



SCOTLAND

News Release

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Scotland's £1.3 billion Pharma Sector Healthy – but with fewer people

Despite the recession, pharma-related businesses in Scotland are ploughing over a billion pounds into Scotland's economy and safeguarding over 11,000 jobs.

The findings come in the latest tracking survey of the contribution of the sector to the Scottish economy to be unveiled later today.

The report for 2008 by independent economic consultancy Ewen Peters Associates, commissioned by the medicines sector organisation, ABPI Scotland, examined data on human healthcare activity within the therapeutics value chain.

The findings show output has held up, productivity has improved and, although fewer people are being employed, wages and salaries are above the average for the wider economy.

In a foreword to the report, Scotland's Health Secretary Nicola Sturgeon MSP welcomes this report as "an important barometer for an important industry" and says:

"The pharma-related business sector is important to Scotland because of its investment in people, knowledge, research and development, as well as medicines and vaccines manufacture".

ABPI Scotland Director, Andy Powrie-Smith says nobody can be complacent about the current and future health of the medicines sector:

"In the face of increasing competition across the UK and abroad, pharma-related businesses are holding their own in Scotland.

"There are significant challenges from sourcing funding for early stage discovery, to keeping our best people here and making sure patients are able to be prescribed the best medicine when they need it.

"To make the most of Scotland's potential we need to ensure that ours is a country that champions innovation within Life Sciences and the NHS. One of Scotland's key strengths is the work being done together by the Scottish Government, industry, NHS and academia.

"Getting these collaborations right is vital to the long term health and wealth of our sector – and the people we serve."

Key Facts

	Turnover	GVA (gross value added)	Gross Wages	Employment
Direct Effects	£839m	£379m	£205m	6920
Indirect/ Induced Effects	£504m	£227m	£122m	4152
Total	£1343m	£606m	£327m	11072

Comparison: with the wider Scottish business sector

	Pharma Related Businesses £	Wider Scottish Economy £
Gross Output	121286	121340
GVA	54750	45741
Gross Wages	29565	19380

Comparison: with the previous report (published 2007)

	Latest Data	Previous Report
Direct Employment	6920	8004
Total (Direct and Indirect) Employment	11702	12806
Turnover (Direct) £ million	839	865
Purchasing (Direct) £ million	482	488
GVA (Direct) £ million	379	361
Gross Wages (Direct) £ million	205	249

Notes for Editors

The report: *The Contribution of Pharma-Related Businesses to the Scottish Economy 2008*, was researched and compiled by [Ewen Peters Associates](#) who brought together only information on human healthcare activity within the therapeutics value chain derived from Scottish Enterprise employment statistics and relevant Official Statistics.

For more information and to speak to Andy Powrie-Smith please contact John Macgill on 07711 548 672.

A summary of the report is attached to this email.