

Special Edition

Regional

Pulse

Chamber of Commerce and Industry WA

April 2026



Chamber of Commerce
and Industry WA

Regions hit hardest by Middle East Crisis

CCIWA Regional Pulse: April 2026

CCIWA's regular quarterly Business Confidence Survey was conducted prior to the escalation of the Middle East Crisis. That said, the survey provides substantial value, giving an insight into the challenges facing businesses across the regions of WA as we entered the Crisis. These results are therefore presented, as normal, in this report.

In response to the Middle East Crisis, CCIWA conducted two snap surveys – one of businesses and one of consumers - to ascertain the immediate impact of the Crisis in WA, and towards informing CCIWA's policy positions to help support businesses and communities across the region. The full results of these surveys, our policy positions, and CCIWA supports available to WA businesses can be found on our dedicated Middle East Crisis: CCIWA Hub webpage [here](#).

A summary of the snap Middle East Crisis survey results are presented here.

Middle East Crisis: Immediate Impact on Businesses across WA

The first snap survey looked at the impact of the Crisis on businesses across WA, including the response from agricultural businesses – critical to the regions. **Key results** from the snap business survey include:

- Fuel costs have become a near-universal burden for firms, with a staggering 92% of respondents reporting increases to fuel costs.
- This creates significant pressure on the cost-of-doing business, as fuel price volatility flows directly into operational overheads.
- More than eight in ten (84%) businesses have reported rising freight costs with a similar share of 83% of businesses seeing increases passed on from suppliers.
- Energy costs continue to act as a persistent structural headwind, with over half (54%) of businesses noting increases.

In terms of **how businesses are responding** to the crisis:

- Over half (54%) of businesses said they were absorbing costs through lower margins.
- Businesses are also responding by reducing non-essential spending (50%) and passing costs on to customers (48%).
- Businesses across the Health Care & Social Assistance sector have less ability to pass costs on, instead needing to absorb costs through lower margins, with 78% identifying this.
- The Construction sector most common the most likely to pass costs on to customers (59%).
- More than a quarter (28%) of businesses are reviewing staffing levels or hours to mitigate rising costs, a theme most prominent in the Construction sector (33%).

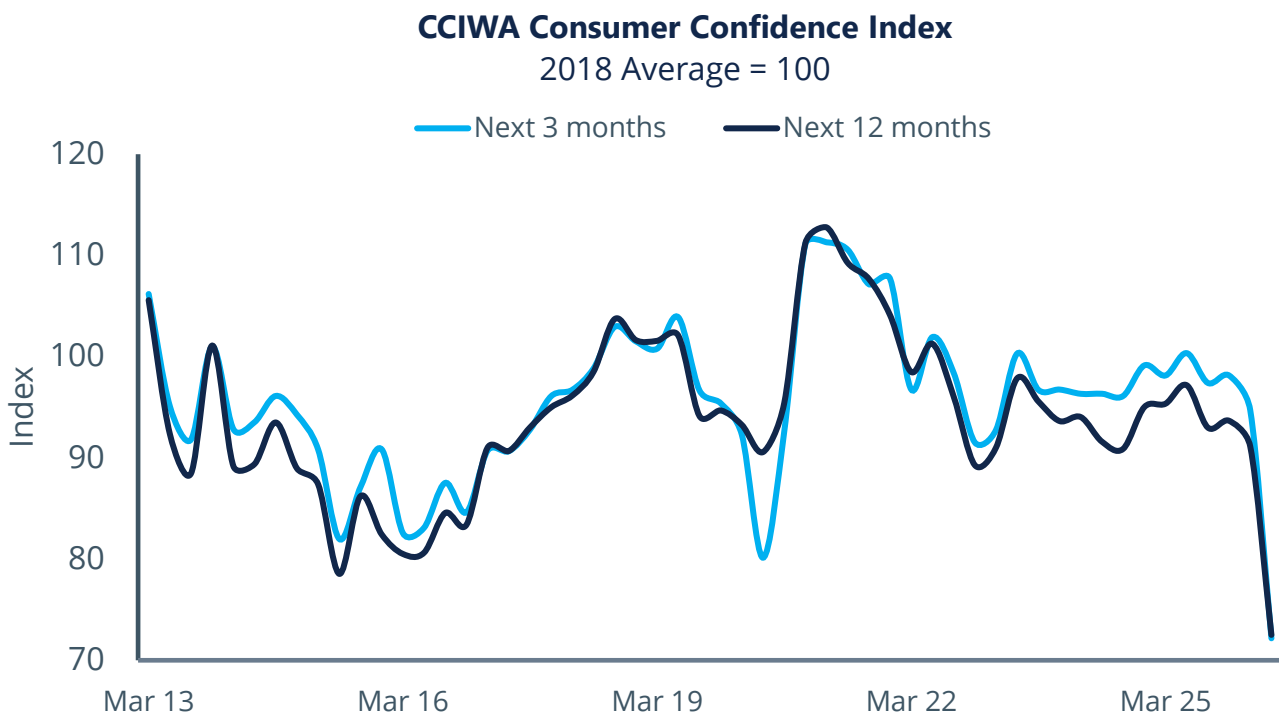
Those in the **agricultural sector** have a combination of fuel and fertiliser constraints. For this sector:

- Three quarters (74%) of respondents reported either severe or significant impacts.
- While 18% of agricultural businesses were feeling a “moderate impact”.

Middle East Crisis: Impact on Consumer Confidence

The second snap survey looked at the impact of the Crisis on consumers and households across WA, with sample size providing differences at the regional level, which are pointed to in this report.

Consumer confidence across WA has plummeted and now sits at its lowest level since the CCIWA survey commenced on the back of the GFC crisis in 2009.



