



# Orkney Economic Review 2019



Photos supplied by Andrew Learmonth and Colin Keldie.

This document aims to bring together and review the latest data available on the Orkney economy and statistics and information which might influence the economy. The majority of the statistics come from published sources, which are credited below each table.

Whilst it is the purpose to present up-to-date information, in a few cases, where current data was not available at the time of publication, more dated figures are shown.

Every care has been taken in the completion of this review. However, the publisher cannot accept responsibility for any errors or omissions. It should be noted that small local sample sizes can lead to some rounding of figures, and that some figures previously published in this review have been revised in light of the availability of updated statistics and research.

If you have any suggestions for subject areas which could be included in future Orkney Economic Reviews, please forward them to:  
[economic.development@orkney.gov.uk](mailto:economic.development@orkney.gov.uk).

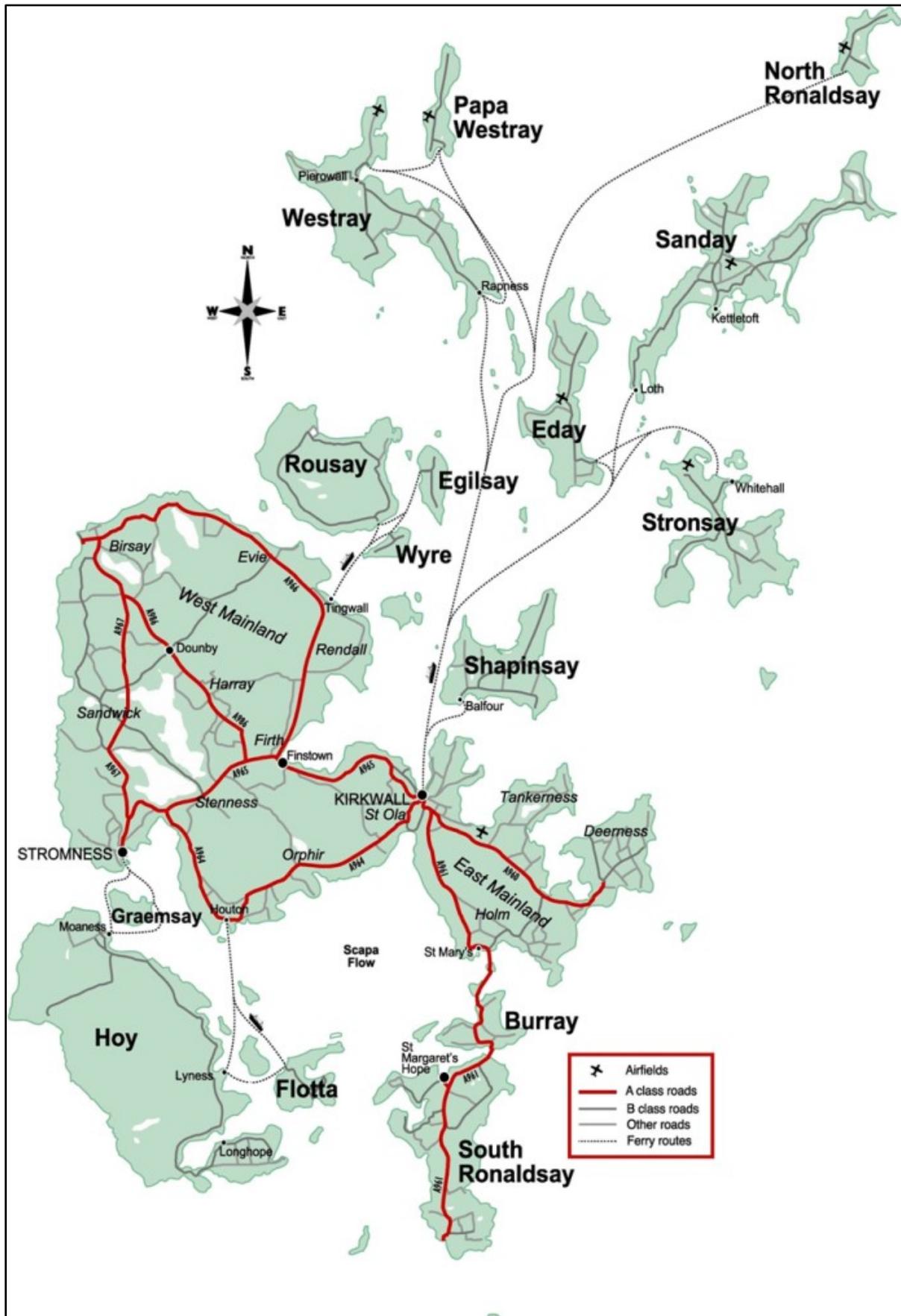
Please note: The Western Isles are referred to throughout as 'Eilean Siar'.

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# Map of Orkney and Internal Transport Routes



## Orkney Internal Transport

An internal ferry service operates to the following islands of Orkney:

- North Ronaldsay.
- Papa Westray.
- Westray.
- Sanday.
- Eday.
- Stronsay.
- Rousay.
- Egilsay.
- Wyre.
- Shapinsay.
- Hoy.
- Flotta.
- Graemsay.

For more information contact: <http://www.orkneyferries.co.uk/>.

The following Orkney Islands can also be reached by plane from Kirkwall Airport:

- North Ronaldsay.
- Papa Westray.
- Westray.
- Sanday.
- Eday.
- Stronsay.

For more information contact: <https://www.loganair.co.uk/>.

## UK Mainland Transport



### Air Travel

Loganair operate a flight service from Orkney to various Scottish airports and onward to other UK and International airports:

- Kirkwall to Edinburgh.
- Kirkwall to Glasgow.
- Kirkwall to Aberdeen.
- Kirkwall to Inverness.
- Kirkwall to Shetland.

For more information contact: <https://www.loganair.co.uk/>

### Sea Travel

There are three harbours in Orkney from which the mainland ferry services operate:

- Stromness (Stromness Pier).
- Kirkwall (Hatston Pier).
- St Margaret's Hope.

Northlink Ferries operate the ferry service between Scrabster (Thurso) to Stromness Pier (Stromness) and between Aberdeen, Kirkwall and Shetland. Pentland Ferries operate the ferry service between Gills Bay and St Margaret's Hope. There is also a

ferry service between John O' Groats and Burwick for foot passengers, which operates in summer only.

For more information contact: <http://www.northlinkferries.co.uk/>, <http://www.pentlandferries.co.uk/> and <http://www.jogferry.co.uk/Home.aspx>.

## 1. Weather

As an archipelago so dependent on economic activity related to agriculture, fishing and tourism, the weather in Orkney can be very influential both in terms of productivity and reputation.

Orkney's climate is heavily influenced by the sea, in particular the Gulf Stream and is a marine west coast climate which is mild and cool with no dry season and warm summers. Mild winters can occur which by nature bring on heavy precipitation.

### Climate Statistics

As data from the Meteorological Office (taken at Kirkwall Airport) is no longer available, 2019 data and the year averages are provided from the Loch of Hundland climate station, privately operated by Mr Keith Johnson.

### Temperature

Month	Mean maximum temperature (degrees Celsius)			Mean minimum temperature (degrees Celsius)		
	2019	19-year average	51-year average	2019	19-year average	51-year average
January	6.2.	6.6.	5.6.	2.2.	1.8.	2.0.
February	8.9.	6.8.	5.8.	3.0.	1.5.	1.7.
March	8.4.	8.1.	7.1.	3.2.	2.4.	2.3.
April	11.6.	10.4.	9.0.	4.6.	3.8.	3.2.
May	12.0.	12.9.	11.5.	4.0.	5.6.	5.5.
June	14.8.	14.8.	13.8.	8.2.	8.2.	7.8.
July	18.3.	16.7.	15.3.	11.4.	10.1.	9.7.
August	17.5.	16.5.	15.5.	10.7.	10.2.	9.9.
September	14.6.	14.7.	13.6.	8.9.	8.9.	8.6.
October	11.4.	11.9.	11.2.	6.5.	6.5.	6.8.
November	7.5.	8.8.	8.0.	3.9.	3.9.	4.1.
December	7.6.	7.2.	6.2.	2.0.	2.0.	2.6.
<b>Average.</b>	<b>11.6.</b>	<b>11.3.</b>	<b>10.2.</b>	<b>5.6.</b>	<b>5.4.</b>	<b>5.3.</b>

Sources: Loch of Hundland climate station and Kirkwall Airport data.

The months of February – April 2019 were generally warmer than the 19- and 51-year averages, with July, August and December also witnessing higher than average temperatures.

## Rainfall and sunshine hours

Month	Rain (mm)			Sun (hours)		
	2019	19-year average	51-year average	2019	19-year average	51-year average
January	115.8.	124.4.	107.2.	17.0.	30.0.	30.4.
February	121.9.	87.5.	81.4.	35.3.	62.8.	60.8.
March	97.6.	79.1.	85.9.	84.8.	103.9.	95.2.
April	28.3.	61.7.	55.8.	155.8.	148.3.	141.1.
May	69.3.	56.4.	50.2.	173.2.	197.3.	169.7.
June	43.5.	51.6.	55.8.	113.2.	146.9.	156.6.
July	72.5.	61.2.	56.2.	112.4.	137.9.	132.9.
August	115.7.	76.9.	74.5.	120.7.	133.1.	132.3.
September	119.1.	93.6.	94.4.	88.3.	97.4.	104.1.
October	95.4.	124.7.	113.6.	75.6.	74.6.	74.4.
November	89.5.	117.1.	123.5.	43.3.	37.6.	38.6.
December	138.1.	117.3.	117.1.	19.6.	21.9.	22.6.
<b>Average</b>	<b>92.2.</b>	<b>87.6.</b>	<b>86.4.</b>	<b>86.8.</b>	<b>99.3.</b>	<b>96.6.</b>

Sources: Loch of Hundland climate station and Kirkwall Airport data.

### Rainfall (mm)

The average rainfall levels in 2019 were somewhat mixed when compared to the 19 and 51-year averages, despite being a high average for the year. There was higher than average rainfall in February, March, May, July, August, September and December.

### Sunshine (Hours)

The overall sun hours for 2019 were lower than the 19 and 51-year averages. Only April, October and November witnessed higher than average hours.

## Wind speed

Month	Average wind speed (K)		Dominant wind direction
	2019	19-year average	
January	14.2.	13.9.	W.
February	12.0.	13.3.	SSE.
March	16.6.	12.8.	WSW.
April	13.6.	12.2.	SE.
May	10.4.	10.8.	NNW.
June	11.8.	10.4.	SW.
July	9.9.	9.5.	SE.
August	10.0.	9.9.	SSE.
September	14.3.	11.3.	SE.
October	12.8.	12.6.	ESE.
November	11.2.	13.0.	ENE.
December	13.2.	12.1.	SE.
Average	12.5.	12.0.	SE.

Source: Loch of Hundland climate station.

Wind is a key feature of the climate. In summer there are almost constant breezes and winter there are frequent strong winds. The average wind speed for 2019 was slightly higher than the 19-year average.

## 2. Population

### General Population

The National Records of Scotland estimates Orkney's population in mid-2019 as 22270. This is an increase of 0.36% from the mid-year estimate in 2018. Orkney's population continues to account for 0.41% of the total population of Scotland.

#### Estimated population of Orkney, by age group in 2019

Age group	Total population	% of total population
0-14.	3369.	15.1%.
15-24.	2060.	9.4%.
25-44.	4833.	21.7%.
45-64.	6652.	29.9%.
65-89.	5094.	22.9%.
90+.	212.	1.0%.

Source: National Records of Scotland.

