

Economy Defies Gloom

Australia's Gross Domestic Product defied the negative sentiment of recent months to grow by 0.4 per cent in the March 2009 quarter, said the Housing Industry Association, Australia's largest building industry organisation.

HIA Managing Director, Dr Ron Silberberg said that the positive result for the Australian economy largely reflected a healthy March quarter for household consumption and net exports and showed Australia was faring better than much of the world.

"Today's result, while for a quarter that has already passed, should provide a helpful boost to confidence in the Australian economy," said Ron Silberberg.

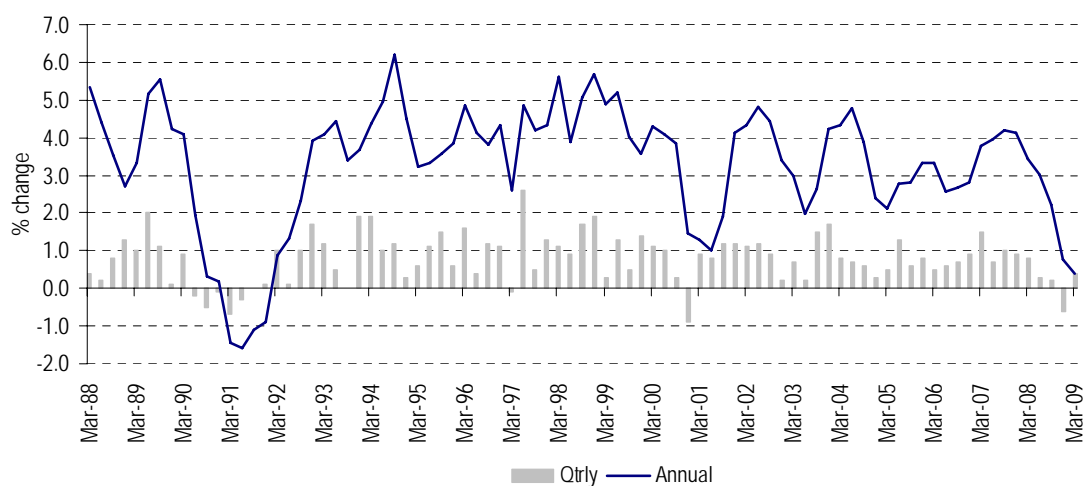
"There is the prospect of further weakness through the remainder of 2009, but it is far better to be facing this prospect from a positive start," said Dr Silberberg.

"The Federal Government's stimulus measures have clearly been effective in boosting household consumption and generating improvement in housing conditions."

"Evidence of an emerging recovery in the housing industry points to the strong likelihood of a rise in dwelling investment in 2009/10 rather than a flat year as contained in official forecasts, with the sector contributing around 0.2 percentage points to economic growth," Dr Silberberg added.

Gross Domestic Product

Source: ABS 5206



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