The crisis shows a clear shift in financial pressures. Fuel costs and supply shortages have overtaken interest rate rises as the leading concern for Western Australians, highlighting the immediate local effects of global instability.

Regional households have been disproportionately affected by rising fuel costs. Nearly three-quarters of regional respondents identified fuel as the greatest pressure on household finances, reflecting long travel distances and limited transport alternatives.

This strain is already affecting consumer behaviour, with 83% of regional consumers indicating they would reduce discretionary spending if prices rise further.

Further details from this survey are reported in the next section of this report.

Business Conditions Entering the Crisis: Labour and Housing Constraints Remain as Key Barriers to Growth

While the March 2026 CCIWA Business Confidence Survey recorded a slight decline in sentiment, the overall outlook entering the Crisis was cautiously stable, with 41% of regional businesses expecting conditions to improve in the short term.

Skilled labour shortages replaced operating costs as the primary barrier to growth and are now at the highest level since mid-2023. This challenge is most acute in the Kimberley and Pilbara, where around nine in ten businesses report difficulty filling roles. At the same time, a shortage of worker housing has intensified and is now the third most significant barrier to regional expansion. Although supply chain disruption has eased to its lowest level since before the pandemic, the combined impact of labour and housing shortages continues to constrain production and growth.

Conditions remained mixed across the State. Goldfields-Esperance leads short-term optimism, supported by a resilient resources sector, while the Wheatbelt recorded strong sentiment following a bumper harvest, with 80% of businesses prior to the Crisis expecting increased production. In contrast, Peel shows the highest long-term pessimism due to rising operating costs.

While every measure has been taken to ensure data reliability, care should be exercised when using regional estimates as they are subject to smaller sample sizes than state-wide results. In this edition, some regional findings from the Snap Consumer Confidence survey have been omitted or combined due to insufficient sample sizes. Numbers may not add to 100% due to rounding.

The Middle East Crisis: Impact on Consumer Confidence Across the Regions



Consumer Confidence Across the Regions

The Outlook

	Short-Term Conditions (3-Months)			Longer-Term Conditions (12-Months)		
	Weaker	About the Same	Stronger	Weaker	About the Same	Stronger
South West & Great Southern	73%	24%	3%	63%	27%	10%
Goldfields & Wheatbelt	69%	20%	11%	63%	23%	14%
Midwest, Gascoyne & Pilbara	73%	23%	5%	60%	33%	7%
Kimberley	90%	0%	10%	80%	10%	10%
WA Regions	73%	22%	5%	64%	27%	10%
Perth	65%	26%	9%	60%	25%	15%

Source: CCIWA | data from CCIWA's Snap Consumer Confidence April Survey. Some regions have been combined due to sample size.

With the emergence of the Gulf crisis, CCIWA conducted a snap consumer confidence survey to determine how rising fuel costs and shortages were impacting households. Households across regional WA continue to show weaker consumer confidence compared to the Perth metro area, across both the short and longer term. The data highlights the ongoing pressure facing regional households.

Over the next three months, over seven in ten (73%) of regional consumers expect economic conditions to weaken, compared with 65% in Perth. Only 5% of regional respondents expect conditions to strengthen, versus 9% in Perth.

Sentiment is weakest in the Kimberley, where 90% of consumers expect weaker conditions in the short term. The South West and Great Southern, along with the Mid West, Gascoyne and Pilbara, also report high short-term pessimism, with 73% expecting conditions to deteriorate. Consumers across the Goldfields and Wheatbelt regions were comparatively more resilient, with more than one in ten (11%) expecting stronger conditions.

The longer-term outlook remains subdued. Across regional WA, more than six in ten (64%) consumers expect conditions to weaken over the next 12 months, compared with 60% in Perth. Just 10% of regional respondents are expecting stronger conditions, while 27% expect conditions to remain unchanged. Again, the Kimberley records the weakest outlook, with 80% expecting weaker conditions over the year ahead.

Overall, the data suggests consumer confidence in regional WA remains fragile, with cost-of-living pressures continuing to weigh on household sentiment.

Impact of fuel crisis on households

In the snap survey consumers were asked if interest rate increases or fuel costs were placing a greater pressure on household finances. The respondents were clear: fuel is currently the bigger concern, particularly for those located in regional WA.

In regional WA, nearly three in four respondents (74%) said fuel costs and shortages were putting the greatest pressure on household finances, compared with just 19% who pointed to interest rate rises. While metro consumers also ranked fuel as the bigger issue, the gap was less stark. Across metro WA, six in ten (60%) nominated fuel costs and shortages, while 29% said interest rates were the greater source of strain.

The results suggest that rising petrol prices are hitting regional households more directly, likely reflecting longer travel distances and fewer alternatives to driving. For many regional consumers, fuel is not just another household expense but a necessary cost that is difficult to avoid.

How consumers have responded to petrol price hikes over the past month

Consumers were also asked what actions they have taken over the past month due to fuel prices or availability. The results suggest that higher fuel costs are shaping behaviour differently across Western Australia, with regional households more likely to cut back on discretionary activities, while metro consumers are more able to adapt their commuting patterns.

In regional WA, the most common response to price hikes involved driving to a different service station to find cheaper fuel, nominated by 42% of respondents. This was slightly above the 39% recorded in metro WA. Regional consumers were also more likely to have cancelled or postponed a social or leisure activity (31% vs 29%) or a holiday or weekend trip (30% vs 28%), pointing to the broader effect of fuel costs on household spending and mobility.

By contrast, metro consumers were far more likely to shift toward alternative transport and work arrangements. Just under three in ten (27%) said they had used public transport more, compared with just 6% of regional respondents. Metro respondents were also twice as likely to have worked from home more or changed work hours to reduce commuting (16% vs 8%). The industry composition of work in the regions is less conducive to working from home arrangements.

