

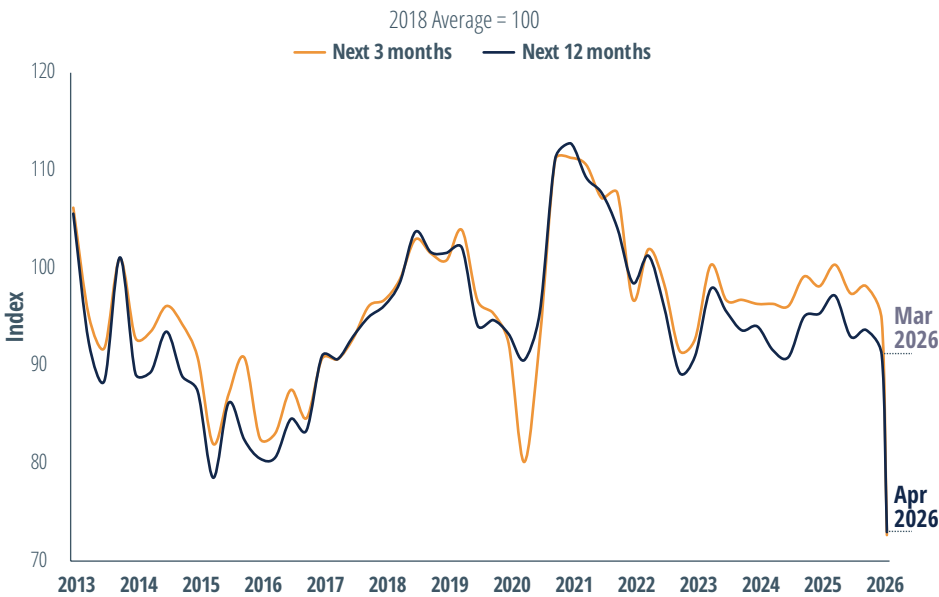
Middle East crisis: The impact on consumers across WA

CCIWA surveyed over 1,000 consumers over the week to March 30, 2026. Responses were obtained across all regions of WA.



Chamber of Commerce and Industry WA

CCIWA Consumer Confidence Index



KEY TAKEAWAYS

Both short-term and long-term consumer confidence have **declined** to the **lowest levels** reported since CCIWA started reporting the Index in 2009.

Short-term confidence dropped 23% since the last survey was released in February 2026.

Almost seven in ten (67%) Western Australians expected economic conditions to be **weaker or much weaker** over the next three months.

Long-term confidence also **declined by 20%** over the quarter.

Over the coming year, **three in five (60%)** Western Australians expected economic conditions to be weaker or much weaker.

KEY TAKEAWAYS

More than four in five (84%) WA households report **living costs** were dragging on their confidence levels.

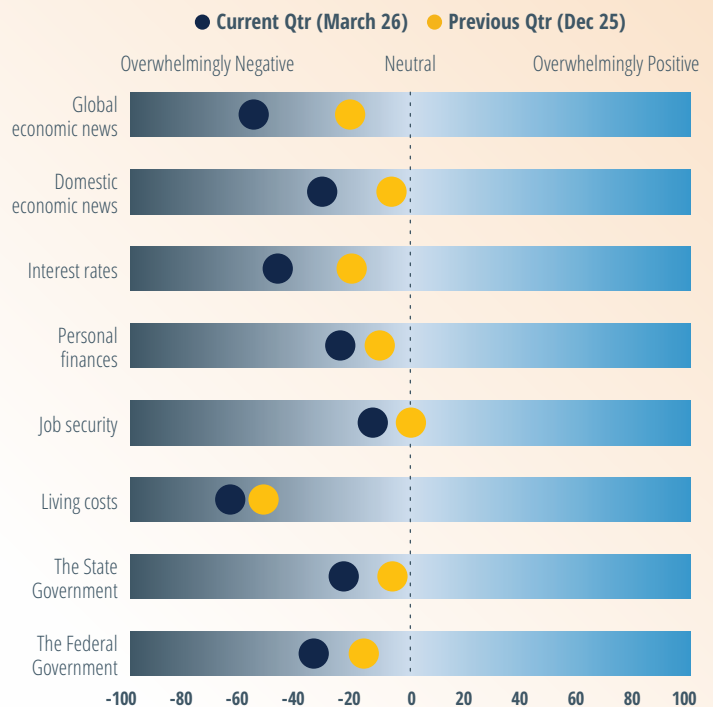
Global economic news has risen to second place, replacing interest rates as the second most influential factor dragging on consumer confidence. Almost **eight in ten (78%)** households said global economic news had weakened their confidence.

