

Tuesday, 7 April 2026

Roy Morgan Business Confidence increased 2.1pts to 90.7 in March despite the outbreak of conflict in the Middle East

In March 2026 Roy Morgan Business Confidence increased 2.1pts to 90.7, recovering slightly from its lowest level since 2024. The small increase in March came after large consecutive falls in January (down 7.6 points) and February (down 8.8 points) and the index remains well below the neutral level of 100.

The increase in Business Confidence came despite the outbreak of conflict in the Middle East on the final day of February, which led to a sharp rise in petrol and diesel prices throughout March, and the Reserve Bank's decision to raise interest rates in mid-March by +0.25% to 4.1%.

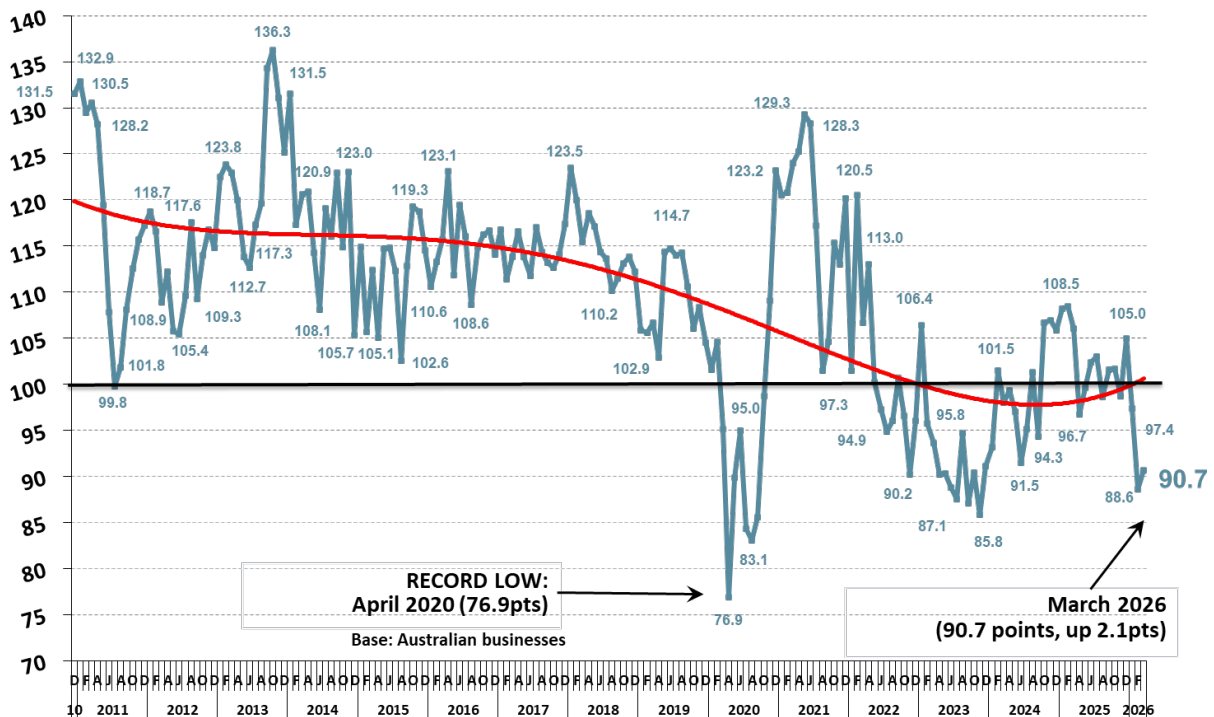
A look at the component questions of the index shows more confidence about the performance of the Australian economy over the next year and next five years drove the increase in March.

In March, more businesses, a majority of 50.4% (up 2.3% points) say Australia will have 'good times' economically over the next year compared to 47.8% (down 1.7% points) that say we'll have 'bad times' – a net increase of 4% points from a month ago.

Now over a quarter of businesses, 27.2% (up 4.1% points) say Australia will have 'good times' economically over the next five years, while two-thirds, 66.4% (down 0.8% points) say we'll have 'bad times'.

Business Confidence is now a 18.8pts below the long-term average of 109.5, and a similarly large 18.4pts higher than the latest [ANZ-Roy Morgan Consumer Confidence of 62.3 on March 30 – April 5, 2026](#).

Roy Morgan Monthly Business Confidence -- Australia



Source: Roy Morgan Business Single Source, Dec 2010-Mar 2026. Average monthly sample over the last 12 months = 1,207.