Some behaviours were more evenly shared. Around 29% of regional respondents and 28% of metro respondents changed where they shop to reduce driving, while 14% of regional consumers carpooled or shared rides, compared with 11% in metro WA.

How consumers would respond to further petrol price hikes

When asked how they would respond to a further 50-cent increase in fuel prices, consumers indicated a clear shift toward more restrained financial behaviour and a re-evaluation of daily mobility.

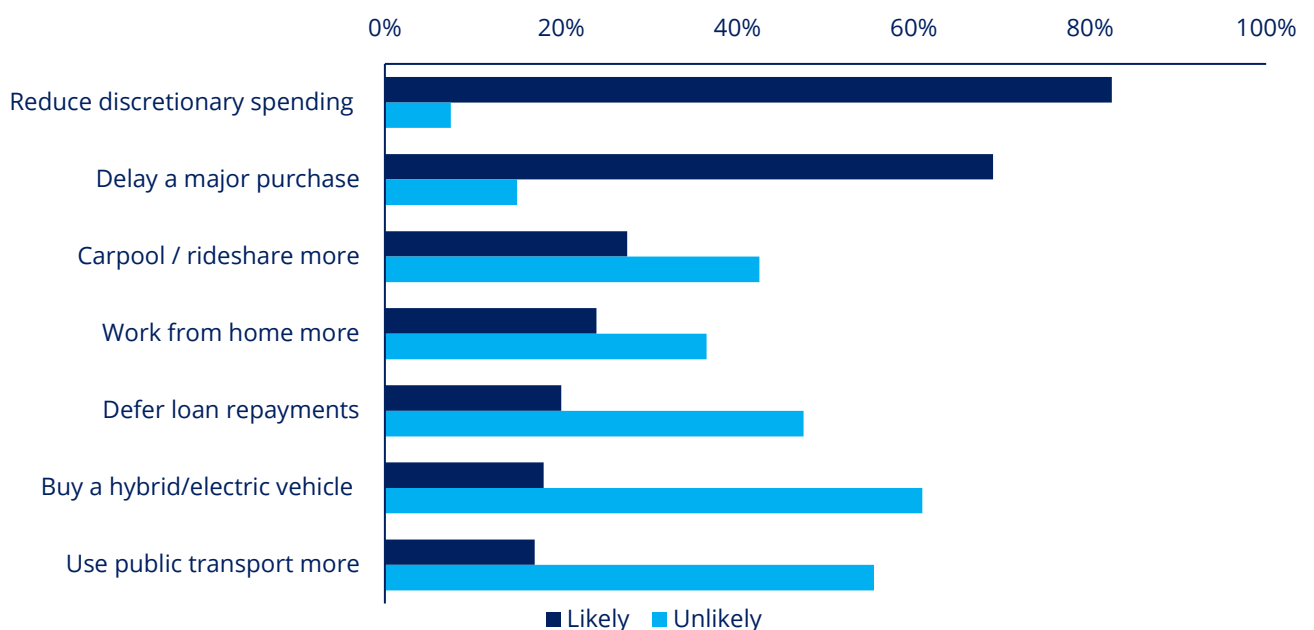
More than eight in ten (83%) regional consumers said they would reduce discretionary spending, compared with 74% in Metro WA. Just under seven in ten (69%) regional respondents were also likely to delay a major purchase such as a car, appliance or renovation compared to 63% or consumers from Metro WA.

Respondents were also asked about how further fuel price increases would impact consumer transportation behaviour. Metro consumers were much more likely to change how they travel, with just over half (58%) indicating that they would be more likely to use public transport, as opposed to 17% of metro WA. Regional consumers were also less likely to work from home more (24% vs 36%) or carpool/use rideshare more (28% vs 34%), reflecting fewer practical alternatives outside metropolitan areas.

Rising fuel prices were also less likely to accelerate the shift to hybrid or electric vehicles in regional WA, with just 18% saying they would consider buying one sooner, compared with 32% in metro WA.

Households were also asked if they would seek repayment deferrals or support. The difference was minimal, with one in five (20%) regional consumers identifying this compared with 21% in metro WA. Overall, regional households appear more exposed to fuel price rises, with fewer transport alternatives and a greater reliance on reducing spending.

If fuel prices increased by 50 cents further from current levels, how likely would you be to do each of the following?



Whilst every effort has been made to ensure that the information contained in this Report is free from error and/or omissions, no responsibility can be accepted by CCIWA, its employees or any other person involved in the preparation of this information for any claim (including without limitation, any liability arising from fault, negligence or negligent misstatement) for any direct or indirect loss or damage arising from any use or reliance on this information, or otherwise in connection with it.

Impact on Tourism

Rising fuel costs are also affecting household travel behaviour across Western Australia, with clear implications for regional tourism. Just over one in four WA households have reported cancelling or postponing a holiday or weekend trip because of fuel costs. This response was more pronounced among regional households compared to the metropolitan area (30% vs 28%) that had changed travel plans. The data suggests that higher transport costs are beginning to influence discretionary travel decisions, particularly for trips that rely heavily on private vehicle use.

This trend presents a direct impact to regional tourism, which remains a critical pillar of many regional economies. With households reassessing non-essential spending and reducing travel to manage fuel expenses, regional destinations may face softer visitor demand, particularly for short breaks and intrastate travel. Given the importance of tourism to local business activity, employment and seasonal trade, sustained pressure on travel affordability could have broader economic consequences across regional WA.

