

The Australian economy expanded by 0.4% in the March quarter 2009 avoiding a technical recession. The largest contribution to growth was from net exports, partly offset by a negative contribution from declining private investment expenditure.

<b>GDP</b>	<b>Aust</b>
<b>Change in the quarter (s.a.)</b>	<b>↑ 0.4%</b>
<b>Annual change (s.a.)</b>	<b>↑ 0.4%</b>

In the March quarter 2009, Australia's seasonally adjusted Gross Domestic Product (GDP) increased by 0.4%, while in annual terms GDP increased by 0.4% (see Chart 1). Over the year, net exports added 3.2 percentage points to growth. This was partly offset by a fall in inventory stocks which subtracted 1.9 percentage points to growth over the year.

### Expenditure (s.a.)

Consumption expenditure increased by 0.5% in the quarter and by 1.2% over the year (see Chart 2).

- Private consumption expenditure contributed 0.5 percentage points to growth over the year and public consumption added 0.4 of a percentage point to growth.

Total investment decreased by 4.8% in the quarter and decreased by 1.3% over the year (see Chart 3).

- Private investment detracted 0.4 percentage points from growth over the year while public investment remained flat over the year.

Exports increased by 2.7% and imports decreased by 7.0% in the March quarter 2009 contributing 2.2 percentage points to growth in the March quarter 2009. Net exports contributed 3.2 percentage points to growth over the year.

### Income and Production (s.a.)

Gross operating surplus increased by 1.0% in the March quarter 2009 and by 9.2% over the year. Compensation of employees decreased by 1.1% in the quarter, while increasing by 4.4% since the March quarter 2008.

On the production side, the 'agriculture, forestry and fishing' industry was the largest contributor to growth in the year, adding 0.35 of a percentage point. 'Manufacturing' and 'property & business services' detracted 0.89 and 0.44 percentage points respectively.

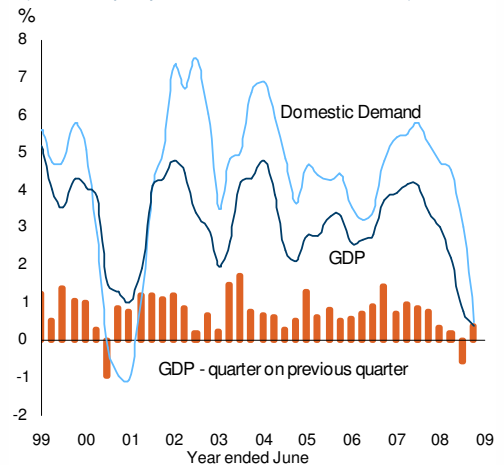
### Outlook

Annual GDP growth is expected to continue moderating over the remainder of 2009. Business investment is expected to continue declining over the remainder of 2009, more than offsetting growth from increasing public investment. Good rains in drought stricken parts of Australia in early 2009 are expected to increase farm production, however the Australian dollar has gained ground against the US dollar which may dampen demand for agricultural exports.

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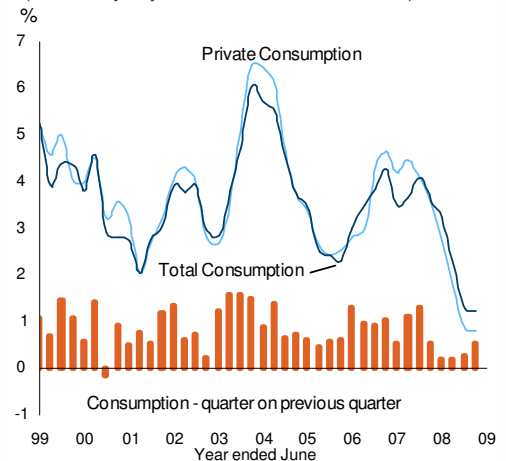
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**Chart 1: Gross Domestic Product**  
(seasonally adjusted, chain volume measure)