FOR IMMEDIATE RELEASE

South Australia is the only State where Business Confidence is in positive territory above 100, as Labor Premier Peter Malinauskas wins landslide election victory

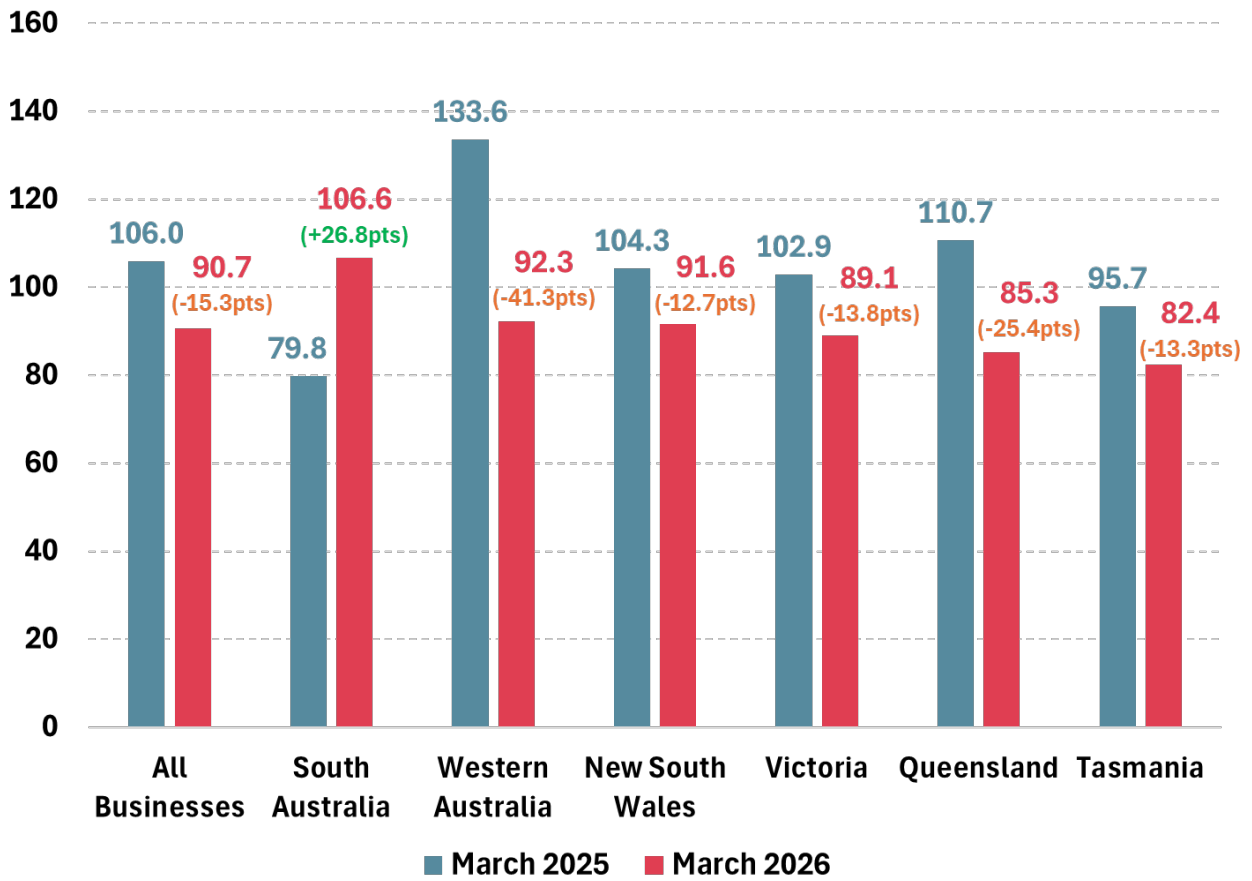
Year-on-year Business Confidence was down significantly (down 15.3 points from a year ago to 90.7).

South Australia was the only State with a higher Business Confidence than a year ago, up a large 26.8 points to 106.6 – and the only State with a positive rating for the indicator above 100. The high Business Confidence is not surprising given the landslide re-election victory for popular Labor Premier Peter Malinauskas and the ALP Government winning 34/47 seats (72.3%) at the election.

Business Confidence in all other States was down on a year ago. Western Australia dropped 41.3pts from a year ago to 92.3, the largest decline of any State, and was down by 12.7pts to 91.6 in New South Wales – with both States still having Business Confidence above the national average.

In Victoria, Business Confidence fell 13.8pts from a year ago to 89.1, in Queensland was down by 25.4pts from a year ago to 85.3 and was down 13.3pts from a year ago to 82.4 in Tasmania – now the lowest Business Confidence of any State.