Regional Business Confidence Entering the Middle East Crisis



Pulse Check¹

The Outlook

	Short-Term Conditions (3-Months)			Longer-Term Conditions (12-Months)		
	Weaker	About the Same	Stronger	Weaker	About the Same	Stronger
Peel	35%	25%	40%	40%	34%	40%
South West	20%	37%	43%	17%	20%	50%
Great Southern	36%	29%	36%	36%	30%	36%
Goldfields- Esperance	22%	11%	67%	22%	29%	56%
Wheatbelt	20%	47%	33%	20%	17%	33%
Mid-West & Gascoyne	25%	31%	44%	25%	47%	50%
Pilbara	12%	35%	47%	12%	25%	41%
Kimberley	18%	64%	18%	18%	35%	36%
WA Regions	23%	35%	41%	24%	31%	43%
Perth	18%	38%	43%	21%	34%	43%

Source: CCIWA | data from CCIWA's Business Confidence April 2026 Survey

Business confidence entering the Crisis had declined slightly over the quarter. Just over two in five (41%) regional businesses were expecting economic conditions to improve over the next quarter - a decline of 11 percentage points from the December quarter. Businesses expecting no change to conditions saw a substantial increase of 22 percentage points, from 13 % to 35%.

The March quarter has seen a sharp divergence from the previous quarter's results with businesses much less uncertain about economic conditions over the next twelve months. Just over two in five (43%) regional businesses are anticipating stronger conditions - a decline of 35 percentage points since the December quarter. In contrast, less than one in three (31%) are expecting conditions to remain the same - an increase of 23 percentage points. The remaining one in five (21%) are expecting economic conditions stronger conditions.

Regional businesses have typically been more pessimistic about future economic prospects compared to businesses located in the Perth metro area. According to the March quarter's results, regional businesses appear to be more in line with their Perth metro counterparts. Only 18% of businesses in the Perth metro area are expecting weaker conditions over the coming quarter, five percentage points less than regional WA. Conversely, 21% of businesses in the metro region are expecting weaker conditions over the year ahead, which is three percentage points less than regional WA (24%). A deeper dive into each region can be found from page 7.

¹ The results presented in this section are based on CCIWA's Business Confidence Survey that was conducted prior to the escalation of the Middle East crisis.

Barriers to Business

What are the barriers to growing your business in the year ahead?						
	Availability of skilled labour	Weak demand	Supply chain disruptions	Rising operating costs	Lack of housing for workers	Government regulatory and compliance
Peel	65%	25%	10%	75%	15%	50%
South West	53%	7%	0%	77%	43%	43%
Great Southern	57%	0%	21%	43%	29%	57%
Goldfields-Esperance	72%	6%	0%	61%	50%	39%
Wheatbelt	80%	7%	20%	53%	53%	33%
Mid-West & Gascoyne	75%	13%	19%	69%	45%	25%
Pilbara	88%	6%	24%	59%	47%	35%
Kimberley	91%	9%	9%	55%	73%	18%
WA Regions	70%	9%	11%	64%	42%	39%
Perth Metro	66%	16%	19%	69%	18%	40%

Source: CCIWA | data from CCIWA's Business Confidence April 2026 Survey

Skilled labour has replaced rising operating costs as the primary barrier to business growth in the regions over the March quarter. Seven in ten (70%) regional businesses reported labour shortages as their greatest barrier - an increase of 31 percentage points from December. This currently sits at its highest level since June 2023 in a sign that labour shortages continue to remain problematic for regional businesses. Businesses most likely to report labour shortages as a barrier to growth were located in the Kimberley where 91% of businesses reported this. This was followed by the Pilbara (88%), Wheatbelt (80%) and Mid-West & Gascoyne (75%). Labour shortages were also more prominent across regional WA, identified by 70% of regional businesses compared to 66% of Perth metro businesses.

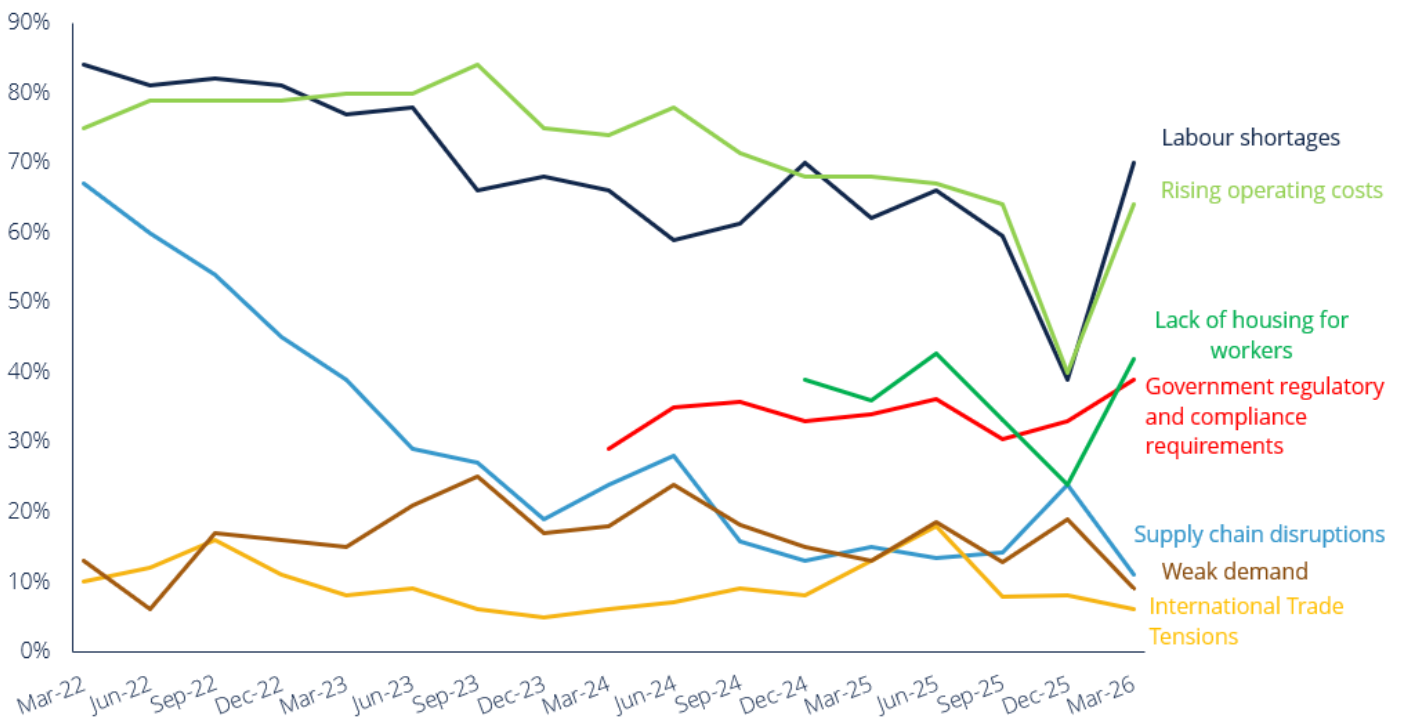
Rising operating costs were ranked as the second largest barrier to growth, with just over three in five (64%) regional businesses reporting this. Rising operating costs as a barrier to growth declined to its lowest point in December 2025 since covid. Since the December quarter, businesses impacted by rising costs has risen by 24 percentage points as inflation continues to burden WA businesses. Rising operating costs were most acute in South West (77%), Peel (75%), and Mid-West & Gascoyne (69%) regions.