In Orkney, 15.1% of the population are aged 0 to 14 years. This is lower than the Scottish average which is 15.8%. Persons aged 65-89 make up 22.9% of Orkney's population, higher than Scotland where 18.3 % are in this age group.

### Births, Deaths and Migration

In 2019, Orkney witnessed 186 births, an increase of 18 from the figure for 2018.

The number of deaths in Orkney increased by 16 to 242 in 2019.

In 2019, Orkney's population natural growth rate (births minus deaths) remained negative, but a significant reduction on recent years' figures.

The level of estimated net migration in Orkney during 2019 was 150. This is 100 lower than the estimated figure from 2018. However, the 2018 figure was the highest witnessed for 14 years.

#### Orkney population change 2000 – 2019

Year	Births	Deaths	Natural growth	Estimated migration (net)	Estimated population
2000.	152.	195.	-43.	-63.	19290.
2002.	164.	211.	-47.	24.	19210.
2004.	171.	217.	-46.	247.	19500.

2006.	213.	231.	-18.	194.	19770.
2008.	214.	225.	-11.	78.	19890.
2010.	197.	213.	-16.	152.	20110.
2012.	201.	216.	-15.	107.	21530.
2013.	201.	242.	-41.	100.	21570.
2014.	181.	205.	-24.	68.	21580.
2015.	191.	222.	-31.	83.	21670.
2016.	178.	223.	-45.	223.	21850.
2017.	184.	276.	-92.	204.	22000.
2018.	168.	226.	-40.	250.	22190.
2019.	186.	242.	-57.	150.	22270.

Sources: National Records of Scotland/ Vital Events/ Births Time Series Data/ Table BT 4 and National Records of Scotland factsheet.

Note: Population and migration figures post 2001 Census are estimates. Figures for 2000 to 2008 are 'as at' 30 June. Figures for 2010 and 2012 are based on the calendar year. Only biennial figures are shown during that period, so the trends do not tally with the changes in population.

Population information for Scotland's islands from the 2011 Census was released during August 2013 and is detailed in the table below.

<b>Location</b>	<b>2001</b>	<b>2011</b>	<b>Population change 2001 to 2011</b>	<b>% change 2001 to 2011</b>
Orkney.	19245.	21349.	2104.	10.9.
Shetland.	21988.	23167.	1179.	5.3.
Eilean Siar.	26502.	27684.	1182.	4.5.

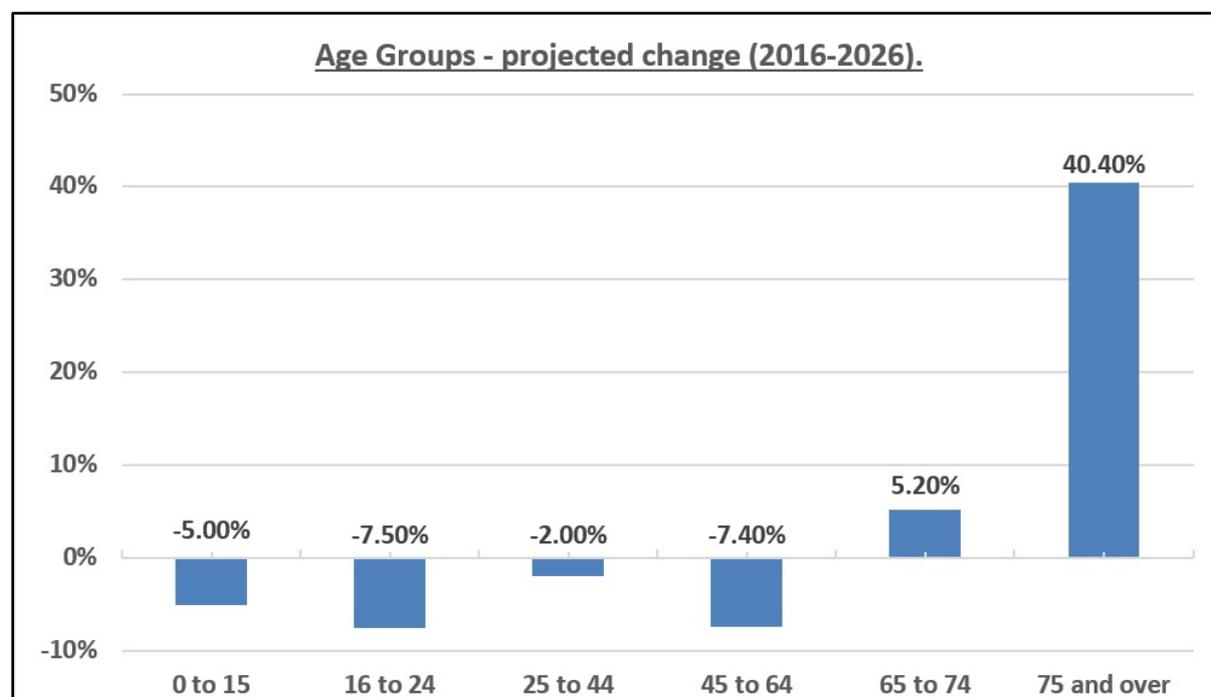
The 2011 Census identified changes to the Orkney demographic, as shown in the table below.

Age	2001 population	% of total 2001 area population	2011 population	% of total 2011 area population	% change 2001 to 2011
5 – 14.	2600.	13.4.	2200.	10.3.	-14.7.
15 – 39.	5700.	29.9.	5800.	27.0.	0.3.
40 – 64.	6700.	34.8.	8000.	37.7.	20.0.
65 and over.	3200.	16.7.	4200.	19.8.	31.1.

These trends can be compared with those for Scotland as a whole.

Age	% change 2001 to 2011 Orkney	% change 2001 to 2011 Scotland
5 – 14.	-14.7.	-10.9.
15 – 39.	0.3.	-1.8.
40 – 64.	20.0.	14.4.
65 and over.	31.1.	10.6.

### Projected percentage change in population 2016 – 2026 by age group



Sources: National Records of Scotland.

It is predicted the population of Orkney will increase to 22,434 by 2026.

Over the 10-year period the trend is towards an increasingly ageing population in Orkney, with the age group 65 and over projected to show by far the greatest increase.

The population of the younger age groups is projected to decline over the same period.

Projections are largely based on past trends and although they will reflect past policy and economic impacts, they do not take into account future changes that may occur as a result of policy initiatives at a local or national level. They also do not take into account of any future effects due to the recent vote for the UK to leave the European Union.

## Households and Dwellings

The most recently available National Records of Scotland figures reports that the number of households in Orkney in 2019 was 10589. This is a 0.8% increase in the 2018 figure of 10506. Since 2001, there has been a 27% increase in the number of households in Orkney. This is the highest percentage change out of the 32 council areas in Scotland, with the Scottish average at 13.7%.

With regard to Council Tax, band B was the most common in 2019 (25.5%) followed by band C (21%).

### Household Projections

The total number of households in Orkney is projected to change from 10042 in 2014 to 10777 at 2024, an increase of 7.3%. Within that number, the number of lone adult households is projected to increase by 15.9%, and the number of larger households in Orkney is projected to fall, with the number of households of 2 or more adults with children decreasing by 11.3% over the 10-year period.

Households headed by 90 and over age group re projected to more than double in number between years 2014 and 2024.

Household by age of head of household	Base-year (2014)	Projected number of households (2024)	% change in Orkney Islands 2014 – 2024
16 – 29.	1021.	1052.	3.
30 – 44.	1967.	2126.	8.
45 – 59.	2918.	2615.	-10.4.
60 – 74.	2646.	2789.	5.5.
75 and over.	1490.	2196.	47.4.

### 3. Economic Activity

The percentage of the Orkney population who are economically active, in other words, either in employment or actively seeking employment, tends to be consistently higher than both the Scotland and Great Britain averages.

#### Economically active as % of (estimated) working age population (16 – 64)

Year	Orkney (%)	Scotland (%)	Great Britain (%)
2006.	81.8.	77.8.	76.7.
2007.	86.0.	77.5.	76.5.
2008.	83.7.	77.4.	76.7.
2009.	87.6.	77.4.	76.7.
2010.	81.5.	77.0.	76.2.
2011.	84.2.	77.0.	76.3.
2012.	85.9.	76.9.	76.9.
2013.	82.7.	76.9.	77.2.
2014.	91.7.	77.5.	77.3.
2015.	89.0.	77.7.	77.8.
2016.	88.1.	76.7.	77.8.
2017.	88.3.	77.5.	78.4.
2018.	90.4.	77.9.	78.9.
2019.	89.1.	77.5.	78.9.

Source: Official Labour Market Statistics (nomis).

Orkney's active percentage is significantly above the national averages.

The following information from the 2011 Census was published in November 2013.

#### Economically active people aged 16 to 74 by Council area, Scotland, 2011 (%)

2011	Part-time employee	Full-time employee	Self-employed	Unemployed	Full-time student
<b>Orkney.</b>	<b>16.5.</b>	<b>37.5.</b>	<b>15.2.</b>	<b>2.4.</b>	<b>2.0.</b>
Shetland.	17.4.	47.6.	9.0.	2.0.	2.0.
Eilean Siar.	15.2.	39.4.	10.1.	4.2.	1.8.
Highland.	15.2.	39.5.	11.0.	4.0.	1.9.

2011	Part-time employee	Full-time employee	Self-employed	Unemployed	Full-time student
Argyll and Bute.	14.0.	36.8.	12.1.	4.1.	1.8.
Scotland.	13.3.	39.6.	7.5.	4.8.	3.7.

Source: 2011 Census.

Although the Census data is older than the most recent information published by the Scottish Government (<http://www.gov.scot/Topics/Statistics/Browse/Labour-Market/Local-Authority-Tables>), it is likely to be more reliable to the larger scale of survey involved, with the Census covering every household in the United Kingdom.

It should also be noted that the Office for National Statistics' data covers and age range of 16 to 64 years, whereas the 2011 Census covers from 16 to 74 years.

The following information from the 2011 Census was published in November 2013.

### Employee jobs by industry

Type	Orkney	Shetland	Scotland
All persons aged 16 – 74 in employment.	11319.	12961.	2516895.
Industry	%	%	%
Agriculture, forestry and fishing.	10.0.	6.0.	1.7.
Mining and quarrying.	1.6.	1.6.	1.7.
Manufacturing.	5.1.	6.3.	8.0.
Electricity, gas, steam and air conditioning supply.	0.5.	0.8.	0.8.
Water supply, sewage, waste management and remediation activities.	0.7.	0.8.	0.8.
Construction.	10.9.	11.0.	8.0.
Wholesale and retail trade, repair of motor vehicles and motorcycles.	13.0.	12.1.	15.0.
Transport and storage.	9.1.	10.1.	5.0.
Accommodation and food service activities.	6.4.	5.5.	6.3.
Information and communication.	1.1.	1.1.	2.7.
Financial and insurance activities.	1.0.	0.7.	4.5.
Real estate activities.	0.6.	0.6.	1.2.
Professional scientific and technical activities.	4.5.	3.5.	5.2.
Administrative and support service activities.	2.7.	3.2.	4.3.

Type	Orkney	Shetland	Scotland
All persons aged 16 – 74 in employment.	11319.	12961.	2516895.
Industry	%	%	%
Public administration and defence, compulsory social security.	5.4.	6.6.	7.0.
Education.	8.2.	9.6.	8.4.
Human health and social work activities.	14.8.	15.9.	15.0.
Other.	4.2.	4.6.	4.9.

Source: Scotland Census 2011.

The 2011 census figures illustrate that the industries with highest employment percentages in Orkney, Shetland and Scotland were 'Human health and social work activities' followed by 'Wholesale and Retail trade, repair of motor vehicles and motorcycles' and 'Construction'. 'Agriculture, forestry and fishing' was the next highest industry employer in Orkney.

