to measure economic activity regardless of what the impact of that activity is, for example in terms of societal progress and wellbeing. Our preoccupation with GDP is akin to only watching the speedometer in our car and never looking at the fuel gauge. How can high GDP be a good thing if it is using up the natural resources our economy and wellbeing rely on?"*

Our progress towards a fairer a more sustainable society should be measured against other indicators too, many of which are already included in the National Performance Framework. *"A quick look at several important indicators, such as the recently added Natural Capital Index which measures the stock of natural assets that Scotland has such as biodiversity, soil health and freshwater quality, reveals that while GDP has steadily grown over the last four years, levels of natural capital have generally declined since 2006, although 2013 – 2014 saw a slight improvement. Other indicators, such as mental health are either static or declining. This is really important information enabling us to gauge the impact we are having on our environment and to track our progress towards a fairer and more sustainable society",* added Matthew.

Ahead of the Holyrood 2016 elections, LINK members call on Scottish political parties to put sustainable development at the core of their policy agendas by mainstreaming the use of NPF indicators to measure progress towards a fairer and more sustainable society.

Notes to editors:

- Scotland's GDP figures were released today, <http://www.gov.scot/Topics/Statistics/Browse/Economy/PubGDP/GDP2015Q4>
- Scottish Government's National Performance Framework, <http://www.gov.scot/About/Performance/scotPerforms>
- Latest updates to indicators can be seen at <http://www.gov.scot/About/Performance/scotPerforms/indicator>
- Scottish Environment LINK is promoting a suite of indicators that can adequately reflect the wellbeing of society and the health of our environment as well **as the state of our economy**. 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. Link to Flourishing Scotland page and NPF paper <http://www.scotlink.org/workareas/economics-forum/>

Contact details

Matthew Crighton, Friends of the Earth Scotland and Convenor of LINK's Economics Group: 0131 243 2700 or mcrighton@foe-scotland.org.uk

Daphne Vlastari, LINK Advocacy officer: 0131 225 4345 or daphne@scotlink.org

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

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