Seven in ten (71%) respondents identified **interest rates** as negatively influencing their confidence this quarter – an increase of 14 percentage points since the beginning of the Gulf crisis.

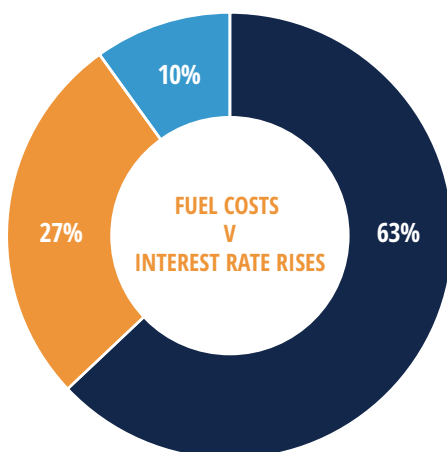
The conflict has also impacted **personal finances**. **More than half (51%)** of respondents reported personal finances as dragging on their sentiment.

Two in five (40%) reported **job security** remaining stable and not influencing consumer sentiment. However, two in five (38%) indicated that job security negatively weighed on consumer confidence – an increase of ten percentage points since CCIWA's March 2026 consumer confidence report release.

Consumer Sentiment Index



Are interest rate increases or fuel costs a greater pressure on household finances right now?



- Fuel costs and shortages
- Interest rate rises
- I am not concerned by either

KEY TAKEAWAYS

Fuel v interest rates:

Consumers feel significantly more pressure from **fuel costs (63%)** than from **interest rate rises (27%)**, suggesting that the immediate nature of petrol prices impacts daily budgets more acutely than borrowing costs.

“With all the other costs of living at the moment, it is really hard to get all the needs for a family of five on one income. This is very distressing.”

Financial stress:

Over half of the respondents (54%) reported fuel costs causing either a ‘great deal’ or a ‘fair amount’ of financial stress, with only 10% feeling no stress at all.

Young consumers hit hardest:

Consumers between 18-39 years were the most impacted, with 65% of respondents in that age bracket reporting that fuel costs were causing either a ‘great deal’ or a ‘fair amount’ of financial stress. This compares to 53% of persons aged 40-64 years, and 29% for those aged 65+.

Budgetary squeeze:

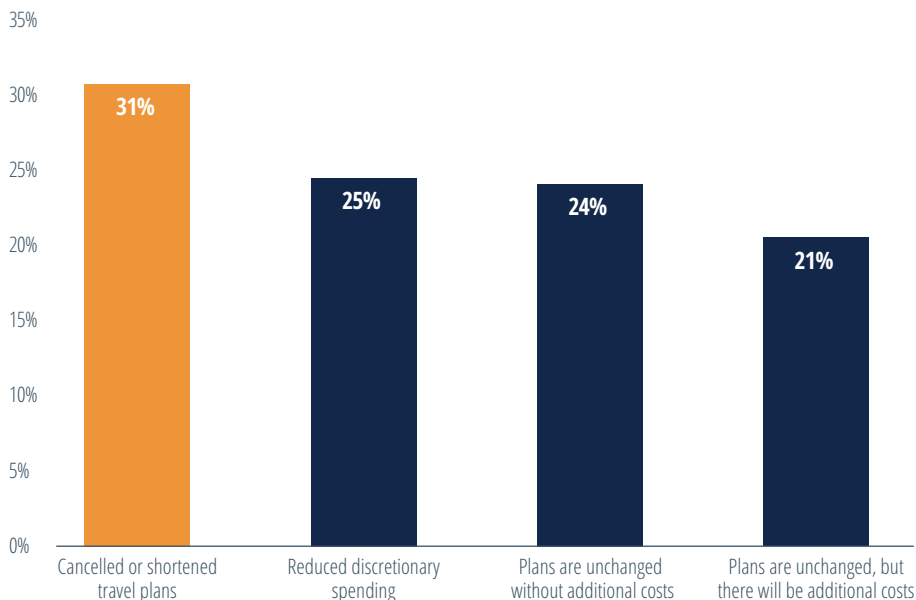
The crisis is creating a renewed squeeze on household budgets, making consumers increasingly sensitive to further price shocks and reinforcing broader cost-of-living concerns.