The following information from the 2011 Census was published in November 2013.

#### All persons 16 to 74 in employment

Category	Orkney	Shetland	Scotland
All persons 16 to 74 in employment.	11319.	12961.	2516895.
<b>Occupation</b>	<b>%</b>	<b>%</b>	<b>%</b>
Managers, directors and senior officials.	8.1.	7.1.	8.4.
Professional occupations.	12.7.	13.1.	16.8.
Associate professional and Technical occupations.	9.4.	10.4.	12.6.
Administrative and secretarial occupations.	8.7.	9.4.	11.4.
Skilled trades occupations.	22.4.	19.5.	12.5.
Caring, leisure and other service occupations.	10.8.	13.0.	9.7.

Category	Orkney	Shetland	Scotland
Sales and customer service occupations.	6.8.	5.9.	9.3.
Process, plant and machine operatives.	7.9.	9.7.	7.7.
Elementary occupations.	13.2.	11.8.	11.6.

Source: Scotland Census 2011.

The main occupation of 'persons in employment 16 to 74' in Orkney and Shetland were 'Skilled trades occupations'. This is also reflected in the levels of employment in Industries such as 'Construction' and 'Wholesale and retail trade, repair of motor vehicles and motorcycles' in Orkney. Despite a fall in the numbers between 2017 to 2018, self-employment is also more prevalent in Orkney than in the rest of Great Britain.

### Self-employment – regional comparison

Year	Orkney		Scotland	Great Britain
	Count	%	%	%
Self-employment 2010.	1800.	16.0.	10.9.	9.1.
Self-employment 2011.	1900.	17.1.	11.5.	9.2.
Self-employment at Dec 2012.	1900.	17.3.	12.2.	9.6.
Self-employment at Dec 2013.	2300.	20.0.	11.5.	9.7.
Self-employment at Dec 2014.	2300.	17.8.	11.8.	10.
Self-employment at Dec 2015.	2100.	17.5.	11.8.	10.2.
Self-employment 2016.	1900.	12.9.	8.7.	10.6.

Year	Orkney		Scotland	Great Britain
	Count	%	%	%
Self-employment 2017.	2600.	17.6.	8.5.	10.6.
Self-employment 2018.	1900.	11.4.	8.4.	10.6.
Self-employment 2019.	1800.	15.6	8.1	9.9

Source: Orkney and Scotland data – Scottish Government. Great Britain – Office for National Statistics, Annual Population Survey.

## Workforce Qualifications

In terms of accredited skills and education at a higher level National Vocational Qualification (NVQ) 4 and above, the most recent figures below suggest that the Orkney working-age population lags slightly behind that of Scotland but slightly ahead of the aggregated Great Britain labour pool. When it come to the other NVQ qualifications, Orkney is slightly behind both Scotland and Great Britain. However, when it comes to other qualifications, Orkney is noticeably ahead of both Scotland and Great Britain.

### Qualifications – people aged 16 to 64, 2019

Qualification	Orkney		Scotland	Great Britain
	Number	%	%	%
NVQ 4 and above.	5700.	44.6.	45.3.	40.3.
NVQ 3 and above.	7600.	59.9.	60.8.	58.5.
NVQ 2 and above.	8900.	77.2.	75.6.	75.6.
NVQ 1 and above.	11200.	88.1.	83.5.	85.5.
Other qualifications.	#.	#.	6.7.	6.7.
No qualifications.	#.	#.	9.8.	7.7.

Source: Office for National Statistics, Annual Population Survey.

Notes: NVQ is known as Scottish Vocational Qualification (SVQ) in Scotland.

In vocational terms NVQ4 indicates management skills; and in academic terms, NVQ4 or above indicates HND or above (Scottish Credit and Qualifications Framework level 8 and above).

# indicates sample size is too small for reliable estimate.

### Highest Level of Qualification of People aged 16 and over by Council area, Scotland, 2011 (%)

2011	No qualifications	Census level 1	Census level 2	Census level 3	Census level 4
Orkney.	28.2.	22.5.	14.7.	8.1.	26.5.
Shetland.	23.7.	26.3.	14.4.	9.0.	26.6.
Eilean Siar.	30.0.	20.6.	13.7.	9.3.	26.4.
Highland.	25.5.	24.5.	14.4.	9.2.	26.4.
Argyll and Bute.	24.7.	22.8.	14.8.	8.8.	28.9.
Scotland.	26.8.	23.1.	14.3.	9.7.	26.1.

Source: 2011 Census, published in November 2013.

Notes:

- Census level 1 qualifications are at a Standard Grade / SVQ 1 or 2 equivalency.
- Census level 2 qualifications are at a Higher Grade / SVQ 3 equivalency.
- Census level 3 qualifications are at a HNC / HND / SVQ 4 equivalency.
- Census level 4 qualifications are at Degree / SVQ 5 and above.

It is unfortunate that the data sets used by the Office for National Statistics and the 2011 Census are not directly comparable, but the Census information indicates that Orkney is slightly above the Scottish average attainment in terms of the highest-level qualifications (Degree / SVQ 5 and above). Again, the 2011 Census figures include information about those aged 65 and over, whereas those from the Office for National Statistics do not.

### Enterprises

Reliable and inclusive data on business churn is not available. However, an enterprise birth and death rate is available in respect of what is termed 'Active Registered Enterprises', in other words, those which had either turnover or employment at any time during the reference period and were registered with Her Majesty's Revenue and Customs (HMRC) for VAT and / or PAYE.

### Active registered enterprises - Orkney

Enterprise births / deaths	Business births.	Business deaths.
2005.	90.	50.
2006.	60.	65.

2007.	65.	55.
2008.	55.	55.
2009.	65.	65.
2010.	50.	55.
2011.	70.	60.
2012.	60.	75.
2013.	85.	40.
2014.	70.	50.
2015.	60.	50.
2016.	70.	50.
2017.	75.	60.
2018.	45.	40.
2019.	55.	65.

Source: Office of National Statistics, Business Demography.

The availability of new business start-up grant funding via Orkney Islands Council's Business Gateway service commenced in April 2011. This has contributed to the higher business birth rates in 2011 and 2012, with 34 new businesses supported with advice and / or funding in the two-year period to end March 2013. This was followed by 47 in year ending March 2014 and 49 in year ending March 2015. The numbers of businesses supported in the years ending March 2016 and 2017 were 44 and 49 respectively. 2018 also witnessed 49 new businesses supported by the local Business Gateway service. During 2019 this figure was 44.

The Scottish Government's 'Businesses in Scotland' publication provides information on the characteristics of Scotland's business stock – including Orkney, and how business stock has changed over time. The publication includes all enterprises that operate in Scotland regardless of where the enterprise is based. It shows the estimated total enterprises, registered for VAT and / or PAYE, the table below shows information for Orkney over the last 6 years.

**The estimated (rounded to the nearest 5, excluding central and local government) enterprises operate in the following sectors (Standard Industrial Classification, 2007)**

<b>Active number of Orkney enterprises 2014 – 2019</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Agriculture, forestry and fishing.	695.	690.	680.	720.	675.	665.

<b>Active number of Orkney enterprises 2014 – 2019</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Mining and quarrying.	5.	5.	5.	5.	5.	5.
Manufacturing.	50.	45.	50.	60.	50.	55.
Electricity, gas, steam and air conditioning supply.	25.	30.	30.	10.	30.	35.
Water supply, sewerage, waste management and remediation activities.	0.	0.	0.	0.	5.	5.
Construction.	145.	135.	135.	140.	140.	135.
Wholesale and retail trade and repair of motor vehicles.	175.	185.	175.	190.	165.	165.
Transportation and storage.	55.	55.	50.	50.	55.	60.
Accommodation and food services.	80.	80.	75.	80.	80.	80.
Information and communication.	15.	15.	20.	15.	25.	25.
Financial and insurance services.	10.	10.	10.	10.	10.	10.
Real estate activities.	15.	15.	15.	10.	20.	20.
Professional, scientific and technical activities.	95.	105.	100.	65.	105.	105.
Administration and support services.	70.	70.	70.	65.	85.	85.
Education.	10.	10.	10.	5.	10.	10.

<b>Active number of Orkney enterprises 2014 – 2019</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Human health and social work.	40.	40.	40.	35.	45.	45.
Arts, entertainment and recreation.	30.	30.	30.	30.	25.	30.
Other service activities.	40.	40.	40.	35.	40.	40.
<b>Total</b>	<b>1550.</b>	<b>1555.</b>	<b>1530.</b>	<b>1530.</b>	<b>1565.</b>	<b>1575.</b>

Source: The Scottish Government, Business in Scotland Tables.

There are a substantial number of enterprises in Orkney which have no employees and are therefore not included.

The table shows that the overall numbers of active enterprises has increased slightly in 2019, having remained the same between 2016-2017. There some minor changes in some sectors. For example, Agriculture, Forestry and Fishing from 675 to 665. Manufacturing increased from 50 to 55, having witnessed a decrease the following year. Whilst Transportation and Storage increased from 55 to 60, Construction decreased from 140 to 135. Arts, entertainment and recreation increased from 25 to 30.

### **Gross Value Added (GVA)**

GVA is the measure of value of goods and services produced in an area.

Owing to the irregularity of reporting and the very small number of Orkney businesses sampled, the reporting of productivity (or GVA) by government statistics agencies has traditionally been unreliable. Nevertheless, an indication of trends and comparisons with other areas is provided by the Office for National Statistics, with the most recent data being in respect of 2013.

<b>Regional GVA (£ per head at current basic prices)</b>								
	<b>1999</b>	<b>2001</b>	<b>2003</b>	<b>2005</b>	<b>2007</b>	<b>2009</b>	<b>2011</b>	<b>2013</b>
UK.	14602.	16040.	17880.	19684.	21656.	21604.	22779.	23755.
Scotland.	13027.	14668.	16349.	18173.	19928.	20769.	21045.	21982.
Highland and Island region.	11195.	12100.	13483.	15535.	16034.	16939.	17856.	18123.

Caithness, Sutherland, Ross and Cromarty.	9180.	10135.	11307.	12600.	14025.	13348.	14032.	13882.
Inverness, Nairn and Moray, Badenoch and Strathspey.	11490.	13062.	14885.	17313.	17636.	18954.	20146.	20316.
Lochaber, Sky and Lochalsh, Arran, Cumbrae, Argyll and Bute.	11421.	11879.	12537.	14239.	14559.	16528.	17248.	17600.
Eilean Siar.	11275.	10366.	12611.	14704.	14941.	15000.	15001.	15240.
Orkney.	12379.	11971.	12541.	14825.	14890.	15468.	16534.	17853.
Shetland.	14758.	15584.	17150.	20502.	19949.	20175.	21326.	22578.

Source: Office for National Statistics, Regional GVA NUTS3.

GVA output for Orkney is mainly in public administration, distribution, transport, accommodation and food sectors.

Orkney productivity is typically less than 80% of the Scottish average although the gap appears to be closing slightly.

## Household income

In terms of household income, the following table can provide an indication of changing household wealth between 1999 and 2013. Gross Disposable Household Income (GDHI) is money left after expenditure associated with income, for example, taxes and social contributions, property ownership and provision for future pension income. It is calculated gross of any deductions for capital consumption.

<b>Regional GDHI (£ per head at current basic prices)</b>								
<b>Area</b>	<b>1999</b>	<b>2001</b>	<b>2003</b>	<b>2005</b>	<b>2007</b>	<b>2009</b>	<b>2011</b>	<b>2013</b>
UK.	10924.	12275.	13141.	14028.	15211.	16058.	16875.	17559.
Scotland.	10066.	11346.	12231.	13228.	14461.	15365.	16269.	17039.
Highland and Island region.	8961.	9981.	10816.	11900.	13279.	14864.	16023.	16724.

