

Tuesday, 7 October 2025

Roy Morgan Business Confidence increases in September, up 3pts to 101.6

In September 2025 Roy Morgan Business Confidence increased 3pts to 101.6. The increase followed a Reserve Bank cut to interest rates in mid-August by 0.25% to 3.6% and the ASX200 stock-market index closing at a record high above 9,000 for the first time in late August at 9,019.1.

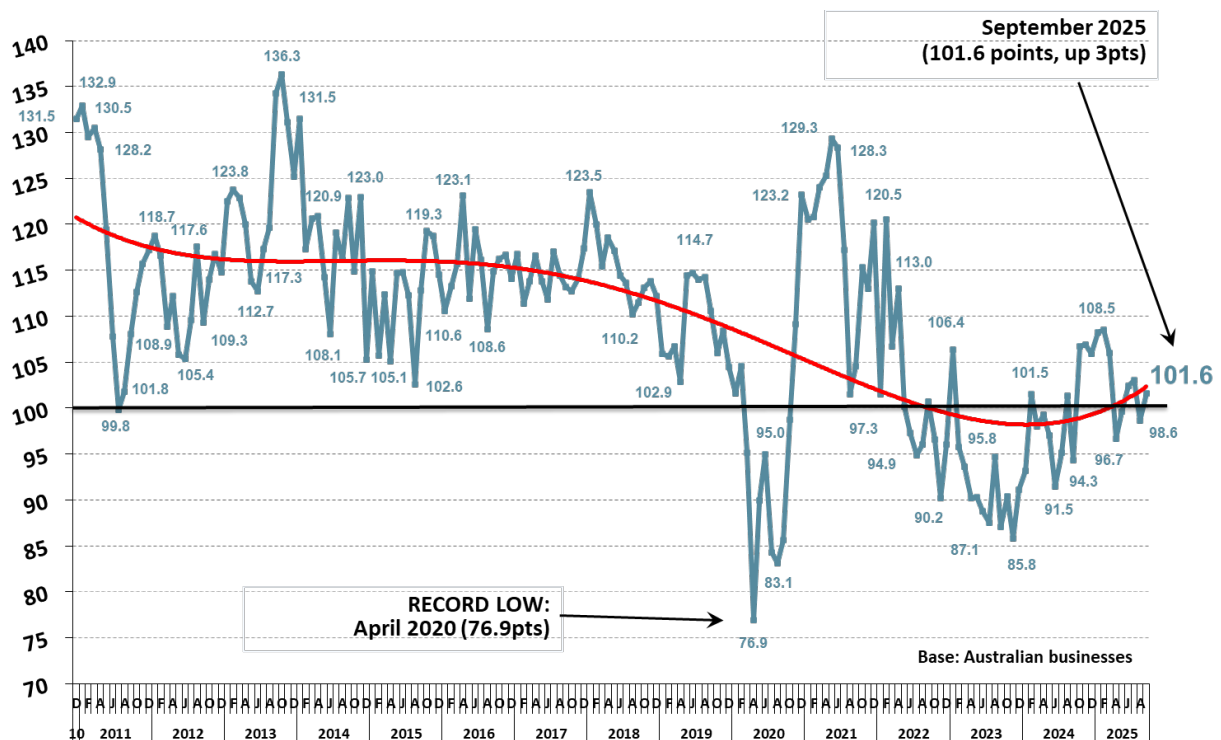
The increase in Business Confidence in September was primarily driven by more businesses saying they are 'better off' financially than a year ago and fewer businesses saying now is a 'bad time to invest' in growing the business.

In September, a third of businesses, 33.4% (up 4.9% points) say they are 'better off' than a year ago – **the highest figure for this indicator so far this year.**

There was also a significant increase in net confidence about investing in the growth of the business with 39.3% (up 1.3% points) saying now is a 'good time to invest' in growing the business compared to 29.5% (down 9.2% points) saying now is a 'bad time to invest' – **the lowest figure for this indicator for nearly a decade since April 2016.**

Business Confidence is 8.3pts below the long-term average of 109.9, but 16.5pts higher than the latest [ANZ-Roy Morgan Consumer Confidence of 85.1 on September 29 – October 5, 2025.](#)

Roy Morgan Monthly Business Confidence -- Australia



Source: Roy Morgan Business Single Source, Dec 2010-Sep 2025. Average monthly sample over the last 12 months = 1,421.

Business Confidence is up significantly from a year ago driven by increases in all States

Business Confidence for the month of September increased 3pts from a month ago and is up a significant 7.3pts from September 2024. There were increases in all six States compared to a year ago led by large increases the three smaller States of Western Australia, South Australia and Tasmania.