Revised Easter holiday plans



KEY TAKEAWAYS

Fuel Cost Impact: The impact of elevated fuel costs from the Gulf conflict has significantly disrupted travel plans for the upcoming four-day Easter long weekend.



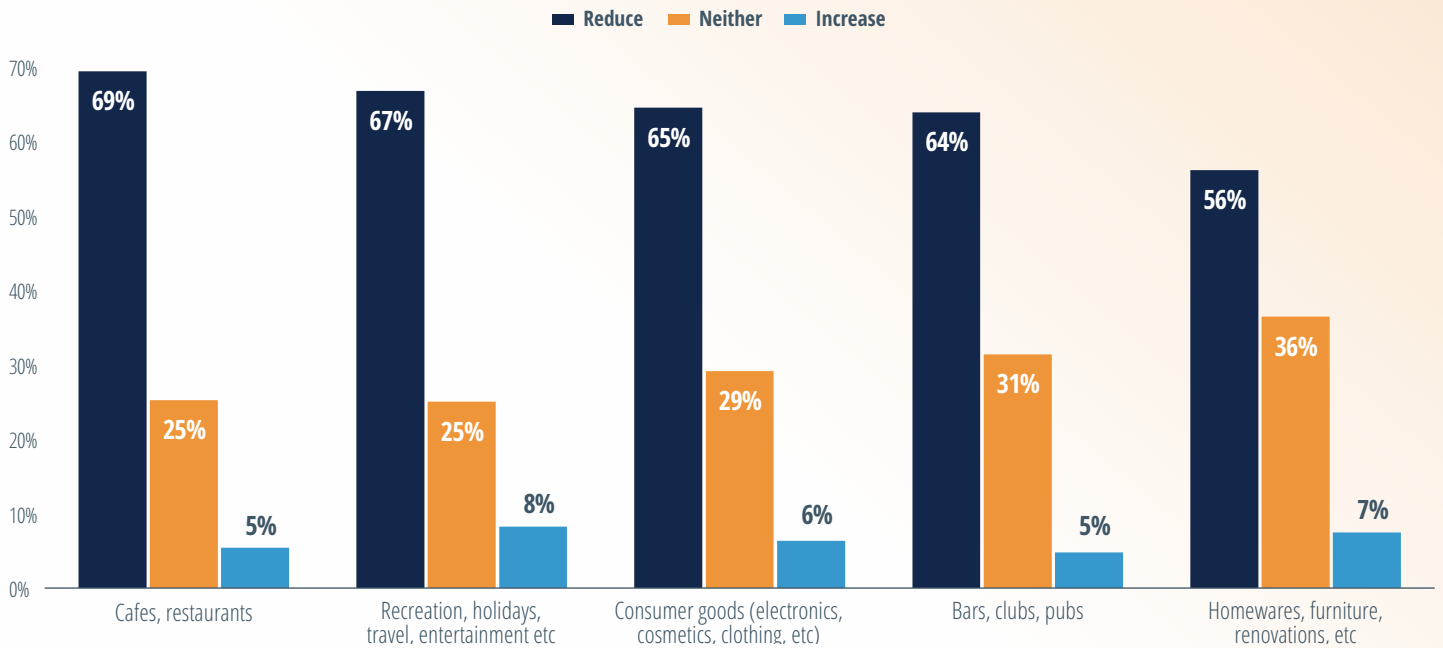
Travel Cancellations: Nearly one in three households (31%) have either cancelled or significantly shortened their travel plans, representing a major setback to the local tourism industry during a critical part of the season.