Caithness, Sutherland, Ross and Cromarty.	10192.	10901.	11820.	12652.	13589.	15078.	16112.	17153.
Inverness, Nairn and Moray, Badenoch and Strathspey.	8873.	9727.	10348.	11484.	13027.	14317.	15879.	16601.
Lochaber, Sky and Lochalsh, Arran, Cumbrae, Argyll and Bute.	8055.	9635.	10835.	12002.	13416.	15450.	15862.	16177.
Eilean Siar.	8759.	9625.	10723.	11702.	12381.	13670.	14570.	15392.
Orkney.	8793.	9064.	9963.	11105.	13802.	15754.	18062.	18579.
Shetland.	9260.	11102.	11326.	12730.	14109.	16657.	17433.	18266.

Source: Office for National Statistics, Regional GDHI NUTS3.

Orkney is noticeable in having the highest GDHI figures in 2013 of those areas surveyed, broadly in line with Shetland, and slightly higher than the Scottish average.

There are fairly wide variations in the extent of increase in the various areas over the years with Orkney's GDHI displaying increases well above the regional and national averages.

GDHI (£)	% increase		
	1999 – 2013	2005 – 2013	2011 – 2013
UK.	60.7.	25.2.	4.1.
Scotland.	69.3.	28.8.	4.7.
Highland and Island region.	86.6.	40.5.	4.4.
Caithness, Sutherland, Ross and Cromarty.	68.3.	35.6.	6.5.
Inverness, Nairn and Moray, Badenoch and Strathspey.	87.1.	44.6.	4.5.

Lochaber, Sky and Lochalsh, Arran, Cumbrae, Argyll and Bute.	100.8.	34.8.	2.0.
Eilean Siar.	75.7.	31.5.	5.6.
<b>Orkney.</b>	<b>111.3.</b>	<b>67.3.</b>	<b>2.9.</b>
Shetland.	97.3.	43.5.	4.8.

Source: Office for National Statistics.

It is not possible to establish the reasons for this but Orkney and the wider Inverness/Moray area, both having strong agricultural economies, demonstrate the greatest increases over the period 2005-2013.

Additionally, Orkney has a small number of residents working off-shore in higher paid jobs which may impact figures.

During the same period, the construction sector in Orkney was, overall, also healthy, partly as a result of significant public sector investment. Nevertheless, the possible explanations are purely speculative, and the income statistics also come with the usual health warning with regard to risk of error due to small sample sizes.

## 4. Labour Market

### Claimant level (% Jobseekers) in Orkney 2010 - 2019

Month	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
January.	1.5.	1.7.	2.0.	1.3.	1.1.	0.9.	0.7.	1.0.	0.9.	1.2.
February.	1.5.	1.8.	1.9.	1.4.	1.2.	0.8.	0.8.	1.0.	1.0.	1.4.
March.	1.6.	1.7.	1.8.	1.4.	1.1.	0.7.	0.9.	1.1.	1.0.	1.4.
April.	1.4.	1.4.	1.5.	1.3.	0.9.	0.7.	0.8.	1.1.	0.8.	1.4.
May.	1.2.	1.4.	1.5.	1.3.	0.8.	0.5.	0.7.	1.0.	0.8.	1.2.
June.	1.2.	1.4.	1.5.	1.0.	0.8.	0.4.	0.7.	0.9.	0.8.	1.4.
July.	1.5.	1.4.	1.4.	1.0.	0.8.	0.4.	0.8.	0.8.	0.6.	1.3.
August.	1.4.	1.5.	1.4.	1.0.	0.7.	0.4.	0.8.	0.8.	0.6.	1.2.
September.	1.3.	1.6.	1.2.	1.1.	0.7.	0.4.	0.8.	0.7.	0.5.	1.3.
October.	1.3.	1.7.	1.2.	1.1.	0.8.	0.6.	0.9.	0.8.	0.6.	1.3.
November.	1.5.	1.8.	1.3.	1.1.	0.8.	0.6.	0.9.	0.8.	0.8.	1.3.
December.	1.5.	1.9.	1.3.	1.0.	0.8.	0.6.	1.0.	0.8.	1.0.	1.3.
<b>Average.</b>	<b>1.4.</b>	<b>1.6.</b>	<b>1.5.</b>	<b>1.2.</b>	<b>0.9.</b>	<b>0.6.</b>	<b>0.8.</b>	<b>0.9.</b>	<b>0.8.</b>	<b>1.3.</b>

Source: Office for National Statistics.

Note: These unemployment rates represent the proportion (%) of the resident population who are of working age and who are seeking employment (ages 16 – 64).

Up to September 2015 the headline Claimant Count figures include people claiming Jobseeker's Allowance (JSA). As of October 2015, this figure includes people claiming JSA and Universal Credit.

The above table illustrates the unemployment rate measured by Claimant Count rate (%).

The figures between 2014 and 2015 may be more difficult to compare with the introduction of Universal Credit figures, now added to those claiming JSA in 2015 figures.

Orkney's average unemployment rate rose back in 2011 and continued to fall until 2015, with an average level in 0.6%. This compares to average Scottish and UK unemployment rates from December 2015 of 2.1% and 1.8% respectively.

Unemployment rate for 2016 saw a slight increase again 0.8%, compared to 2.2% for Scotland. In 2017 the unemployment rate witnessed another slight increase to 0.9%, whilst it stood at 2.3% for Scotland. 2018 witnessed a decrease, back to the 2016 average. The 2019 average was the highest since 2012.

### Job Seeker Allowance (JSA) (old measurement)

At December	2009	2010	2011	2012	2013	2014	2015	Increase 2009 – 2015	
								Number	%
All jobseekers.	169.	205.	260.	176.	134.	111.	52.	-58.	-34.
Aged 18 – 24.	45.	65.	80.	60.	35.	20.	10.	-25.	-55.
Aged 25 – 49.	95.	85.	115.	75.	65.	60.	25.	-35.	-37.
Aged 50 and over.	30.	45.	55.	40.	30.	35.	15.	5.	17.
Up to 6 months.	135.	165.	180.	110.	95.	75.	30.	-60.	-44.
6 to 12 months.	20.	15.	55.	25.	10.	10.	5.	-10.	-50.
Over 12 months.	15.	15.	25.	45.	30.	25.	15.	10.	66.

Source: Office for National Statistics – Claimants change and LA Comparison.

Notes: Totals may not always tally due to round and, owing to rounding, the apparent movements by age group and duration may therefore be distorted.

The above table illustrated the old measurement for Claimant Count which was based on JSA statistics.

Due to the rollout of the Universal Credits the value of using Claimant Count will have diminished and Universal Credits data is now being included along with JSA data under Claimant Count Tables. JSA will no longer be designated as National Statistics and will be labelled Jobseeker's Allowance rather than Claimant Count.

The Claimant Count until 2012 was towards increasing numbers of job seekers. Whilst the figures for 2012 were, overall, more encouraging than those for 2011, that year saw a notable increase in those out of work for more than 12 months.

Following on in 2012, the reducing numbers of job seekers were evident, with continuing trend of reduction over the period 2012 to 2014. The age group with the largest reduction of job seekers in 2014 was the age bracket 25 – 49.

The age bracket displaying the largest % increase in Orkney unemployment during the years 2009 to 2014 is the 18 – 24 age group.

## Claimant Count

### Job Seeker Allowance and Universal Credit

Under Universal Credit a broader span of claimants are required to look for work than under Jobseeker's Allowance. As Universal Credit Service is rolled out in particular areas, the number of people recorded as being on the Claimant Count is therefore likely to rise.

At December	2018	2019	Increase 2018 – 2019
			Number
All claimants.	135.	375.	240.
Aged 16 – 24.	30.	80.	50.
Aged 25 – 49.	60.	185.	125.
Aged 50 and over.	45.	110.	65.

Source: Office for National Statistics – Claimants change and LA Comparison.

Notes: Totals may not always tally due to round and, owing to rounding, the apparent movements by age group and duration may therefore be distorted.

The data relating to age breakdowns, flows of claims or for duration of claim cannot be extracted from the Universal Credit. Therefore, these series will be suspended from June 2015.

## 5. Agriculture

### Herd / Flock

Livestock values returned at Orkney Auction Mart have fallen since reaching a high in 2014.

#### Orkney Auction Mart Prices – Average price, pence per kg

Year.	Cattle: Steers.		Cattle: Heifers.		Lambs
	May.	Middle of September.	May.	Middle of September.	October.
2011.	190.67.	185.89.	181.22.	177.63.	165.95.
2012.	210.11.	185.89.	199.18.	187.32.	136.90.
2013.	221.49.	245.16.	211.13.	229.02.	Not applicable.
2014.	234.61.	224.45.	226.97.	215.06.	Not applicable.
2015.	227.46.	221.75.	213.31.	212.07.	Not applicable.
2016.	221.80.	214.47.	213.53.	208.04.	Not applicable.
2017.	233.08.	223.04.	217.49.	214.62.	Not applicable.
2018.	950.	1093.39.	883.42.	996.30.	Not applicable.
2019.	961.71.	991.83.	868.76.	909.28.	Not applicable.

Source: Orkney Auction Mart.

2019 statistics are the average price, not average price per kilo. This is due to changes in the monitoring system used by Orkney Auction mart.

Lamb values per kg are unavailable for 2013 onwards, however values per head is available below.

Month	2016	2017	2018	2019
October.	£59.90.	£72.27.	£73.90.	£70.23.

Lamb values per head fell slightly between 2014-2015, however values did recover slightly in 2016 and witnessed a stronger increase in 2017. 2018 saw values continue to rise but 2019 witnessed a slight decrease once again.

## Livestock Numbers

### Herd / Flock size in Orkney (2013 – 2019)

	2013.	2014.	2015.	2016.	2017.	2018.	2019.
Dairy cows.	2706.	2702.	2720.	2662.	2539.	2569.	2554.
Other dairy.	649.	590.	431.	361.	421.	371.	426.
<b>Total Dairy.</b>	<b>3355.</b>	<b>3292.</b>	<b>3151.</b>	<b>3023.</b>	<b>2960.</b>	<b>2940.</b>	<b>2980.</b>
Beef cows.	26311.	26310.	26410.	26125.	26032.	25775.	25582.
Other beef.	27193.	26973.	26570.	24851.	23074.	23194.	25858.
<b>Total beef cattle.</b>	<b>53504.</b>	<b>53283.</b>	<b>52980.</b>	<b>50976.</b>	<b>49106.</b>	<b>48969.</b>	<b>51440.</b>
Other cattle.	26001.	26155.	26169.	25489.	25859.	25724.	23267.
<b>Total cattle.</b>	<b>82860.</b>	<b>82730.</b>	<b>82300.</b>	<b>79488.</b>	<b>77925.</b>	<b>77633.</b>	<b>77687.</b>
Breeding ewes.	43751.	43220.	42389.	42988.	44292.	43725.	44022.
Other sheep for breeding.	10811.	9229.	10577.	9981.	9915.	8800.	8623.
Other sheep.	65805.	63682.	63382.	64545.	66279.	63819.	66119.
<b>Total sheep.</b>	<b>120367.</b>	<b>116131.</b>	<b>116348.</b>	<b>117514.</b>	<b>120486.</b>	<b>116344.</b>	<b>118764.</b>

Source: Scottish Government's Rural and Environmental Research and Analysis Directorate (RERAD), agriculture census annually in June.