Lack of housing for workers has replaced Government regulation and taxes as the third most prominent barrier. Just over two in five (42%) regional businesses have reported this - an increase of 18 percentage points from the previous quarter. Housing shortages for regional workers was most prominent in the Pilbara (73%), Wheatbelt (53%) and Goldfields-Esperance (50%) regions.

Government regulation and taxes have declined to the fourth highest rated barrier to growth. Just under two in five (39%) regional businesses identified this - an increase of six percentage points. This was most prominent as a barrier for businesses located in the Great Southern (57%), Peel (50%), and South West (43%).

Supply chain disruptions were the biggest improver over the March quarter - declining by 13 percentage points to just 11%. This is currently the lowest supply chain issues have been reported as a barrier to growth since pre-covid times. Supply chain disruptions as a barrier were most common across the Pilbara (24%), Great Southern (21%) and Wheatbelt (20%).

Barriers to Regional Business Growth
% of survey respondents reporting barrier



Source: CCIWA | data from CCIWA's Business Confidence April 2026 Survey

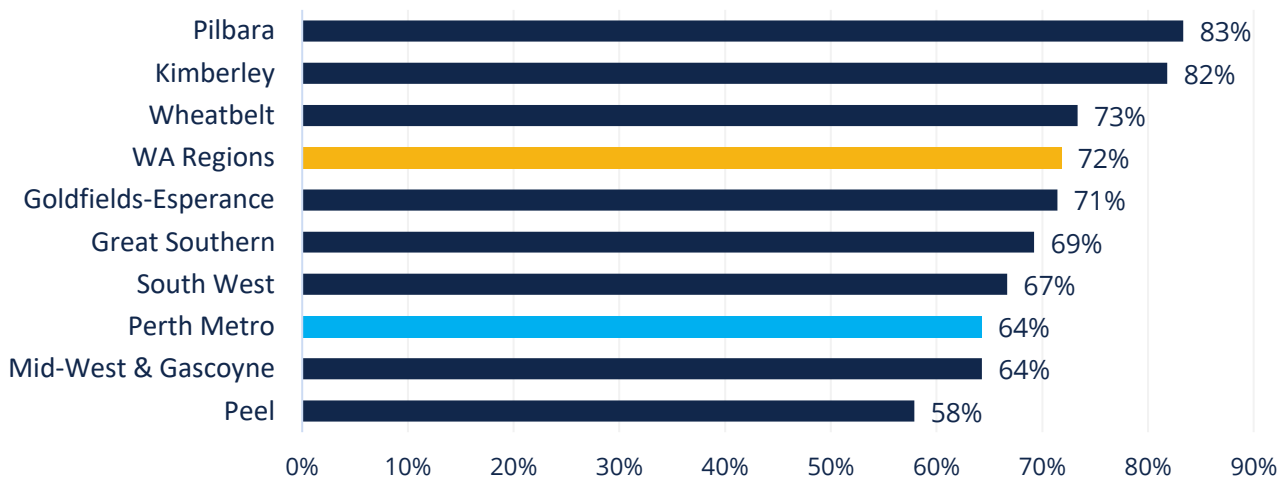
Worker Shortages in Regional WA

Western Australia’s labour market continues to experience prolonged tightness as labour demand continues to outpace supply. The unemployment rate for the State has increased to 4.2% (as of February 2026), currently below the national average of 4.3%. In this edition of Regional Pulse, we explore developments in labour shortages across WA and the occupations most in demand by region.

The number of regional businesses business struggling to hire for a particular skillset has declined in the March quarter, although remains elevated above historical levels. When asked if businesses had struggled to hire for a particular skillset, seven in ten (72%) regional WA businesses reported difficulties - a decline of 15 percentage points from the previous quarter. By comparison, just over six in ten (64%) Perth metro businesses experienced similar hiring challenges during the March quarter, suggesting regional businesses continue to bear a heavier burden from ongoing labour shortages.

Hiring challenges were most pronounced across the Pilbara (83%), Kimberley (82%) and Wheatbelt (73%) regions. The region least impact by businesses struggling to hire for a particular skillset was Peel, with under six in ten (58%) businesses reporting difficult finding workers with the required skills.

