

Thursday 25 April 2013

## **Economy May Be Healing But No Growth In Construction**

Today's GDP figures, published by ONS, show that the UK economy grew by 0.3 per cent in the first quarter of 2013 compared to the previous quarter and was up 0.6 per cent compared to the same quarter a year ago. Construction fared much worse, declining by 2.5 per cent quarter-on-quarter and 5.9 per cent year-on-year.

Commenting on these figures, Noble Francis, Economics Director at the Construction Products Association, said: 'The GDP figures released today show the growth for the UK economy. Despite this result, construction fell the most of all the major sectors, marking the lowest output since 1999. Illustrating the importance of the sector, had construction output merely been flat quarter-on-quarter, GDP growth would have increased to 0.5 per cent.

'Subdued private sector investment, owing to a lack of confidence and certainty in the economy, was a large factor in this fall. Our principal concern going forward, however, remains the government's slow pace of delivery on its policies, hindering real activity on the ground.

'Government announced a £4.69 billion capital investment 'boost' in Autumn Statement 2011 and a further £5.5 billion in December. If the government ensured that these funds for infrastructure and other building programmes were actually invested, it would add an additional 0.8% to GDP. With this the construction industry could then support a sustained recovery for the UK.'

**ENDS**

**NOTE TO EDITORS:**

The Construction Products Association represents the UK's manufacturers and suppliers of construction products, components and fittings. The Association acts as the voice of the construction products sector, representing the industry-wide view of its members. The sector has an annual turnover of £50 billion and accounts for 40% of total construction output.

**FOR FURTHER INFORMATION CONTACT:**

Noble Francis    Economics Director  
Construction Products Association  
Tel :                020 7323 3770  
Fax :                020 7323 0307  
Mobile :            0791 261 2882  
E-mail :            [noble.francis@constructionproducts.org.uk](mailto:noble.francis@constructionproducts.org.uk)

Jeff May            Marketing and Communications Manager  
Construction Products Association  
Tel :                020 7323 3770  
Fax :                020 7323 0307  
Mobile :            0790 447 6166  
E-mail :            [jeff.may@constructionproducts.org.uk](mailto:jeff.may@constructionproducts.org.uk)

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