## Dairy cattle

In 2017 Orkney farms held 49% of all dairy cattle in the North West of Scotland (Shetland, Orkney, Hebrides and Highland). The Orkney figures for 2018 saw a slight decrease in herd size, with the 2019 figure showing a very slight increase.

### Beef cattle

The reporting breakdown for beef cattle changed slightly in 2013 and therefore comparisons of subsequent data with that of previous years may not always be entirely like for like.

Overall there had been little change in the number of breeding cows over the 2008 - 2015 period, at the 2015 census date, Orkney was home to 36% of all female beef cattle in the North West of Scotland region. However, the 2016 census data shows a significant fall in the number of all cattle in Orkney in 2016. This was likely to have been a knock-on effect of the poor weather in 2014 / 2015 which caused local shortages of winter feed and bedding and farmers reducing stock levels as a consequence. 2017 and 2018 continued to witness a decline in beef cattle numbers with a 3.7% decrease on the previous year figure. 2019 has witnessed an increase, with the highest figure since 2015 recorded.

## Sheep

The table above illustrates that, in 2014, Orkney's sheep flock decreased by 3.5% on the previous year, to a level that was maintained in 2015. Over the 2009 to 2015 period, the number of breeding ewes declined by almost 10%. However, in 2016 and 2017 levels have continued to recover slightly. 2018 figures saw a decrease back towards the numbers from 2015. 2019 witnessed a slight increase, but still lower than the 2017 figure.

## Milk production

The level of milk production took a fall back in 2010 - 2011 when two dairy farms withdrew from the market which resulted in the loss of almost 1 million litres of production. Milk production has declined significantly since its peak in 2009 - 2010. However, the figure for 2017/18 shows a 3.1% increase in production on the previous financial year. The estimate for 2018/19 remains similar to the previous year whilst the 2019/20 figure shows a slight decrease.

90% of all Orkney milk production goes towards the manufacture of Orkney Cheddar, produced by the Orkney Cheese Company Ltd.

### Orkney Milk Production

Year	Litres (000s)
2001 – 2002.	14888.
2002 – 2003.	14984.
2003 – 2004.	15221.

<b>Year</b>	<b>Litres (000s)</b>
2004 – 2005.	15160.
2005 – 2006.	15490.
2006 – 2007.	15334.
2007 – 2008.	15576.
2008 – 2009.	15724.
2009 – 2010.	16047.
2010 – 2011.	15166.
2011 – 2012.	15177.
2012 – 2013.	14605.
2013 – 2014.	13072.
2014 – 2015.	13249.
2015 – 2016.	13552.
2016 – 2017.	13513.
2017 – 2018.	13940.
2018 – 2019.	14000(est.).
2019 – 2020.	13308.

## **Livestock Shipments**

The following table shows that livestock shipments through Orkney Islands Council (OIC) ports have increased significantly since 2007, with cattle shipments up by 41% over the period to 2015 and sheep movements up by 263% over the same period.

However, as data for the privately-run St Margaret's Hope to Gills Bay ferry service is not published, total livestock shipments from Orkney cannot be accurately ascertained.

### **Livestock Shipments from Orkney (OIC Ports)**

<b>Year</b>	<b>Cattle</b>	<b>Sheep</b>
1987.	26322.	46204.
1997.	18936.	54791.
1999.	20660.	60390.
2000.	20362.	55777.
2001.	16628.	39292.
2002.	15784.	27625.
2003.	17748.	16777.

<b>Year</b>	<b>Cattle</b>	<b>Sheep</b>
2004.	17133.	13416.
2005.	17169.	17202.
2006.	17789.	13085.
2007.	17660.	14437.
2008.	19250.	30342.
2009.	18103.	36182.
2010.	17754.	31133.
2011.	20659.	41332.
2012.	25601.	44332.
2013.	24428.	53300.
2014.	23683.	48823.
2015.	24917.	52390.
2016.	24322.	50011.
2017.	24193.	48418.
2018.	25635.	47860.
2019.	23789.	52518.

Source: OIC Marine Services.

The increase in 2015 and 2016 shipments possibly reflects the severe weather-related problems experienced in Orkney during summer-autumn of 2015.

## **Land Use**

### **Agricultural Land Use in Orkney (hectares)**

<b>Land Use</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Cereals.	4394.	4410.	4522.	4442.	4050.	4085.	3912.	3936.
Barley.	4286.	4300.	4359.	4251.	3906.	3872.	3714.	3744.
Oats.	108.	110.	163.	191.	144.	213.	198.	192.
Rape for oilseed and linseed.	0.	0.	0.	0.	0.	0.	0.	0.
Potatoes.	38.	44.	30.	24.	19.	20.	22.	24.
Stock-feeding crops.	694.	691.	669.	670.	807.	765.	945.	738.

<b>Land Use</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Other crops.	192.	210.	200.	135.	116.	139.	143.	160.
Set aside.	-	-	-	-	-	-	-	-
Fruit and horticulture.	-	-	-	-	-	-	-	-
Other vegetables.	15.	14.	17.	11.	15.	14.	10.	10.
Bare fallow.	275.	277.	297.	279.	321.	305.	389.	243.
<b>Total crops, set aside and fallow.</b>	<b>5741.</b>	<b>5641.</b>	<b>5679.</b>	<b>5713.</b>	<b>5605.</b>	<b>5311.</b>	<b>5408.</b>	<b>5380.</b>
Grassland.	50298.	50857.	50903.	49679.	50582.	51192.	50482.	49914.
Rough grazing.	30548.	32620.	33071.	34194.	32365.	32932.	29793.	30683.
Woodland.	82.	79.	61.	60.	138.	352.	206.	321.
Other land.	1038.	1006.	858.	914.	845.	1027.	687.	732.
Common grazing.	2277.	2278.	2278.	2294.	2294.	2294.	2294.	2294.
<b>Total land</b>	<b>89984.</b>	<b>92481.</b>	<b>92849.</b>	<b>92854.</b>	<b>91829.</b>	<b>93108.</b>	<b>88870.</b>	<b>89324.</b>

Source: Rural and Environmental Research and Analysis Directorate (RERAD) – Section C Times Series.

Notes: Totals may not always tally due to changes in reporting methods.

The comparatively large fluctuations in total land use reported during the 2009 – 2011 period may have been caused by changes to data collection and reporting processes, and the subsequent recovery of the reported land use statistics from 2012 onwards would appear to bear this out.

The total land area utilised by agriculture remained largely the same between 2012 – 2016 with the area of land utilised increasing in 2016. 2017 witnessed a 4.5% decrease from the previous year. However, this trend was reversed during 2018, with a 0.5% increase on 2017 figures.

Grassland remains the largest land use in Orkney, which suits Orkney's climate well and would support the production of beef cattle, dairying farming and sheep farming in Orkney.

### **Cereals**

Barley continues to be the largest cereal crop grown in Orkney at 3744 hectares in 2019, a slight increase on 2018.

## Potatoes

The table shows that land used for growing potato crops in Orkney peaked in 2013 at 44 hectares and has fallen significantly over the following years. However, 2019 did witness the highest figure since 2015.

## Employment in Agriculture

### Agricultural Employment in Orkney (2012 – 2019)

Category	2012	2013	2014	2015	2016	2017	2018	2019
Full-time occupier.	389.	381.	389.	388.	400.	444.	437.	451.
Part-time occupier (more than 50%).	170.	152.	150.	146.	231.	230.	227.	196.
Part-time occupier (less than 50%).	437.	421.	378.	363.	653.	668.	657.	632.
<b>Total occupiers.</b>	<b>996.</b>	<b>954.</b>	<b>917.</b>	<b>897.</b>	<b>1284.</b>	<b>1342.</b>	<b>1321.</b>	<b>1279.</b>
Full-time spouses.	81.	74.	70.	65.	-	-	-	-
Part-time spouses (more than 50%).	121.	122.	107.	103.	-	-	-	-
Part-time spouses (less than 50%).	338.	306.	319.	328.	-	-	-	-
<b>Total spouses.</b>	<b>540.</b>	<b>502.</b>	<b>496.</b>	<b>496.</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Full-time workers.	249.	259.	244.	274.	272.	260.	265.	254.
Part-time workers.	179.	167.	164.	159.	189.	210.	192.	221.
Casual and seasonal workers.	78.	83.	76.	73.	80.	87.	93.	113.

<b>Total employees.</b>	<b>506.</b>	<b>509.</b>	<b>484.</b>	<b>506.</b>	<b>541.</b>	<b>557.</b>	<b>550.</b>	<b>588.</b>
<b>Total employment.</b>	<b>2042.</b>	<b>1965.</b>	<b>1897.</b>	<b>1899.</b>	<b>1825.</b>	<b>1899.</b>	<b>1871.</b>	<b>1867.</b>
<b>Agricultural holdings.</b>	<b>2012.</b>	<b>1993.</b>	<b>1984.</b>	<b>1980.</b>	<b>1953.</b>	<b>1921.</b>	<b>1920.</b>	<b>1885.</b>

Source: Rural and Environmental Research and Analysis Directorate (RERAD) – Section C Times Series.

Total employment in agriculture between 2012 – 2019 has decreased. However, within this 8-year period the figures have fluctuated in recent years. Falling levels of employment over the past 8 years is probably symptomatic of the increasing industrialisation within the sector.

## **Common Agricultural Policy (CAP) Subsidies**

The total of all subsidy payments received by Orkney farmers during recent years under the EU Common Agricultural Policy (CAP) support schemes is set out in the following table. Fluctuations may be due, in part, to currency exchange rate movements and changes in eligibility for dedicated schemes, although the significant reduction in the number of recipients in 2012 is notable.

**CAP subsidy payments** (excludes payments made in respect of Rural Priorities Contracts).

<b>Orkney</b>	<b>Number of recipients</b>	<b>Payments (£000s)</b>
All schemes 2004 – 2005.	798.	16382.
All schemes 2005 – 2006.	795.	16115.
All schemes 2006 – 2007.	841.	19586.
All schemes 2007 – 2008.	1058.	17926.
All schemes 2008 – 2009.	808.	19876.
All schemes 2009.	792.	20172.
All schemes 2010.	782.	20331.
All schemes 2011.	755.	20309.
All schemes 2012.	607.	19484.

Source: Scottish Government Rural Payments and Inspections Directorate.

Note: 2009 – 2012 are figures for calendar year rather than financial year as previously reported.

<b>Orkney</b>	<b>Number of recipients</b>	<b>Payments (£000s)</b>
All schemes 16 October 2013 – 15 October 2014.	622.	17749.
All schemes 16 October 2014 – 15 October 2015.	626.	19169.
All schemes 16 October 2015 – 15 October 2016.	661(est.).	17000(est.).
All schemes 16 October 2016 – 15 October 2017.	661(est.).	17000(est.).
All schemes 16 October 2017 – 15 October 2018.	670.	20598.
All schemes 16 October 2018 – 15 October 2019.	658.	20400.

Note: These figures relate to payments made in respect of 12-month periods ending on 15 October.

The subsidy payments have increased by from the estimated figures of 2015 – 2017 however the latest figure has witnessed a slight decrease on the previous year. As such, these payments remain critical to the viability of Orkney farming. Significant variations in annual values are largely due to fluctuation in the exchange rates prevailing at the appointed conversion date, with annual subsidies being allocated in euros (€).

Following the outcome of the European referendum in 2016, the long-term future of direct agricultural support is still unknown at this time.

## **6. Fishing**

The size and make-up of the fleet remained relatively unchanged between 2007 and 2011. Numbers have continued to decline slightly since 2011, especially amongst the smaller vessels. Figures between 2017-2019 have remained fairly static.