% of respondents struggling to fill a position



Source: CCIWA | data from CCIWA's Business Confidence April 2026 Survey

Top three occupations in demand by WA region

	1	2	3
Peel	Retail	Tradespeople	Electricians
South West	Mechanics	Healthcare	Retail
Great Southern	Tradespeople	Operators	Healthcare
Wheatbelt	Mechanics	Electricians	Technicians
Mid-West/ Gascoyne	Technicians	Tradespeople	Educators
Goldfields-Esperance	Electricians	Carpenters	Hospitality
Pilbara	Mechanics	Tradespeople	Retail

Peel



35% of businesses expect weaker economic conditions over the short term



40% of businesses expect stronger economic conditions over the short term



40% of businesses expect weaker economic conditions over the long term



40% of businesses expect stronger economic conditions over the long term

Business sentiment in Peel over the short term remains divided. Two in five (40%) businesses expect stronger conditions compared to one in three (35%) anticipating weaker. Businesses remain equally split over the twelve-month horizon, with two in five (40%) businesses remaining bullish and an equal 40% anticipating a weaker environment. This 40% "weaker" outlook is the highest level of long-term pessimism recorded across the regions, suggesting that local industry leaders are feeling the weight of macroeconomic events more acutely than their regional peers.

	Current Quarter			Next Quarter		
	Decrease	Increase	No Change	Decrease	Increase	No Change
Production	35%	25%	40%	14%	43%	43%
Labour Costs	0%	75%	25%	1%	61%	38%
Profit Margins	45%	10%	45%	20%	25%	55%
Credit or Debt	15%	25%	60%	5%	20%	75%
Capex	0%	45%	55%	5%	35%	60%
Employment	10%	40%	50%	5%	55%	40%

Source: CCIWA | data from CCIWA's Business Confidence April 2026 Survey

The primary driver of this unease is a sharp resurgence in operational hurdles. Rising operating costs now dominate the landscape, cited by 75% of businesses - a significant jump from the 61% reported last quarter. Furthermore, improvements to the labour market have evaporated. Concerns over the availability of skilled labour have nearly doubled, soaring from 33% back to 65% when compared to the December quarter. Government regulation remains a significant friction point, affecting 50% of businesses. Conversely, supply chain disruptions have eased to 10% from 33%, indicating that the regional struggle has shifted from global logistics to the high cost of local operations.

Despite these headwinds, the economic indicators across the region remain robust. Production expectations are projected to jump to 43% next quarter. Employment sentiment is also surging, with 55% of firms intending to hire over the next three months. While 61% are bracing for continued labour cost hikes, there is a surprising sense of margin resilience, with 55% expecting no change to profitability. Peel's success will continue to depend on how businesses can continue to push production under the mounting pressures of regional overheads.

South West



20% of businesses expect weaker economic conditions over the short term



43% of businesses expect stronger economic conditions over the short term



17% of businesses expect weaker economic conditions over the long term



50% of businesses expect stronger economic conditions over the long term

The South West remains a critical engine for Western Australia’s economy, anchored by a diverse industrial base spanning agriculture, tourism, mining, and advanced manufacturing. The latest economic data reveals a shift toward cautious optimism as local firms navigate a tightening operational landscape.

Businesses in the South West are currently maintaining a resilient outlook, though business optimism of previous quarters has tempered. In the short term, more than two in five (43%) businesses expect economic conditions to strengthen. Businesses across the region are even more optimistic over the next twelve months, with half (50%) of firms anticipating stronger conditions - the second highest long-term confidence rating of any regional area.

	Current Quarter			Next Quarter		
	Decrease	Increase	No Change	Decrease	Increase	No Change
Production	29%	25%	46%	19%	30%	52%
Labour Costs	0%	71%	29%	4%	59%	37%
Profit Margins	50%	7%	43%	30%	4%	67%
Credit or Debt	14%	18%	68%	15%	11%	74%
Capex	14%	29%	57%	15%	26%	59%
Employment	29%	25%	46%	15%	15%	70%

Source: CCIWA | data from CCIWA’s Business Confidence April 2026 Survey

The primary drag on local sentiment is the resurgence of intense operational hurdles. Rising operating costs have surged back to the top of the list, cited by a staggering 77% of respondents as a barrier to growth. This is further compounded by persistent skilled labour shortages, with just over half (53%) identifying this. Notably, the lack of housing for workers and government regulatory requirements both remain elevated as barriers to growth, with more than two in five (43%) identifying this.

Looking toward the next quarter, businesses are bracing for a period of consolidation. While just under one in three (30%) expect production to increase, the majority (52%) anticipate no change. Hiring intentions have also cooled significantly, with only 15% of firms planning to add staff. With 59% of businesses expecting higher labour costs and 30% forecasting a decline in profit margins, the South West is prioritizing internal efficiency over aggressive capital growth despite an optimistic outlook over the next twelve months.

Great Southern



36% of businesses expect weaker economic conditions over the short term



36% of businesses expect stronger economic conditions over the short term



36% of businesses expect weaker economic conditions over the long term



36% of businesses expect stronger economic conditions over the long term

Business confidence in the Great Southern remains mixed over both the short term and long term. Over the next quarter, businesses were equally split between expecting conditions to improve (36%) and weaken (36%). Business confidence over the long term was mirrored, with 36% expecting conditions to improve and 36% expecting conditions confidence to weaken.