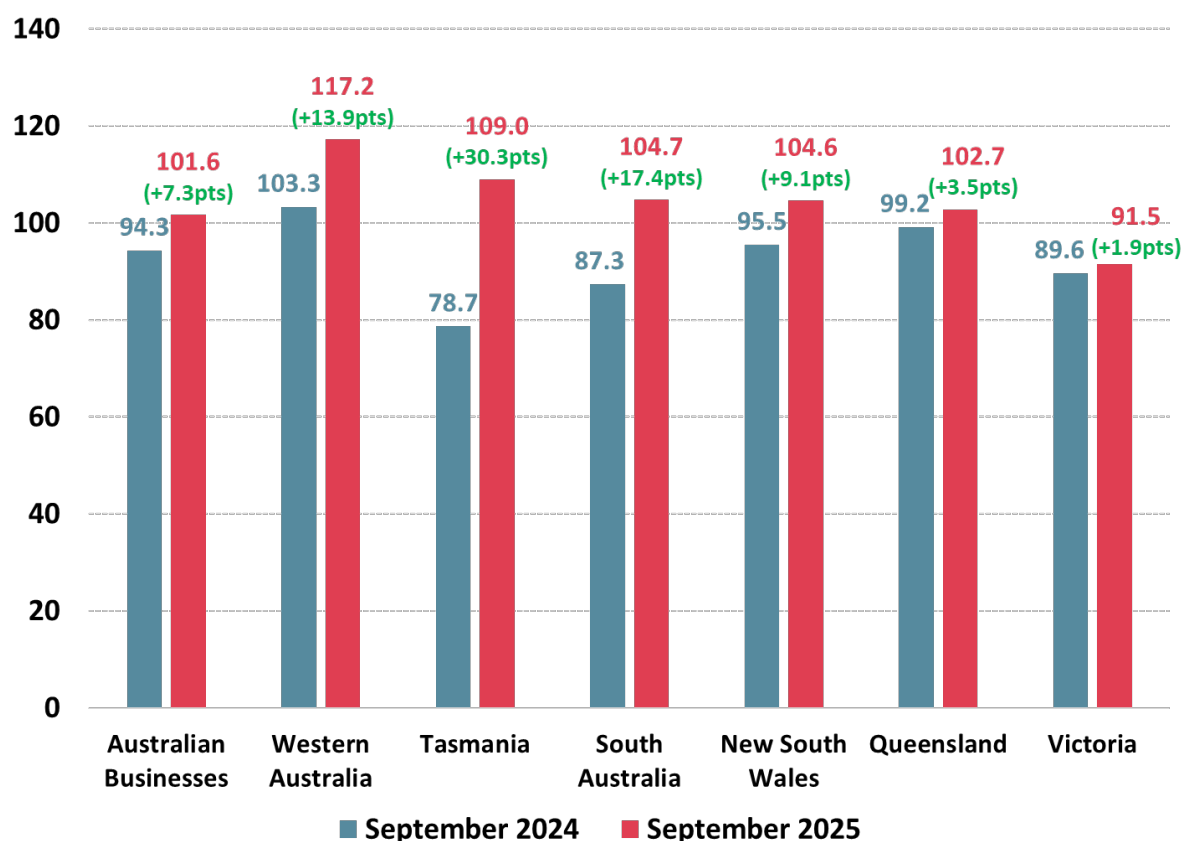
Business Confidence increased by 13.9pts to 117.2 in Western Australia and is again the highest of any mainland State for the third consecutive month, and well over 10% above the national average.

There was also a large increase in Tasmania, up 30.3pts to 109.0, following the confirmation of the re-election of the Liberal Premier Jeremy Rockliff's Government after easily surviving a no confidence motion in mid-August launched by former Labor Leader Dean Winter. Winter subsequently resigned the leadership of the Tasmanian Labor Party and was replaced by new leader Josh Willie in late August.

There were also significant increases to Business Confidence in South Australia – the next State to face an election – up by 17.4pts to 104.7, and in New South Wales, up by 9.1pts to 104.6.

Business Confidence was up marginally in Queensland, by 3.5pts to 102.7, and up by 1.9pts to 91.5 in Victoria. The southern State of Victoria is now the only one in which Business Confidence is in negative territory below the neutral level of 100.

Business Confidence by State in September 2024 vs September 2025



Source: Roy Morgan Business Single Source, September 2024, n=1,480, September 2025, n=1,198. **Base:** Australian businesses. *Tasmanian Business Confidence is measured over two months: August & Sept. 2024 cf. August & Sept. 2025.