### **Orkney Fishing Fleet**

<b>Vessels</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
10 metres and under.	115.	109.	110.	105.	109.	102.	95.
More than 10 and less than 15 metres.	29.	30.	31.	33.	34.	32.	25.

<b>Vessels</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
15 to less than 18 metres.	4.	4.	4.	4.	4.	3.	9.
18 to less than 25 metres.	1.	1.	1.	1.	4.	1.	5.
25 to less than 35 metres.	5.	5.	5.	5.	5.	3.	4.
35 to less than 50 metres.	1.	1.	1.	1.	1.	1.	Not applicable.
<b>Total vessels.</b>	<b>155.</b>	<b>150.</b>	<b>152.</b>	<b>149.</b>	<b>152.</b>	<b>142.</b>	<b>138.</b>

<b>Vessels</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
10 metres and under.	89.	90.	91.	91.	92.	93.
More than 10 to 12 metres.	25.	26.	25.	23.	22.	20.
More than 12 to 15 metres.	8.	8.	7.	6.	6.	6.
More than 15 to 24 metres.	5.	5.	5.	5.	5.	5.
More than 24 to 40 metres.	3.	3.	3.	3.	3.	3.
More than 40 metres.	Not applicable.					

<b>Total vessels</b>	<b>130.</b>	<b>132.</b>	<b>131.</b>	<b>128.</b>	<b>128.</b>	<b>127.</b>
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Source: Marine Scotland Science Scottish Sea Fisheries Statistics 'Vessel and Employment'.

### **Pelagic / demersal landings by Orkney vessels**

<b>Year</b>	<b>Live weight (tonnes)</b>	<b>£(000s)</b>
2005.	6061.	5937.
2006.	6405.	8296.
2007.	6356.	8863.
2008.	7942.	9844.
2009.	7829.	9913.
2010.	7073.	10056.
2011.	6870.	9220.
2012.	5300.	7200.
2013.	4000.	4200.
2014.	6000.	8600.
2015.	6100.	5500.
2016.	4936.	9135.
2017.	4224.	8772.
2018.	3385.	8896.
2019.	3058.	8739.

Source: Scottish Sea Fisheries statistics.

Along with reduction in fleet size, the volume and value of landings of demersal and pelagic fish by Orkney Vessels fell considerably in 2012 and 2013; however, this was followed by considerable increase in value of landings in 2014.

Subsequently though in 2015 the value of landings suffered a large decrease again although the weight of landings in 2015 was slightly higher than the previous year.

2016 witnessed a reverse in the previous year, with landings decreasing by 19% but the value of the landings increasing by 66%. This represents the highest value of landings since 2011. Whilst 2017 witnessed a 14.5% drop in landings and a 4% drop in value, the 2017 value is similar to 2007 despite landings for that year being considerably higher. In 2018, landings took a considerable drop, falling by 20% on the previous year. Despite this, the value witnessed a small increase over the same period. 2019 has continued the downward trend, albeit at a slower rate.

With so few Orkney vessels in the demersal fleet, variations might be due to a number of factors, for example, a vessel temporarily laid up, quota variations, or changing market prices.

## Employment

With vessel numbers falling in general, lower regularly employed in the sector is to be expected. In 2016 this figure has dipped under 200, representing a 3% decrease from the previous year. In recent years the figure has witnessed an increase, with lower numbers partially employed. However, 2019 saw a reduction in regularly employed and an increase in partially employed whilst the total remained similar to 2018.

### Orkney fishermen employed

Year	Total	Regularly	Partially
2005.	335.	284.	51.
2006.	342.	288.	54.
2007.	390.	317.	73.
2008.	330.	287.	43.
2009.	421.	275.	146.
2010.	409.	277.	132.
2011.	373.	260.	113.
2012.	354.	235.	119.
2013.	442.	281.	161.
2014.	297.	217.	80.
2015.	303.	205.	98.
2016.	292.	199.	93.
2017.	286.	234.	52.
2018.	291.	230.	61.
2019.	288.	215.	73.

Source: Marine Scotland Science.

Note: Figures relate to those employed on vessels which submit landing declarations to Marine Scotland.

## 7. Shellfish

Shellfish species landed in Orkney since 2010, their live weight and values are as follows.

Species	Quantity (tonnes)								
	2011	2012	2013	2014	2015	2016	2017	2018	2019
Edible crabs.	2561.	2289.	2614.	2810.	2879.	3404.	3037.	2285.	1910.
Green crabs.	162.	143.	133.	117.	108.	80.	51.	49.	57.
Lobsters.	143.	121.	98.	146.	95.	102.	96.	79.	93.
Periwinkles.	54.	39.	61.	51.	36.	38.			
Scallops.	286.	316.	300.	254.	367.	379.	297.	361.	347.
Velvet crabs.	640.	463.	478.	490.	440.	393.	318.	244.	311.
Whelks.	-	-	31.	133.	401.	452.	350.	296.	274.
Other shellfish.	30.	36.	85.	51.	5.	5.	21.	23.	3.
<b>Total.</b>	<b>3877.</b>	<b>3432.</b>	<b>3808.</b>	<b>4053.</b>	<b>4339.</b>	<b>4894.</b>	<b>4170.</b>	<b>3336.</b>	<b>3024.</b>

Species	Value (£000s)								
	2011	2012	2013	2014	2015	2016	2017	2018	2019
Edible crabs.	2773.	3027.	2782.	3237.	3754.	3611.	4769.	5017.	4009.
Green crabs.	82.	104.	92.	87.	78.	70.	58.	45.	55.
Lobsters.	1451.	1513.	1250.	1109.	1468.	999.	1286.	1391.	1395.
Periwinkles.	153.	109.	89.	119.	127.	81.	77.		
Scallops.	605.	801.	841.	767.	686.	1036.	1197.	781.	1215.
Velvet crabs.	2348.	1856.	1155.	1338.	1276.	1231.	1210.	977.	904.
Whelks.	15.			23.	106.	301.	410.	371.	330.
Other shellfish.	37.	83.	125.	581.	196.	38.	39.	47.	34.
<b>Total.</b>	<b>7464.</b>	<b>7493.</b>	<b>6359.</b>	<b>7269.</b>	<b>7695.</b>	<b>7372.</b>	<b>9094.</b>	<b>8633.</b>	<b>7986.</b>

Source: Scottish Sea Fisheries statistics.

## 8. Fish Farming

### Production

The following table shows salmon and smolt production in Orkney as presented by the Scottish Government.

<b>Salmon and smolt production in Orkney</b>		
<b>Year</b>	<b>Salmon (tonnes)</b>	<b>Smolt (number in 000s)</b>
2005.	5183.	185.
2006.	3724.	95.
2007.	4432.	156.
2008.	5716.	190.
2009.	6220.	100.
2010.	9388.	118.
2011.	6369.	120.
2012.	11694.	130.
2013.	11479.	142.
2014.	13029.	142.
2015.	11074.	142.
2016.	14752.	150.
2017.	16756.	145.
2018.	20956.	108.
2019.	17758.	102.

Source: Marine Scotland Science – Scottish Fish Farm Production surveys.

Salmon production soared in 2010, up by 51% on the previous year, but returned to just above 2009 levels in 2011. However, again the 2012 salmon output levels soared with 2017 being the highest over the period reviewed.

Smolt production has been relatively steady between 2012-2015 with little variation in numbers produced. Between 2016-2018 Salmon production has increased, with an increase of 4,200 tonnes in 2018 over the previous year. This is despite smolt production falling. 2019 witnessed a decrease in both tonnage and smolt numbers.

### Employment

Employment levels in the industry fluctuate from year to year and no explanation is offered for this. The following table shows fish farming employment in Orkney as presented by the Scottish Government.

## Fish farming employment in Orkney

Year	Salmon smolt production		Salmon on-growing	
	Full-time	Part-time	Full-time	Part-time
2005.	2.	6.	47.	4.
2006.	1.	1.	72.	3.
2007.	2.	0.	41.	7.
2008.	2.	0.	60.	5.
2009.	2.	0.	47.	2.
2010.	2.	0.	58.	2.
2011.	2.	0.	69.	0.
2012.	1.	1.	65.	6.
2013.	1.	1.	86.	3.
2014.	2.	1.	90.	6.
2015.	1.	1.	93.	1.
2016.	1.	3.	102.	8.
2017.	2.	2.	108.	9.
2018.	1.	4.	93.	0.
2019.	1.	2.	93.	1.

Source: Marine Scotland Science – Scottish Fish Farm Production surveys.

The above statistics are not however supported by figures reported by the trade body, the Scottish Salmon Producers Organisation (SSPO) who reported that direct employment by their members in Orkney increased from 91 in 2011 to 115 in 2012 and 135 in 2016. It is not known why the two figures differ. There has been little change in the recorded figures between 2018-2019.

## Scottish salmon farming 2017

Category	Orkney	Shetland	Western Isles
Number employed.	161.	421.	363.
Capital investment.	£7500000.	£10600000.	£3650000.
Salaries.	£4900000.	£13900000.	£98800000.
Local industry spend.	£4300000.	£40500000.	£8740000.

Source: November report – Economic Report 2017 – Scottish Salmon Producers’ Organisation.

The most recent Scottish Salmon Producers Organisation Economic Report from 2017 states that the industry in Orkney (along with Highland) saw significant growth in capital investment to develop new technology and farming systems to meet the needs of modern fish farming.

## 9. Energy

### Oil and Gas

The volume of crude oil leaving the Flotta Oil Terminal back in 2012 was almost half of that shipped in 2010 and there were no shipments of propane gas.

2015 and 2016 has seen significant increase in volume of crude oil leaving Flotta. In 2016 levels were almost 3 times that shipped in 2012. This increase is as a result of

the Gold Eagle field which began producing oil in late 2014. After witnessing a 5.5% increase during 2017 on the previous year, 2018 saw a reduction in crude oil tonnage of approximately 30%.

Foinaven oil has not been shipped via the Flotta terminal since 2008.

#### Annual Tonnes of Cargoes Loaded from the Flotta Oil Terminal.

Year	Crude oil	Foinaven	Propane gas	Ethane gas
1997.	9747675.	84893.	138258.	60679.
1998.	10210855.	2896555.	104607.	21633.
1999.	9568002.	3574343.	98612.	14322.
2000.	8378325.	3738240.	75736.	0.
2001.	6824998.	3775666.	63471.	0.
2002.	6380383.	5280691.	39650.	0.
2003.	5329571.	4071672.	19740.	0.
2004.	5070327.	3479831.	18026.	0.
2005.	4358243.	3021819.	12001.	0.
2006.	3255055.	2799784.	3026.	0.
2007.	3361090.	2528446.	4198.	0.
2008.	3296136.	50053.	24194.	0.
2009.	2983466.	0.	18863.	0.
2010.	2950405.	0.	17120.	0.
2011.	2053598.	0.	12284.	0.

2012.	1453846.	0.	0.	0.
2013.	791221.	0.	0.	0.
2014.	884720.	0.	0.	0.
2015.	3657292.	0.	0.	0.
2016.	4316791.	0.	0.	0.
2017.	4551472.	0.	0.	0.
2018.	3160407.	0.	0.	0.
2019.	2745838.	0.	0.	0.

Source: OIC Marine Services.

## Ship to Ship Transfers

Following the high of 2009, there was a steady reduction in the number of ship-to-ship (STS) transfers in Scapa Flow, culminating in there being no such activity in 2012.

Following approval of the new OIC ballast water management policy in 2013, 2015 again saw the commencement of ship to ship transfers, and 2016 saw a significant

increase in the number of STS transfers with 22 transfers taking place. 23 transfers took place in 2017.