Reduced Discretionary Spending: A quarter of consumers (25%) still intended to travel but planned to cut back on non-essentials such as dining out and paid attractions to offset the increased costs.

“Rising fuel prices significantly impact our monthly budget, limiting travel and leisure activities.”

Some Consumers Remain Resilient: Over 20% of respondents intended to retain their original holiday spending levels although they expected the cost of such to increase. Only a quarter (24%) of respondents expected no change to their travel plans or related costs

Planned change in spending habits over the next six months



KEY TAKEAWAYS

Reduced household spending: Over 80% of consumers planned to reduce spending in at least one of the displayed discretionary categories over the next six months.



"We have been thinking twice about our weekend activities, especially with the Easter weekend coming up."



Hospitality Bearing the Brunt:

Cafes and restaurants was the most heavily impacted sector, with 69% of respondents planning to cut back on such spending, followed closely by expenditure at bars and clubs (64%).

Travel and Recreation Slump:

Some 67% of consumers anticipated reducing their budgets for holidays and entertainment, with fewer than 1 in 10 planning any increase in spending for these activities.

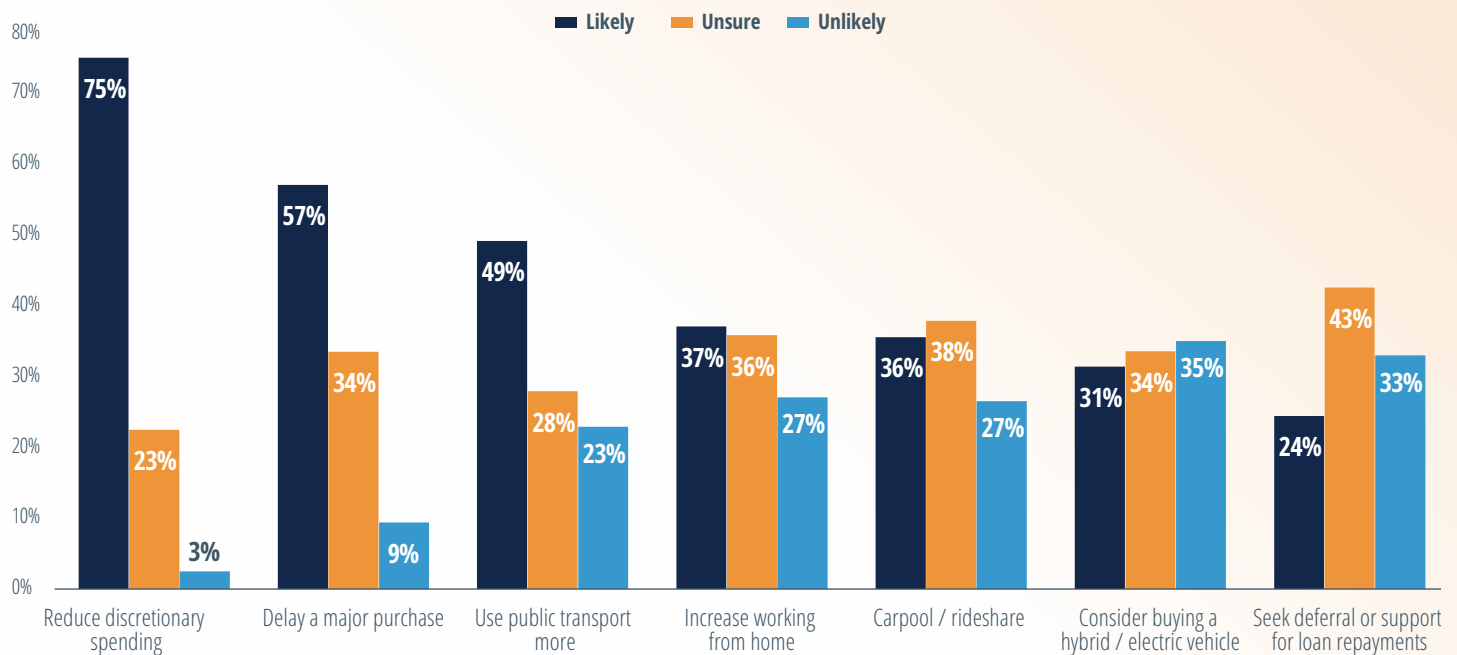
Retail Sector Vulnerability:

