



Press release

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Economic growth rises to 4.1 percent

Dutch economic growth was 4.1 percent in the third quarter of 2007 compared with the same period last year. This is the highest growth rate for more than seven years. The considerably higher production of natural gas in particular boosted economic growth. In the first half of the year, lower gas production had precisely the opposite effect on the economy. Higher production levels by commercial services and the care sector also contributed to the increase in the rate of economic growth.

Exports and consumption by households showed markedly higher growth rates than in the first half of 2007, according to first estimates of Statistics Netherlands' quarterly national accounts.

Highest quarter-on-quarter growth for more than ten years

Economic growth in the third quarter was 1.8 percent on the second quarter of 2007. This quarter-on-quarter growth is considerably higher than in previous quarters, and even the highest for more than ten years.

Gas production boosts economic growth

Because of the mild winter weather, less gas than usual was produced in the first half of the year, which had a curbing effect on economic growth. In the third quarter natural gas production was considerably higher than twelve months previously because of the relatively cold summer, pushing up economic growth.

In other sectors of the economy the increase in production was more in line with that in the preceding quarter. Production growth in construction, wholesale trade and temp agencies was clearly higher than the economic growth of 4.1 percent. In care and financial services the increase in production was about equal to economic growth. Manufacturing output grew at the same rate as in the preceding quarter: 2.5 percent. The petrochemical industry did well, while metal lagged behind somewhat.

Exports growing faster

The volume of exports of goods and services was 7.5 percent higher in the third quarter of 2007 than in the third quarter of 2006. The growth of exports of Dutch manufactured products and re-exports both showed a sharp rise compared with the first half of the year. This was partly because of the high gas exports. Imports grew by 6.5 percent. The increase in the balance of trade was also an important impetus for economic growth.

Household consumption growth back at 2006 level

Households spent 2.4 percent more in the third quarter of 2007 than in the same quarter last year. This puts consumption back at its level of 2006. In the first half of the year consumption growth was curbed by low gas consumption. In addition to gas, households also spent a lot more on durable goods, such as cars, home furnishings, clothes and consumer electronics.

The volume of consumption by the government was 4.2 percent higher. This was mainly caused by the fast growing spending on care.

More investment in computers and buildings

Fixed capital formation was 4.2 percent higher in the third quarter than twelve months previously. Again investment in computers, company vehicles, and company buildings rose strongly. Investment in machines grew more slowly, as a large project was completed in the third quarter last year. Also, fewer aircraft were delivered.