Ship to ship transfer of liquefied natural gas (LNG) took place in 2016 following previous transfers back in 2013, 2010 and 2007.

The world's first liquefied propane gas (LPG) ship to ship transfer was managed in Scapa Flow in 2016 with 15,464 tonnes transferred. This achievement was matched in 2017. 2018 witnessed a significant increase in ship to ship transfers and oil tonnage, as Scapa Flow is continued to be marketed for this purpose.

### Ship to ship operations.

Year	STS transfers	Oil tonnage	LNG tonnage	LPG transfers	LPG – tonnes / air
2002.	11.	926399.	0.	-	-
2003.	4.	575184.	0.	-	-
2004.	15.	2660841.	0.	-	-
2005.	17.	1746715.	0.	-	-
2006.	8.	993759.	0.	-	-
2007.	7.	930136.	56827.	-	-
2008.	10.	582097.	0.	-	-

2009.	27.	2599461.	0.	-	-
2010.	17.	941629.	8128.	-	-
2011.	5.	282708.	0.	-	-
2012.	0.	0.	0.	-	-
2013.	0.	0.	32853.	-	-
2014.	0.	0.	0.	-	-
2015.	8.	734257.	0.	-	-
2016.	22.	1579679.	133472.	1.	15464.
2017.	23.	1695230.	0.	1.	15464.
2018.	66.	5048235.	0.	0.	0.
2019.	53.	3780143.	0.	0.	0.

Source: OIC Marine Services.

### Accommodation Rigs

New economic activity has been attracted to Scapa Flow as sheltered storage for accommodation vessels whilst they undergo maintenance. Late 2015 saw the first arrivals of 2 Semi-Submersible accommodation rigs to Scapa Flow for maintenance programmes.

### Renewable Generation

Year	Renewables output as a percentage of demand (excluding turbines under 50kW)	Renewables output as a percentage of demand (including turbines under 50kW)
2012	64%	69%
2013	98%	104%
2014	99%	106%
2015	104%	113%
2016	113%	122%
2017	115%	123%
2018	104%	112%
2019	107%	115%

From 2012 to 2017 the % output increased each year. 2018 witnessed a slight decrease in both categories recorded, however the 2019 figure for each category has increased. 2017 remains the highest year since recording began.

Source: Orkney Renewable Energy Forum.

## Wind Energy

The Department of Business, Energy and Industrial Strategy provides 'Sub-national Feed-in Tariff Statistics' which is maintained by Ofgem and a recent extraction of information for quarter 1 2019 highlights there were 766 feed in tariff (FIT) eligible wind generators in Orkney, of which 654 were domestic. The 2019 figures show 774 FIT eligible wind generators in Orkney, of which 659 were domestic.

In 2012 a moratorium was imposed on new generator connections to the grid in Orkney, this has resulted in delays to new developments being realized. Grid curtailment continues to be an issue impacting on revenue generation.

## 10. Transport

### Stromness to Scrabster Route (Northlink Ferries)

#### Traffic on Stromness to Scrabster Route (Northlink Ferries)

Year	Passengers	Accompanied cars	Commercial vehicles and trailers
2000.	157466.	46976.	6916.
2001.	127798.	37522.	7791.
2002.	113021.	33432.	8961.
2003.	136530.	40415.	8648.
2004.	141550.	41248.	7128.
2005.	143730.	42782.	6699.
2006.	147099.	43835.	5956.
2007.	154979.	45542.	5860.
2008.	144000.	44177.	7230.
2009.	150288.	45075.	7485.
2010.	141431.	41502.	6440.
2011.	137955.	40036.	6245.
2012.	138546.	40227.	5892.
2013.	115572.	32642.	4953.
2014.	120692.	33980.	4591.
2015.	125400.	35980.	4891.
2016.	135143.	40108.	5233.
2017.	146332.	43862.	5577.
2018.	155806.	50898.	6135.
2019.	161871.	49275	5957

Source: OIC Marine Services.

The upward trend in passenger and accompanied car numbers on the Stromness to Scrabster route since 2002 came to a halt in 2008, with a brief recovery in 2009. However, passenger and accompanied car numbers again fell in 2010 and 2011. An upward trend has however been evident again since 2014, with significant increases year on year.

Pentland Ferries does not publish the traffic statistics for its St Margaret's Hope to Gills Bay service.

## **Shetland to Kirkwall to Aberdeen Route (Northlink Ferries)**

### **Traffic on Shetland to Kirkwall to Aberdeen Route (Northlink Ferries)**

<b>Year</b>	<b>Passengers</b>	<b>Accompanied cars</b>	<b>Commercial vehicles and trailers</b>	<b>Cargo (tonnes)</b>
2003.	41802.	6578.	3660.	15997.
2004.	50892.	7317.	3783.	27991.
2005.	54634.	8082.	4571.	35499.
2006.	53442.	8199.	4691.	40454.
2007.	50506.	7772.	4613.	37560.
2008.	48081.	7458.	4111.	34665.
2009.	51250.	7803.	4084.	42429.
2010.	51507.	7878.	4036.	38497.
2011.	52804.	7938.	5064.	52257.
2012.	51070.	7562.	6674.	76525.
2013.	50439.	7424.	6616.	64106.
2014.	48498.	7156.	6794.	57979.
2015.	50021.	7504.	7660.	62869.
2016.	49071.	7683.	7346.	62830.
2017.	51039.	8190.	9225.	98469.
2018.	53717.	8869.	12180.	135796.
2019.	56331	9148	11703	126443

Source: OIC Marine Services.

There was a slight increase in passenger and accompanied cars on the Shetland to Kirkwall to Aberdeen route in 2011, however, following this there was a downward trend, with a slight recovery in 2015. There was a slight decrease in passengers in 2016, however 2017 and 2018 witnessed an increase in all traffic.

Commercial vehicles and cargo figures significantly increased in 2012 by 31.8% and 46.4% respectively on the 2011 figures. The numbers continued to increase until 2015 and have remained fairly constant in 2016. There was however a significant increase in cargo in 2017, with an additional 35639 tonnes shipped. This trend has continued into 2018, with a further 37327 tonnes shipped.

### Kirkwall Airport Traffic

Period.	Passengers.			Aircraft movements.
	Total.	Terminal.	Transit.	
2003 – 2004.	113675.	104578.	9097.	13531.
2004 – 2005.	114594.	103897.	10697.	13476.
2005 – 2006.	118019.	105394.	12625.	13427.
2006 – 2007.	137769.	124294.	13475.	15177.
2007 – 2008.	149924.	135289.	14635.	15676.
2008 – 2009.	150476.	137057.	13419.	15963.
2009 – 2010.	153256.	140210.	13046.	15686.
2010 – 2011.	158705.	No longer available.		14338.
2011 – 2012.	158616.	No longer available.		14004.
2012 – 2013.	164228.	No longer available.		14122.
2013 – 2014.	177899.	No longer available.		14651.
2014 – 2015.	177278.	No longer available.		14393.
2015 – 2016.	177755.	No longer available.		14355.
2016 – 2017.	179590.	No longer available.		14429.
2017 – 2018.	195982.	No longer available.		14976.
2018 – 2019.	184011.	No longer available.		14212.

Source: Highlands and Islands Airports Limited (HIAL), Annual Reports.

The total number of passengers in 2013 - 2014 increased by 13,671 and represented an 8.31% increase. The number of passengers moving through Kirkwall airport since 2013 - 2014 has remained fairly constant, with 2016 - 2017 witnessing an increase of 1835 passenger and 74 aircraft movements. 2017 – 2018 saw a larger increase of 16392 passenger and 547 aircraft movements. During 2018 – 2019, figures for both passengers and movements fell slightly.

## Orkney's Internal Ferry Routes

Passengers	Single journeys – year ended March										
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
North Ronaldsay.	599.	561.	627.	537.	742.	529.	653.	525.	752.	571.	942.
Papa Westray.	437.	387.	410.	422.	489.	372.	455.	488.	602.	544.	558.
Westray.	42043.	43382.	45804.	44789.	44051.	39409.	39663.	39896.	42470.	42520.	46016.
Sanday.	29961.	28682.	30010.	29940.	30779.	28640.	26885.	27193.	28979.	28678.	28825.
Stronsay.	18816.	18589.	19688.	18931.	18400.	17407.	16680.	16423.	17104.	16453.	16587.
Eday.	10292.	10434.	10314.	10027.	10273.	9618.	9170.	9130.	9675.	9108.	8571.
Inter-Island / Round trip.	-	-	-	-	3853.	3290.	3104.	3700.	3903.	3865.	3560.
Shapinsay.	65211.	69904.	64206.	66972.	68750.	64958.	64888.	58664.	62674.	61206.	67300.
Rousay.	48777.	53518.	49696.	50775.	46576.	47126.	44605.	46603.	44724.	48564.	50098.
Egilsay.	3291.	3830.	4757.	4388.	3132.	5105.	3296.	2941.	4217.	4246.	4592.
Wyre.	2987.	3204.	4385.	3229.	2874.	2428.	2577.	1911.	1252.	1191.	1065.
Inter-Island / Round trip.	-	-	-	-	3768.	4132.	4309.	3558.	3452.	3541.	3588.
Lyness.	65250.	64920.	67717.	70338.	63524.	65615.	62939.	63931.	67743.	70534.	65344.
Flotta.	10906.	11066.	11042.	11314.	10525.	10624.	11540.	10937.	11415.	11442.	10908.

Passengers	Single journeys – year ended March										
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Inter-Island / Round trip.	-	-	-	-	3058.	3059.	3017.	2788.	2484.	2081.	2217.
Graemsay.	5428.	5885.	5920.	6980.	6835.	7540.	7406.	7441.	8269.	6869.	6647.
North Hoy.	15026.	15178.	17204.	19176.	17832.	18250.	19130.	18680.	19386.	19690.	22383.
Inter-Island / Round trip.	-	-	-	-	215.	203.	169.	225.	183.	311.	315.
<b>Total.</b>	<b>319024.</b>	<b>329540.</b>	<b>331780.</b>	<b>337818.</b>	<b>335676.</b>	<b>328305.</b>	<b>320485.</b>	<b>315034.</b>	<b>329284.</b>	<b>331414.</b>	<b>339516.</b>

	Single journeys – year ended March										
Vehicles	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Westray.	12660.	13384.	14062.	14037.	14168.	12534.	12954.	13259.	14491.	14179.	14777.
Sanday.	10482.	10978.	11189.	11225.	12008.	11046.	11028.	10817.	11836.	11872.	11847.
Stronsay.	5988.	5897.	6272.	6046.	5839.	5807.	5776.	6051.	6022.	5876.	6697.
Eday.	3748.	3568.	3753.	3548.	4098.	3549.	3318.	3467.	4099.	3833.	3516.
Inter-Island / Round trip.	-	-	-	-	570.	436.	453.	597.	603.	473.	510.
Shapinsay.	11551.	12425.	12265.	12114.	12375.	12107.	11407.	11067.	11165.	11557.	12725.
Rousay, Egilsay and Wyre.	15086.	16574.	15604.	15897.	14235.	14331.	13805.	13706.	12481.	13694.	14271.

	<b>Single journeys – year ended March</b>										
<b>Vehicles</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Inter-Island / Round trip.	-	-	-	-	1103.	1182.	1380.	1303.	1061.	1025.	1221.
Lyness and Flotta.	23186.	24590.	24492.	23959.	23036.	23883.	23581.	24124.	25362.	27364.	28232.
Inter-Island / Round trip.					228.	154.	200.	314.	218	162.	200.
<b>Total.</b>	<b>82701.</b>	<b>87416.</b>	<b>87637.</b>	<b>86826.</b>	<b>87660.</b>	<b>85023.</b>	<b>83902.</b>	<b>84705.</b>	<b>87338.</b>	<b>90035.</b>	<b>93996.</b>

The total levels of passenger numbers on the internal ferry routes had been decreasing since 2013. However, the 2017 figures have shown an increase of 4.5% on the previous year. This trend has continued, with a 0.7% increase witnessed in 2018. 2019 saw further increases, with the highest figures recorded over the past 10 years.