The consumer goods category was not immune either, with as many as 65% of households intending to scale back their purchases of such items over the next six months.

Relative Resilience in Homewares:

While still facing a majority decline (56%), homewares and renovations were the least impacted category from those presented in the survey, with 36% of consumers intending to maintain their current spending levels.

How consumers would respond to petrol prices increasing by an extra 50 cents



KEY TAKEAWAYS

Widespread Discretionary Cuts:

An overwhelming **75%** of consumers would reduce their non-essential spending further to cope with the added cost, signalling a major contraction for the local service economy.

“My place and work is located where public transportation can’t reach, so it’s really hard to use a car with this expensive fuel.”



Decline in Big-Ticket Purchases:

Strategic financial caution is evident, with 57% of respondents saying they would delay major investments such as vehicles, home renovations or appliances to maintain cash flow.

Shift in Commuting Habits: While 49% of households would turn to public transport to offset fuel costs, carpooling remained a secondary choice, with only 23% considering it as an alternative.

Latent Demand for EVs: Only 31% of consumers would currently consider switching to an electric or hybrid vehicle. This indicates demand constrained by barriers that, if addressed, could accelerate uptake.

Threat to Housing Stability: Most critically, 24% of respondents would likely seek formal support or deferrals for mortgages, rent or loans, indicating that further fuel hikes could trigger a broader household solvency crisis.

Addressing the fuel crunch: consumer demand for government action



Support for Resource Rationing:

A clear majority (67%) of households would support the implementation of fuel purchase limits to manage worsening shortages, indicating a public willingness to accept significant government intervention to ensure supply stability to critical industry and services over the short term.

Reduced fuel excise or taxes

61%

Discounted public transport or free travel

61%

Investment in fuel supply resilience

54%

Increase competition/transparency in fuel pricing

51%

Support for low-income households

44%

Increase incentives for EV and hybrid vehicles

25%

KEY TAKEAWAYS

Demand for Immediate Financial Relief: The most popular measures for easing household pressure were a temporary reduction in fuel excise taxes (**61%**) and the introduction of free or discounted public transport (**61%**).

Focus on Supply Resilience: Beyond direct financial aid, over half of respondents (54%) favoured long-term investments in local fuel refining and diversified imports to protect against future global supply shocks.