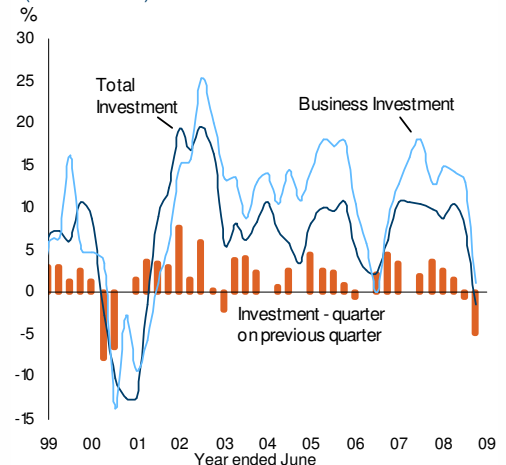
Source: ABS Cat. No. 5206.0

**Chart 2: Consumption**  
(seasonally adjusted, chain volume measure)



Source: ABS Cat. No. 5206.0

**Chart 3: Investment**  
(chain volume)



Source: ABS Cat. No. 5206.0



# Gross Domestic Product March Quarter 2009

## Gross Domestic Product (\$M, chain volume)

	March Quarter		% change		
	quarter	year to date	quarterly <sup>1</sup>	annual <sup>2</sup>	year on year <sup>3</sup>
<b>Australia</b>					
original	262 688	1 093 777	-8.5%	0.4%	1.6%
consumption	198 045	808 911	-5.9%	1.3%	2.0%
- households	149 022	611 947	-7.4%	0.9%	1.6%
- general govt	49 023	196 964	-0.9%	2.5%	3.5%
investment	71 052	325 713	-18.4%	-1.3%	6.6%
- private	59 846	274 213	-19.3%	-1.5%	6.4%
- public	11 206	51 502	-13.3%	0.1%	7.2%
ch in inventories	- 3 615	- 5 482	685.9%	-292.8%	-200.1%
net exports	- 673	- 30 901	-91.7%	-92.6%	11.5%
- exports	55 663	229 453	-4.4%	2.9%	3.6%
- imports	56 336	260 354	-15.1%	-10.9%	4.5%
Statistical discrepancy	- 2 121	- 4 465	n.a	n.a	n.a
seasonally adj	273 468	1 093 235	0.4%	0.4%	
consumption	203 314	808 548	0.5%	1.2%	
- households	153 840	611 679	0.6%	0.8%	
- general govt	49 475	196 870	0.3%	2.5%	
investment	78 460	325 551	-4.8%	-1.3%	
- private	65 825	273 841	-5.3%	-1.6%	
- public	12 635	51 709	-2.5%	-0.2%	
ch in inventories	- 3 351	- 5 849	-1.5%	-280.6%	
net exports	- 908	- 30 023	-86.8%	-90.6%	
- exports	58 239	229 874	2.7%	3.5%	
- imports	59 147	259 897	-7.0%	-10.3%	
Statistical discrepancy	- 4 047	- 4 994	n.a	n.a	

## Gross Domestic Product Percentage Point Contribution (\$M, chain volume)

	March Quarter		change		
	quarter	year to date	quarterly <sup>1</sup>	annual <sup>2</sup>	year on year <sup>3</sup>
<b>Australia</b>					
<b>GDP Level and Growth (original)</b>	<b>262 688</b>	<b>1 093 777</b>	<b>-8.5%</b>	<b>0.4%</b>	<b>1.6%</b>
consumption	198 045	808 911	-4.3 ppt	1.0 ppt	1.5 ppt
- households	149 022	611 947	-4.1 ppt	0.5 ppt	0.9 ppt
- general govt	49 023	196 964	-0.2 ppt	0.5 ppt	0.6 ppt
investment	71 052	325 713	-5.6 ppt	-0.3 ppt	1.9 ppt
- private	59 846	274 213	-5.0 ppt	-0.4 ppt	1.5 ppt
- public	11 206	51 502	-0.6 ppt	0.0 ppt	0.3 ppt
ch in inventories	- 3 615	- 5 482	-1.1 ppt	-2.1 ppt	-1.0 ppt
net exports	- 673	- 30 901	2.6 ppt	3.2 ppt	-0.3 ppt
- exports	55 663	229 453	-0.9 ppt	0.6 ppt	0.7 ppt
- imports	56 336	260 354	3.5 ppt	2.6 ppt	-1.0 ppt
Statistical discrepancy	- 2 121	- 4 465	-0.1 ppt	-1.4 ppt	-0.5 ppt
<b>GDP Level and Growth (seasonally adj)</b>	<b>273 468</b>	<b>1 093 235</b>	<b>0.4%</b>	<b>0.4%</b>	
consumption	203 314	808 548	0.4 ppt	0.9 ppt	
- households	153 840	611 679	0.3 ppt	0.5 ppt	
- general govt	49 475	196 870	0.1 ppt	0.4 ppt	
investment	78 460	325 551	-1.5 ppt	-0.4 ppt	
- private	65 825	273 841	-1.3 ppt	-0.4 ppt	
- public	12 635	51 709	-0.1 ppt	0.0 ppt	
ch in inventories	- 3 351	- 5 849	0.0 ppt	-1.9 ppt	
net exports	- 908	- 30 023	2.2 ppt	3.2 ppt	
- exports	58 239	229 874	0.6 ppt	0.7 ppt	
- imports	59 147	259 897	1.6 ppt	2.5 ppt	
Statistical discrepancy	- 4 047	- 4 994	-0.7 ppt	-1.4 ppt	

<sup>1</sup> compares the latest quarter with the previous quarter

<sup>2</sup> compares the latest quarter with the same quarter last year

<sup>3</sup> compares the 12 months up to and including the latest quarter with the previous 12 month period

Caution is advised when using quarterly data for the Territory, which is often derived from small samples and highly volatile.

Source: ABS Cat. No. 5206.0

Although all due care has been exercised in the preparation of this material, no responsibility is accepted for any errors or omission.

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