	Current Quarter			Next Quarter		
	Decrease	Increase	No Change	Decrease	Increase	No Change
Production	0%	54%	46%	0%	46%	54%
Labour Costs	0%	100%	0%	0%	54%	46%
Profit Margins	38%	31%	31%	23%	38%	38%
Credit or Debt	0%	38%	62%	8%	46%	46%
Capex	0%	38%	62%	0%	62%	38%
Employment	23%	38%	39%	8%	23%	69%

Source: CCIWA | data from CCIWA's Business Confidence April 2026 Survey

Across the Great Southern region, there were three main barriers to business identified by respondents. The primary barrier to growth was tied between skill shortages and government regulatory and compliance requirements. This was reported by just over half (57%) of businesses – an increase of 19 percentage points across both categories. The second highest rated barrier to growth is rising operating costs, with 43% of businesses identifying this. Supply chain disruptions and international trade tensions were equally ranked third, reported by just over one in five (21%) businesses.

Businesses in the Great Southern are expecting greater economic activity, with over half (54%) of businesses increasing their production over the current quarter and 46% expecting an increase over the three months. Businesses across the Great Southern are also expecting an increase to labour costs (54%). Despite labour costs expecting to increase, businesses are expecting to make no change to employment levels, with just under seven in ten (69%) reporting this.

In a favourable sign, capex levels are also expected to increase over the long term. Just over three in five (62%) businesses are expecting capex levels to increase over the next quarter.

² Due to the small sample size at a sub-regional level, the findings presented in this report may not be representative of the broader population and should be interpreted with caution.

Goldfields-Esperance



22% of businesses expect weaker economic conditions over the short term



67% of businesses expect stronger economic conditions over the short term



22% of businesses expect weaker economic conditions over the long term



56% of businesses expect stronger economic conditions over the long term

In a notable shift from the previous quarter's mixed sentiment, the Goldfields-Esperance region now boasts the strongest short-term outlook across the regions. Just under seven in ten (67%) of local businesses expect economic conditions to improve over the next three months - an 11-percentage point increase from the December quarter and significantly higher than the regional WA average of 41%. Business optimism carries through to the long-term landscape, with more than half (56%) of businesses maintaining a positive outlook.

	Current Quarter			Next Quarter		
	Decrease	Increase	No Change	Decrease	Increase	No Change
Production	20%	60%	20%	13%	40%	47%
Labour Costs	7%	73%	20%	0%	47%	53%
Profit Margins	33%	33%	34%	20%	33%	47%
Credit or Debt	13%	13%	74%	20%	7%	73%
Capex	0%	40%	60%	7%	33%	60%
Employment	7%	53%	40%	13%	33%	53%

Source: CCIWA | data from CCIWA's Business Confidence April 2026 Survey

This high confidence is supported by active, albeit moderating, growth across core economic indicators. While six in ten (60%) of businesses reported increased production this quarter, expectations for the next three months are shifting toward a period of stabilization, with 40% anticipating further growth and 47% expecting no change. Similarly, the aggressive hiring phase appears to be peaking; employment intentions are set to move from a 53% increase currently to a more measured 33% next quarter. Profitability outlooks are also showing signs of cooling; while current margins are highly polarized, the percentage of firms expecting decreasing profits is projected to fall from 33% to 20%, suggesting a transition toward higher operational efficiency.

However, this growth narrative must still contend with a tightening labour market and mounting overheads. The availability of skilled labour remains the most pressing constraint, affecting 72% of businesses, while rising operating costs burden 61%. The challenge for 2026 will be maintaining this state-leading momentum while navigating the deepening skills gap and the high cost of regional business.

Wheatbelt



20% of businesses expect weaker economic conditions over the short term



33% of businesses expect stronger economic conditions over the short term



20% of businesses expect weaker economic conditions over the long term



33% of businesses expect stronger economic conditions over the long term

Business outlook in the Wheatbelt remains relatively stable oversurged over both the short term and long term, as businesses have enjoyed a bumper crop over the December quarter. Half (50%) of respondents are expecting economic conditions to strengthen over the next quarter- an increase of 27 percentage points from the September quarter. Over the longer term, sentiment is slightly more positive, with six in five (60%) businesses expecting conditions to strengthen over the next twelve months- an improvement of 28 percentage points.

	Current Quarter			Next Quarter		
	Decrease	Increase	No Change	Decrease	Increase	No Change
Production	20%	40%	40%	20%	80%	0%
Labour Costs	0%	87%	13%	7%	80%	13%
Profit Margins	47%	20%	33%	33%	7%	60%
Credit or Debt	20%	20%	60%	7%	13%	80%
Capex	13%	33%	54%	13%	40%	47%
Employment	33%	47%	20%	27%	20%	53%

Source: CCIWA | data from CCIWA's Business Confidence April 2026 Survey

Aligning with the optimistic sentiment, businesses across the region were expecting greater activity over the next three months. Eight in ten (80%) of businesses are anticipating production levels to increase over the next quarter thanks to abundant rainfall across the region and an expected large grain harvest. Despite production levels expected to increase, businesses are not planning to make any changes to employment levels (53%) or capital expenditure (47%) or debt levels (80%).

Barriers to business have also improved across the region. The share of businesses identifying operating costs as a barrier to growth has declined to 60% - an improvement of 17 percentage points. Other key challenges include the availability of skilled labour, supply chain disruptions, lack of housing for workers, and international trade tensions all of which were identified by 40% of businesses as having weighed on business sentiment.

³ Due to the small sample size at a sub-regional level, the findings presented in this report may not be representative of the broader population and should be interpreted with caution.

Mid-West/Gascoyne



25% of businesses expect weaker economic conditions over the short term



44% of businesses expect stronger economic conditions over the short term



25% of businesses expect weaker economic conditions over the long term



50% of businesses expect stronger economic conditions over the long term

The Mid-West/Gascoyne regions has seen the largest improvement to business confidence over the short term. Just under half (44%) of businesses are expecting economic conditions to strengthen over the next quarter - an increase of 31 percentage points. Over the long-term businesses in the region are more optimistic. Half (50%) of the respondents are expecting economic conditions to improve over the long term - seven percentage points above the regional average.