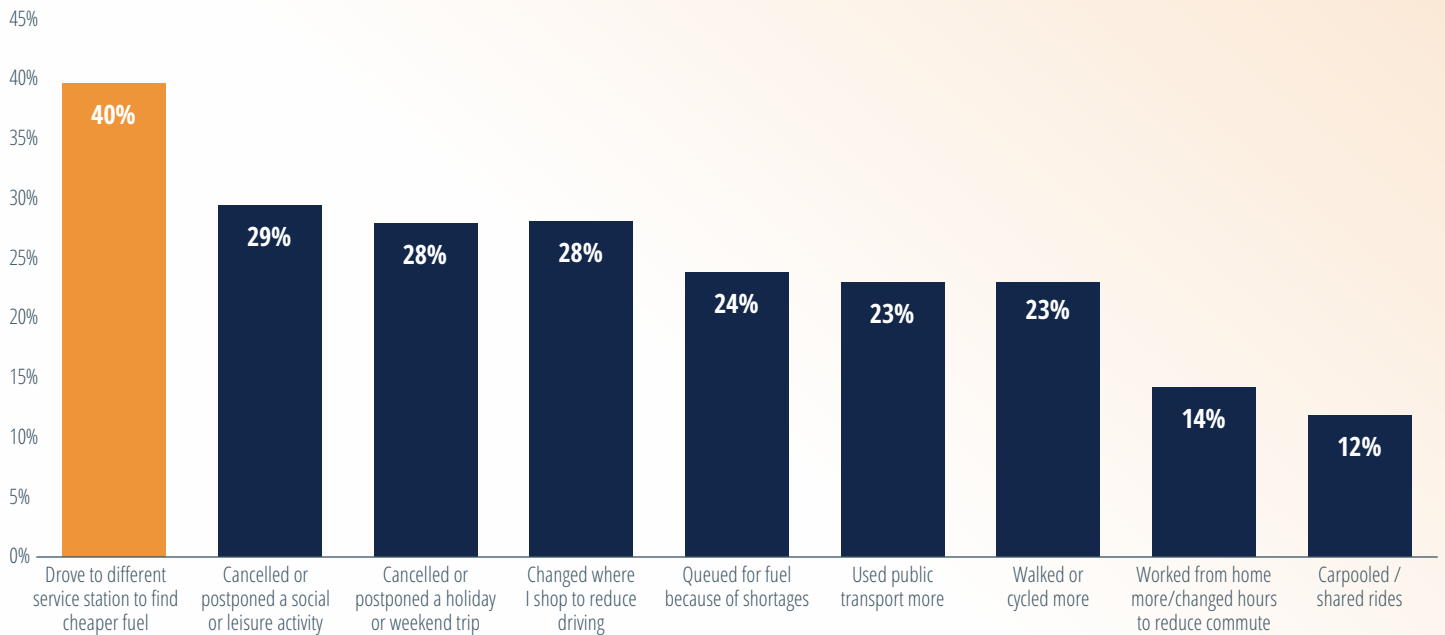
Prioritising Market Transparency: There is support (51%) for policies that improve competition and pricing transparency, alongside a call for targeted rebates (44%) to assist low-income households affected by the crisis.

Secondary Interest in EV Transition: Direct support for the renewable energy transition, such as EV subsidies (25%) or charging infrastructure (23%), remained a lower priority compared to immediate cost-of-living relief and fuel security.

Diverging Transport Priorities: Metro residents strongly favoured public transport interventions (64% v 47% in regional areas), while regional respondents showed significantly higher support for direct fuel cost relief via excise or tax reductions (69% compared to 60% in the city).

0% 10% 20% 30% 40% 50% 60% 70%

What behaviours have you changed over the past month due to fuel prices or fuel availability?



KEY TAKEAWAYS

Active Price Hunting:

The most common behavioural shift was proactive shopping, with **40%** of respondents driving to different service stations to find cheaper fuel.

Curtailing Lifestyle and Travel: Fuel costs were significantly impacting social lives and tourism. Nearly 30% of consumers have cancelled or postponed social activities, while 28% have scrapped holiday or weekend trips over the past month.

Strategic Routine Adjustments:

Consumers were reorganising their daily logistics to minimise mileage, with 28% changing where they shop to reduce driving and 14% working from home or altering work hours to cut down on commuting.



Rise in Alternative Transport: There was a notable shift toward non-vehicular travel, with nearly a quarter of respondents walking or cycling more (23%) or increasing their use of public transport (23%).

Impact of Supply Constraints: Beyond price, supply availability has directly affected behavior, with 24% of respondents reporting they have had to queue for fuel due to shortages.

"I live in a regional area, my husband drives 45mins one way to work. I have to drive my kids 10 mins one way to school. We have no choice but to spend hundreds of dollars a week on fuel."