Figures for the internal ferry routes for Shapinsay and Lyness continue to show significantly higher passenger numbers than other ferry routes in Orkney. The Lyness and Flotta route continues to show the highest number of vehicle numbers using those crossings.

## 11. Housing

### Average Purchase Price of Residential Property (£)

Region	2016	2017	2018	2019	% change 2018-2019
<b>Orkney.</b>	<b>137713.</b>	<b>147614.</b>	<b>154595.</b>	<b>161859.</b>	<b>4.7.</b>
Shetland.	152241.	158484.	165961.	158957.	-4.2.
Eilean Siar.	106519.	105602.	112044.	123556.	10.3.
Highland.	169183.	174512.	181485.	185741.	2.4.
<b>Scotland.</b>	<b>166062.</b>	<b>172779.</b>	<b>179121.</b>	<b>182357.</b>	<b>1.8.</b>

Source: Registers of Scotland.

Orkney witnessed a steady increase in house prices between 2016-2019, with the average increasing by £24146. Whilst other regions shown above, and the Scottish average, have also experienced increases, Shetland has seen a drop in the past year.

### Number of Residential Property Sales

Region	2016	2017	2018	2019	% change 2018-2019
<b>Orkney.</b>	<b>416.</b>	<b>418.</b>	<b>397.</b>	<b>391.</b>	<b>-1.4.</b>
Shetland.	307.	318.	284.	294.	3.5.
Eilean Siar.	345.	399.	323.	322.	-0.3.
Highland.	4457.	4620.	4530.	4514.	-0.3.
Scotland.	99403.	103350.	100990.	101664.	0.7.

Source: Registers of Scotland.

In terms of the total numbers of residential property sales, the property market in Orkney witnessed a slight decrease 2018-2019. Nationally, the figures remained fairly static, with only a modest increase.

### Value of Residential Property Market – Number (£ Million)

Location	2016	2017	2018	2019	% change 2017-2018
<b>Orkney.</b>	<b>57.3.</b>	<b>61.7.</b>	<b>61.4.</b>	<b>63.</b>	<b>2.7.</b>

Shetland.	46.7.	50.5.	47.1.	47.	-0.2.
Eilean Siar.	36.7.	41.9.	36.2.	40.	10.2.
Highland.	754.0.	805.6.	822.1.	838.	2.
Scotland.	16507.0.	17902.8.	18090.9.	18539.	2.5.

Source: Registers of Scotland.

With the exception of Shetland, all local authority areas highlighted above have witnessed increases in the value of their residential property markets between 2018-2019.

## New Housing

### Housing Starts and Completions in Orkney

Calendar year	Starts			Total started	Completions			Total completed
	Private	OHAL	OIC		Private	OHAL	OIC	
2004.	100.	44.	0.	144.	51.	19.	0.	70.
2005.	90.	19.	0.	109.	64.	53.	0.	117.
2006.	121.	29.	0.	150.	78.	50.	0.	128.
2007.	206.	81.	0.	287.	131.	0.	0.	131.
2008.	151.	50.	0.	201.	150.	58.	0.	208.
2009.	94.	58.	0.	152.	151.	60.	0.	211.
2010.	69.	43.	30.	142.	102.	19.	0.	121.
2011.	97.	52.	88.	237.	160.	84.	36.	280.
2012.	64.	23.	27.	114.	105.	62.	82.	249.
2013.	64.	0.	18.	82.	57.	49.	27.	133.
2014.	50.	18.	67.	135.	64.	1.	22.	87.
2015.	85.	59.	0.	144.	64.	12.	26.	102.
2016.	129.	36.	0.	165.	85.	14.	37.	161.
2017.	73.	40.	0.	113.	98.	57.	0.	155.
2018.	79.	0.	0.	79.	122.	8.	0.	130.
2019.	91.	0.	25.	116.	76.	0.	0.	76.
<b>Totals.</b>	<b>1563.</b>	<b>552.</b>	<b>255.</b>	<b>2370.</b>	<b>1558.</b>	<b>546.</b>	<b>230.</b>	<b>2359.</b>

Orkney Housing Association Limited (OHAL).

A total of 2,359 new houses have been completed during the past fifteen years. The number of completed private developments make up 66% of the total.

## 12. Tourism

### Staying Visitors

All staying visitors (000s)	
2011	162.72.
2012	153.26.
2013	166.25.
2014	162.89.
2015	173.23.
2016.	174.97.
2017.	194.45.
2018.	193.41.
2019.	219.56.

Source: Global Tourism Solutions – Scottish Tourism Economic Activity Monitor Trend report.

The annual Scottish Tourism Economic Activity Monitor (STEAM) reported ‘All staying visitors’ (Visitors who are staying overnight for one or more nights away from home for holidays) was 219560 visitors, an increase of 13.5% from 2018 figures.

### Staying visitor’s type of accommodation

Staying in paid accommodation (000s)						Staying with friends and relatives (SFR) (000s)			All staying visitors (000s)		
Serviced			Non-serviced								
2019	2018	+ or - %	2019	2018	+ or - %	2019	2018	+ or - %	2019	2018	+ or - %
114.13	107.59	6.1	75.58	56.33	34.2	29.84	29.50	1.2	219.56	193.41	13.5

Source: Global Tourism Solutions – STEAM Trend report.

In 2019, the number of visitors staying in paid accommodation was 189710, an increase of 15.7% from 163920 in 2018. The number of visitors staying with friends and relatives in 2019 was 29840, a slight increase of 1.2% from 29500 in 2018.

#### Estimated Economic Impact

Year	Total (£) (in millions)
2009.	46.00.
2010.	51.63.
2011.	53.62.
2012.	53.86.
2013.	57.65.
2014.	59.18.
2015.	65.53.
2016.	67.52.
2017.	77.49.
2018.	77.97.
2019.	95.40.

Source: Global Tourism Solutions – STEAM Trend report.

The Economic Impact of Tourism to Orkney in 2019 was estimated as £95400000, an increase of 22% from 2018.

#### Orkney distribution of Economic Impact by sectors

Sector	2019		2018	
	£ (in millions)	% of total distribution	£ (in millions)	% change between 2018 and 2019.
Transport.	22.38	23.5	18.04	24.1
Accommodation.	20.68	21.7	16.79	23.2
Shopping.	18.47	19.4	14.79	24.8
Indirect.	17.2	18.0	14.25	20.7
Food and drink.	10.89	11.4	9.385	16.0
Recreation.	5.768	6.0	4.714	22.4
<b>Total.</b>	<b>95.4</b>		<b>77.97</b>	<b>22.3</b>

Source: Global Tourism Solutions – STEAM Trend report.

## Visitor Attractions

In both 2018 and 2019 the top visitor attraction by numbers was identified as St Magnus Cathedral. The top paid admission attraction continues to be Skara Brae. With the exception of the St Magnus Cathedral and the Italian Chapel, all visitor attractions in the list witnessed an increase between 2018 and 2019.

Visitor attraction	2019	2018	2017
St Magnus Cathedral (free admission).	198521.	202810.	200590.
Skara Brae (paid admission).	115136.	112921.	110337.
Italian Chapel (free admission).	Unknown at time of publication.	79582.	81754.
Skaill House (paid admission).	80731.	80542.	77292.
Pier Arts Centre (paid admission).	48937.	45113.	52058.
Orkney Museum (free admission).	44337.	41876.	43868.

Source: VisitScotland, Tourism in Scotland's Regions and Moffat Centre Visitor Attraction Monitor, Glasgow Caledonian University, and visitor attractions.

## Cruise Vessels

### Visiting Cruise Vessels

Year	Number of port calls	Increase / decrease in number of port calls	Total passengers	Increase / decrease in passengers	% increase / decrease in passengers
2010.	70.	Not applicable.	25440.	Not applicable.	Not applicable.
2011.	61.	-9.	36000.	10560.	42.
2012.	77.	16.	41600.	5600.	16.
2013.	71.	-6.	50800.	9200.	22.
2014.	76.	5.	63800.	13000.	26.
2015.	88.	12.	80000.	16200.	25.
2016.	116.	28.	95750.	15750.	20.
2017.	135.	19.	113085.	17335.	18.
2018.	138.	3.	126724.	13639.	12.
2019.	158.	20.	132388.	5664.	4.5.

Source: OIC Marine Services.

There has been an upward trend in the number of passengers and port calls from visiting cruise vessels since 2011. The increase in passenger numbers of 5664 in 2019 represents a 4.5% increase on 2018 figures. The number of cruise vessels visiting Orkney has more than doubled between 2010 – 2019.

## Island Visitor Survey 2019

The most recent Islands Visitor Survey 2019 was commissioned by Orkney Islands Council, in partnership with VisitScotland.

The survey from 2019 face-to-face interviews at key exit points from the islands, as well as a follow-up online survey to gather more detailed feedback. Some of the main headlines were:

### The Visitor Experience

The Islands Visitor Survey 2019 Orkney published the following:

#### Influence of visit

Main reason for visit	Percentage (%)
Scenery / landscape.	62.
History / Culture.	57.
Always wanted to visit.	56.
To visit a particular attraction.	33.
Interest in archaeology.	31.
Been before and wanted to come again.	22.
To get away from it all.	20.

#### Age distribution of visitors to Orkney

Age.	Percentage (%)
16 – 24.	4.
25 – 34.	11.
35 – 44.	13.
45 – 54.	21.
55 – 64.	27.
65 and over.	24.

### Gender profile.

<b>Gender.</b>	<b>Percentage (%)</b>
Male.	56.
Female.	44.

### Number of people in party.

<b>Number</b>	<b>Percentage (%)</b>
One.	26.
Two.	53.
Three – Five.	20.
Six – Ten.	1.
More than Ten.	0.

### Main type of transport during visit.

<b>Type</b>	<b>Percentage (%)</b>
Car	71.
Campervan	7.
Ferry	6.
Coach Tour	5.
Regular Bus	5.
Other	9.

### Number of nights in Orkney

<b>Number of nights</b>	<b>Percentage (%)</b>
One – Three.	44.
Four – Seven.	41.
Eight – Fourteen.	11.
Fifteen – Twenty-one.	2.
More than Twenty-one.	2.

### Accommodation stayed in during visit.

Accommodation.	Percentage (%)
Self-catering.	24.
Hotels.	26.
Guesthouse / Bed and Breakfast.	19.
Friends/family	14.
Homestay/Airbnb	8.

### Sources of information

Source of information.	Percentage (%)
Websites	84.
Visiting information centre.	41.
Local heritage information	35.
Asking locals.	34.
Brochure – VisitScotland / Tourist Board.	31.
Locally produced guide books.	30.

### Top activities undertaken – Leisure Visitors

Activity.	Percentage (%)
Walking.	85.
Scenery.	74.
Archaeological sites.	67.
Shopping	60.
Self-guided tour / sightseeing.	56.
Nature	53.
Trying local food / drinks.	49.
Photography / painting	36.

### Most visited attractions

Attraction	Percentage (%)
Ring of Brodgar.	82.
Skaill House / Skara Brae.	75.
St Magnus Cathedral.	70.
Italian Chapel.	62.
Public museums / heritage centres	46.
Bishops Palace and/or Earls Palace	40.