Mining, Accommodation & Food Services, Administration & Support Services and Financial & Insurance Services are the four most confident industries during August & September 2025

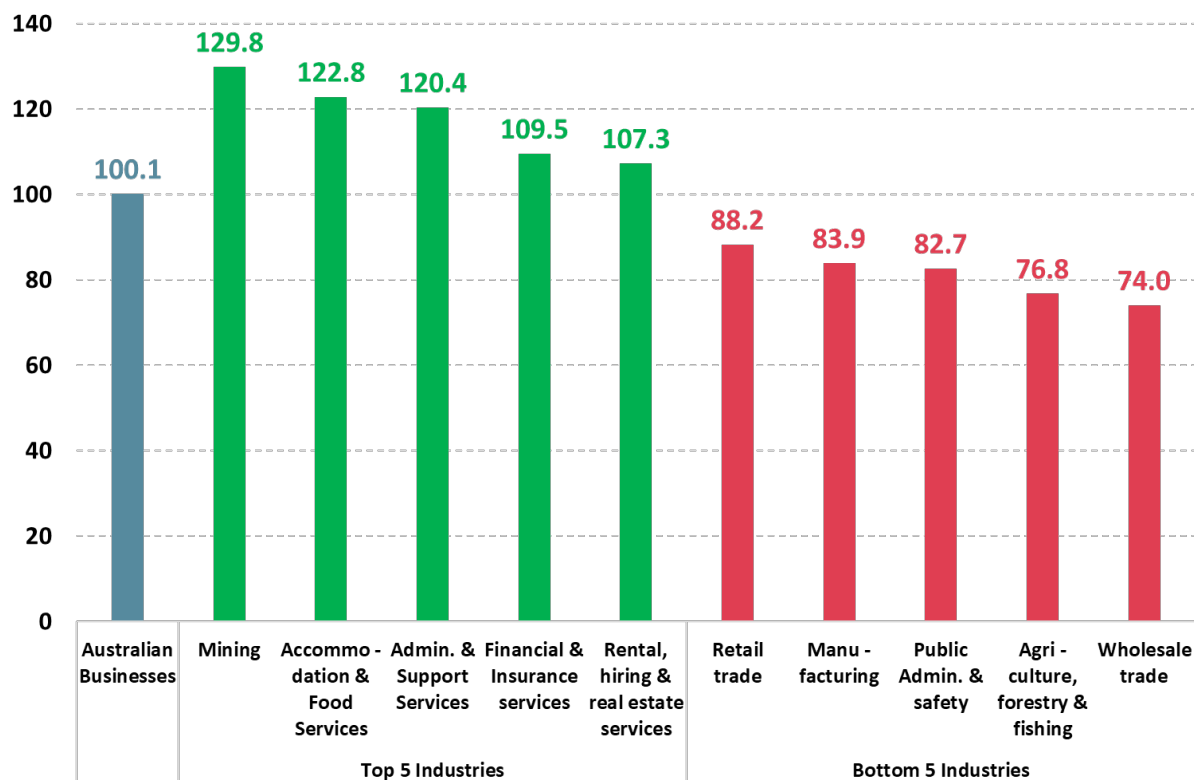
Over the last two months there were seven industries with Business Confidence in positive territory above 100 including Mining, Accommodation & Food Services, Administration & Support Services, Financial & Insurance Services, Rental, Hiring & Real Estate Services, Professional, Scientific & Technical Services and Health Care & Social Assistance.

There were three industries with confidence over 20pts above the average in August & September 2025 including Mining on 129.8, up 15.5pts on a year ago, Accommodation & Food Services on 122.8, up 28.7pts on a year ago, and Administration & Support Services on 120.4, up 21.1pts on a year ago.

There were only two industries with Business Confidence deeply in negative territory below 80 during the last two months and the least confident industry is Wholesale Trade on only 74.0.

Only slightly higher is Agriculture, Forestry & Fishing on only 76.8. Business Confidence in this industry has been at low levels for a significant period of time and has averaged only 81.4 over the last three years – clearly the lowest of any industry.

Business Confidence for Top 5 and Bottom 5 Industries in August & September 2025



Source: Roy Morgan Business Single Source, August & September 2025, n=2,387. **Base:** Australian businesses.

Note: In the chart above, green bars represent Business Confidence in positive territory above the national average, red bars represent Business Confidence well below the national average and below the neutral level of 100 while the dark blue bar represents Business Confidence above the neutral level of 100 but still below the national average.