	Current Quarter			Next Quarter		
	Decrease	Increase	No Change	Decrease	Increase	No Change
Production	21%	29%	50%	14%	36%	50%
Labour Costs	0%	79%	21%	0%	71%	29%
Profit Margins	43%	29%	28%	43%	29%	29%
Credit or Debt	14%	21%	65%	7%	29%	64%
Capex	7%	36%	57%	7%	43%	50%
Employment	29%	29%	42%	7%	36%	57%

Source: CCIWA | data from CCIWA's Business Confidence April 2026 Survey

Despite a stable outlook for business confidence, an increased number of businesses have reported experiencing increased barriers to growth. The share of businesses identifying labour shortages has increased to three in five (75%) - an increase of 23 percentage points. Operating costs as a barrier to growth has also worsened, with 69% of businesses reporting this. Other key challenges include lack of housing for workers (45%), international trade tensions (28%) and government regulatory and compliance (25%) which all weighed on business sentiment.

Business indicators in the Mid-West/Gascoyne remains mixed but shows signs of stabilising. Labour costs continue to be a primary pressure point, with over seven in ten (71%) businesses expecting further increases next quarter. Despite concerns around labour costs, businesses were not expecting to make any changes to employment levels.

Future outlook on production and credit are also expected to remain stable. More than half (50%+) of businesses are anticipating no change to over both the short term and long term across both categories. While slightly more than two in five (43%) businesses are expecting profit margins to continue to decline, a healthy 43% are planning to increase their capital expenditure, signalling long-term commitment to regional projects.

Pilbara



12% of businesses expect weaker economic conditions over the short term



47% of businesses expect stronger economic conditions over the short term



12% of businesses expect weaker economic conditions over the long term



41% of businesses expect stronger economic conditions over the long term

The Pilbara recorded the second-highest business confidence in regional WA over the next three months, although sentiment has eased. Just under half of respondents (47%) expect economic conditions to improve in the next quarter, down 25 percentage points from the December quarter. Confidence over the next 12 months remains relatively strong, with 41% expecting stronger conditions, though this is a decline of 48 percentage points. While business sentiment remains positive overall, uncertainty about the future is increasing.

	Current Quarter			Next Quarter		
	Decrease	Increase	No Change	Decrease	Increase	No Change
Production	20%	67%	13%	7%	53%	40%
Labour Costs	0%	67%	33%	0%	67%	33%
Profit Margins	33%	13%	54%	20%	27%	53%
Credit or Debt	0%	40%	60%	0%	47%	53%
Capex	7%	67%	26%	0%	60%	40%
Employment	13%	67%	20%	0%	67%	33%

Source: CCIWA | data from CCIWA's Business Confidence April 2026 Survey

Economic indicators for the Pilbara suggest a more cautious outlook. While 67% of businesses reported higher production in the March quarter, expectations for the next quarter have eased, with 53% anticipating further growth. Operational pressures are likely to remain high, with 67% expecting labour costs to rise and increased union activity adding further strain. Even so, profitability expectations remain steady, with 53% expecting profits to stay unchanged. Investment also continues to support resilience, with 60% planning to maintain or increase capital spending.

The region still faces major structural challenges. Labour shortages remain the most significant barrier, cited by 88% of businesses, followed by rising operating costs at 59%. Housing shortages are also becoming more pressing, with 47% identifying worker accommodation as a constraint. Government regulation and compliance rank fourth, reported by 35%.

The Pilbara's iron ore and energy exports remain vital to growth. Iron ore prices have stayed above US\$100 per tonne, though the outlook depends on global demand and China's steel policies. Over time, LNG expansion and critical minerals development should improve resilience against price volatility and shifting global trade conditions.

Kimberley



18% of businesses expect weaker economic conditions over the short term



18% of businesses expect stronger economic conditions over the short term



18% of businesses expect weaker economic conditions over the long term



36% of businesses expect stronger economic conditions over the long term

Business confidence in the Kimberley remains broadly stable, with most businesses expecting economic conditions to remain the same in the short term. Around 64% expect no change over the next three months, while the remaining businesses are evenly split between those expecting weaker conditions (18%) and those expecting stronger conditions (18%). Looking further ahead, confidence improves slightly, with 36% expecting stronger conditions over the next 12 months, although this is still below the regional average of 43%.

	Current Quarter			Next Quarter		
	Decrease	Increase	No Change	Decrease	Increase	No Change
Production	64%	9%	27%	0%	55%	45%
Labour Costs	0%	82%	18%	0%	64%	36%
Profit Margins	64%	9%	27%	27%	27%	45%
Credit or Debt	18%	27%	55%	0%	18%	82%
Capex	9%	36%	55%	0%	27%	73%
Employment	36%	18%	46%	18%	27%	55%

Source: CCIWA | data from CCIWA's Business Confidence April 2026 Survey

Business confidence in the Kimberley remains broadly stable, with most businesses expecting economic conditions to stay unchanged in the near term. Around 64% anticipate no change over the next three months, reflecting a cautious but steady outlook. The remaining businesses are evenly divided, with 18% expecting conditions to weaken and 18% expecting them to improve.

Looking further ahead, confidence strengthens slightly over the next 12 months. Around 36% of businesses expect stronger economic conditions over that period, suggesting some optimism about the region's longer-term prospects. However, this remains below the regional average of 43%, indicating that businesses in the Kimberley are somewhat less confident than those in other parts of regional Western Australia.

Overall, the results suggest that while short-term sentiment is largely neutral, there is modest optimism about the year ahead. Businesses appear to be taking a measured view of current conditions, balancing ongoing uncertainty with expectations of gradual improvement.

⁴ Due to the small sample size at a sub-regional level, the findings presented in this report may not be representative of the broader population and should be interpreted with caution.

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