Business Confidence by State in March 2025 vs March 2026



Source: Roy Morgan Business Single Source, March 2025, n=1,484, March 2026, n=1,054. **Base:** Australian businesses. *Tasmanian Business Confidence is measured over two months: Feb. & March 2025 cf. Feb. & March 2026.

Mining, Rental, Hiring & Real Estate Services, Education & Training and Electricity, Gas, Water & Waste Services are the most confident industries during the three months to March 2026

Over the last three months there were seven industries with Business Confidence in positive territory above 100 led by Mining, Rental, Hiring & Real Estate Services, Education & Training, Electricity, Gas, Water & Waste Services, Accommodation & Food Services and Profession, Scientific & Technical Services.

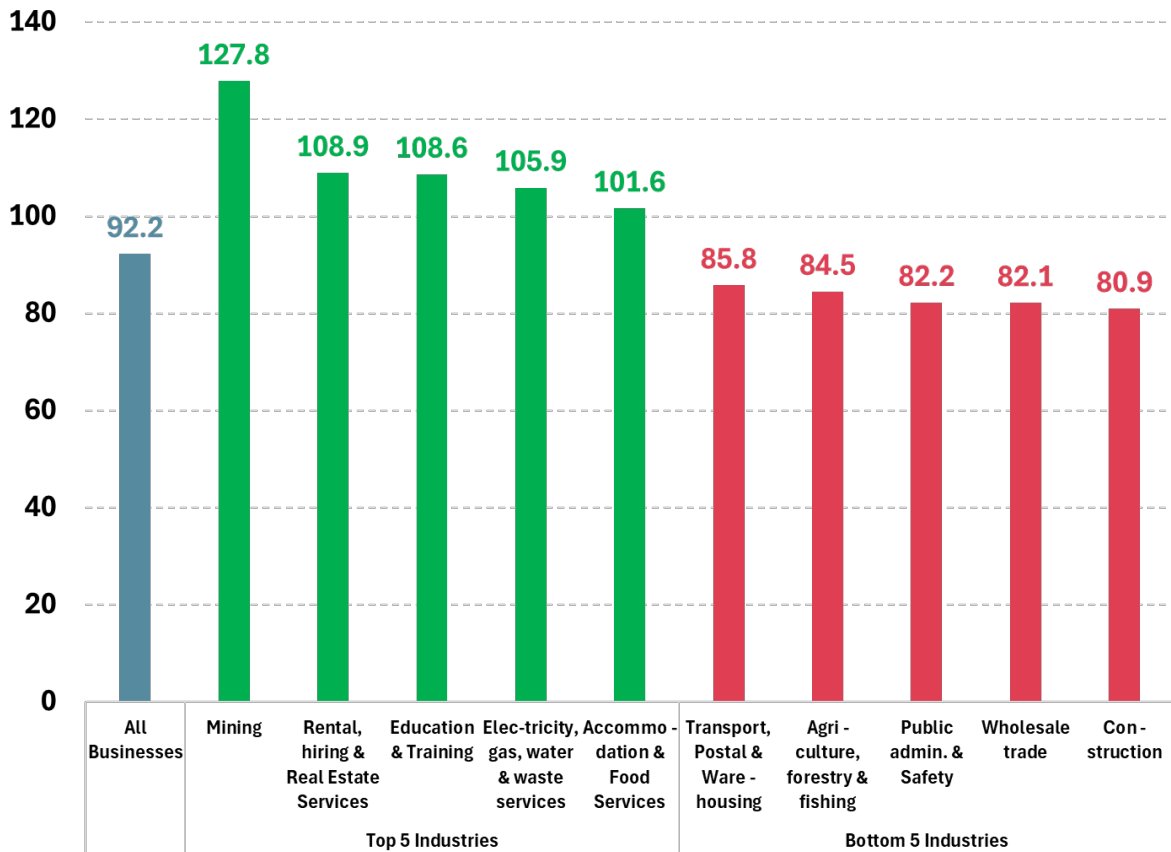
By far the most confident industry in the three months to March 2026 was the Mining industry on 127.8, up 9.6pts on a year ago, and far more confident than any other industry.

There were three other industries with confidence over 10pts above average led by second placed Rental, Hiring & Real Estate Services on 108.9, but down 6.4pts on a year ago, Education & Training on 108.6, and down 8.8pts, and Electricity, Gas, Water & Waste Services on 105.9, and down 3pts.

There were only four industries with Business Confidence below 85 during the last three months including Construction on only 80.9, and down 26.6pts on a year ago, Wholesale Trade on 82.1, down 5.9pts, and Public Administration & Safety on 82.2, down 41.3pts, the largest percentage decline of any industry.