Business Confidence increased 3pts to 101.6 driven by more businesses saying now is a 'good time to invest' in growing the business and 'better off' financially than a year ago:

- In September, a third of businesses, 33.4% (up 4.9ppts), said their **business is 'better off' financially than a year ago (the highest figure for this indicator so far this year)**, while just over a third, 34.6% (down 0.8ppts), said the business is 'worse off';
- Businesses' views on their prospects for the next year were unchanged in September with 39.6% expecting the **business will be 'better off' financially** this time next year, while a fifth, 20% (down 4.3ppts), expect the business will be 'worse off';
- However, confidence regarding the performance of the **Australian economy over the next year** dropped in September with 55.3% (down 1.7ppts) expecting 'good times' (**the lowest figure for this indicator for a year**) while 42% (up 1.6ppts) expect 'bad times' (**the highest figure for this indicator for a year**);
- Businesses' views on the long-term future of the **Australian economy over the next five years** also declined marginally in September with 27.9% (down 1.1ppts) expecting 'good times' over the next five years compared to 61.2% (up 0.7ppts) expecting 'bad times';
- Net sentiment on whether now is a **'good or bad time to invest in growing the business'** increased significantly in September with 39.3% (up 1.3ppts) saying the next 12 months will be a **'good time to invest'** in growing the business while 29.5% (down 9.2ppts) say the next 12 months will be a **'bad time to invest'** (**the lowest figure for this indicator for over nine years since April 2016**).



Michele Levine, CEO of Roy Morgan, says Business Confidence increased 3pts to 101.6 in September, following a Reserve Bank decision to cut interest rates in mid-August by 0.25% to 3.6%:

"Roy Morgan Business Confidence increased 3pts to 101.6 in September as businesses grew more confident that the next year is a 'good time to invest' in growing the business and more businesses say they are 'better off' financially than this time a year ago.

"The increase in Business Confidence came after the Reserve Bank's decision to cut interest rates in mid-August to 3.6%, lowering interest rates to their lowest since May 2023. In addition, the ASX200 stock index closed above 9,000 for the first time in late August by closing at an all-time high of 9,019.

"However, since the interest rate cut in mid-August, hopes for additional cuts have been tempered by a re-acceleration in official inflation. The [ABS monthly CPI estimates for July showed inflation at 2.8%, and this increased to 3% for August](#) - the highest figure for over a year since July 2024.

"Driving the rise in confidence was an increase in businesses saying that the next 12 months is a 'good time to invest' in growing the business – 39.3% (up 1.3% points) and a fall in businesses saying it's a 'bad time to invest', down 9.2% points to 29.5% - a net improvement of 10.5% points.

"In addition, an increasing proportion of businesses now say they are 'better off' financially than a year ago – now 33.4% (up 4.9% points) – and the highest figure for this indicator so far this year.

"On a State-by-State basis Business Confidence was highest in Western Australia (117.2) and Tasmania (109.0) after Liberal Premier Jeremy Rockliff was eventually re-appointed in late August after a close election that led to little overall change. The final result from the Tasmanian election shows the Liberal Party (14 seats) and Labor Party (10 seats) winning the same number of seats as they held before the election and a large crossbench of 11 including five seats for the Greens.

"Business Confidence is marginally in positive territory in South Australia (104.7), New South Wales (104.6) and Queensland (102.7), but well below the neutral level of 100 in Victoria (91.5).

"At an industry level, it is Mining on 129.8, Accommodation & Food Services on 122.8 and Administration & Support Services on 120.4 which are the most confident industries over 20 points higher than the national average. Other confident industries include Financial & Insurance Services on 109.5, Rental, Hiring & Real Estate Services on 107.3, Professional, Scientific & Technical Services on 106.4 and Health care & Social Assistance on 103.9.

"At the other end of the scale are Wholesale Trade on 74.0 and Agriculture, Forestry & Fishing on 76.8 and the lowest average Business Confidence over a sustained period of the last three years of only 81.4 – the lowest average of any of the 18 industries."

The latest Roy Morgan Business Confidence results for September are based on 1,198 detailed interviews with a cross-section of Australian businesses from each State and Territory. Detailed findings are available to purchase on a monthly or annual subscription as part of the [Roy Morgan Business Confidence Report](#).

For comments or more information please contact:

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To learn more about Roy Morgan's [Business Confidence](#), [Consumer Confidence](#) and [Inflation Expectations](#) data call (+61) (3) 9224 5309 or email askroymorgan@roymorgan.com.

About Roy Morgan

Roy Morgan is Australia's largest independent Australian research company, with offices in each state, as well as in the U.S. and U.K. A full-service research organisation, Roy Morgan has over 80 years' experience collecting objective, independent information on consumers.

Margin of Error

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

Sample Size	Percentage Estimate			
	40%-60%	25% or 75%	10% or 90%	5% or 95%
1,000	±3.0	±2.7	±1.9	±1.3
5,000	±1.4	±1.2	±0.8	±0.6
50,000	±0.4	±0.4	±0.3	±0.2

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