Agriculture, Forestry & Fishing also has a low Business Confidence of only 84.5, virtually unchanged on a year ago. Business Confidence in this industry has been at low levels for a significant period of time and averaged only 79.9 over the last three years – clearly the lowest of any industry.

Business Confidence for Top 5 and Bottom 5 Industries in January – March 2026



Source: Roy Morgan Business Single Source, January – March 2026, n=3,047. **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 2.1 points to 90.7 in March as businesses gained confidence in their own situations and the performance of the Australian economy going forward:

- In March, just over a quarter of businesses, 25.3% (up 0.6ppts), said their **business is 'better off financially than a year ago**, while 38.1% (down 3.2ppts), said the business is 'worse off';
- Businesses' net views on their prospects for the next year improved for a second straight month in March with 35.6% (down 1.6ppts) expecting the **business will be 'better off financially** this time next year, while just over a fifth, 21.2% (down 3.6ppts), expect the business will be 'worse off';
- Confidence regarding the performance of the **Australian economy over the next year** increased with a majority of 50.4% (up 2.3ppts) expecting 'good times' while 47.8% (down 1.7ppts) expect 'bad times';
- Businesses' views on the long-term future of the **Australian economy over the next five years** improved in March with 27.2% (up 4.1ppts) expecting 'good times' over the next five years compared to a majority of 66.4% (down 0.8ppts) expecting 'bad times';
- Net sentiment on whether now is a '**good or bad time to invest in growing the business**' dropped for a fifth straight month in March with 31.6% (down 2.2ppts) saying the next 12 months will be a '**good time to invest**' in growing the business (**a record low figure for this indicator**) while 43.1% (up 2.1ppts) say the next 12 months will be a '**bad time to invest**'.



Michele Levine, CEO of Roy Morgan, says in a sign of good news, Business Confidence improved in March, up 2.1pts to 90.7 – following a 16.4pt plunge in the first two months of the year:

“Roy Morgan Business Confidence increased 2.1pts to 90.7 in March – a small uptick after large falls in the opening months of the year – January (down 7.6 points) and February (down 8.8 points). Despite the outbreak of conflict in the Middle East after Israel and the United States began attacking Iran at the end of February, the resultant increase in energy prices, and the Reserve Bank’s decision to raise interest rates in mid-March.

“The Middle Eastern War has halted the export of oil and gas from the region for the past month and led to a spike in the average price of petrol (and diesel) at the pump – up by over 80 cents per litre (+52.6%) since mid-February before the war began.

“These pressures have caused ANZ-Roy Morgan Inflation Expectations to increase to a near record high of 7.2% in early April – an increase of 2% points since the war began and have led to [ANZ-Roy Morgan Consumer Confidence dropping by almost 20pts to a near-record low of 62.3.](#)

“Despite these concerns, businesses grew more confident about the performance of the Australian economy and their own prospects in March. Now over a quarter of businesses, 25.3% (up 0.6% points) say the business is ‘better off’ financially than they were this time last year, and 38.1% (down 3.2% points) say they are ‘worse off’ – a net improvement of 3.8% points, although still in negative territory.

“Importantly, a majority of businesses, 50.4% (up 2.3% points) expect ‘good times’ for the Australian economy over the next year, and over a quarter, 27.2% (up 4.1% points), now expect ‘good times’ for the economy over the during the next five years.

“On a State-by-State basis Business Confidence was clearly highest in South Australia (106.6) – the only State Business Confidence is now in positive territory above the neutral level of 100. In March, South Australia re-elected the ALP Government led by Premier Peter Malinauskas in a landslide winning 34/47 seats – over 70% of all seats.

“Business Confidence is well below the neutral level of 100 in all other States including Western Australia (92.3), New South Wales (91.6), Victoria (89.1), Queensland (85.3), and lowest of all in Tasmania (82.4).

“At an industry level, there are now seven industries (out of 18) with Business Confidence in positive territory above the neutral level of 100. By far the most confident industry over the last three months is the Mining industry on 127.8 – over 35 points above the national average.

“Other confident industries are Rental, Hiring & Real Estate Services (108.9), Education & Training (108.6), and Electricity, Gas, Water & Waste Services (105.9) – all over 10 points above the national average.

“At the other end of the scale are several industries with low Business Confidence below 85 including Construction (80.9), Wholesale Trade (82.1), Public Administration & Safety (82.2), and Agriculture, Forestry & Fishing (84.5).

“Confidence in the Agriculture, Forestry & Fishing industry has been at a sustained low level for the last three years and averaged only 79.9 – clearly the lowest average of any industry over this extended period.”

The latest Roy Morgan Business Confidence results for March are based on 1,054 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