



Rabobank

Media Release  
August 26, 2025

## ***‘Steady as she goes’ for WA farmers as sector balances policy and cost concerns with positive seasonal conditions***

### **Results at a glance:**

- *WA farmer confidence remains relatively steady.*
- *Concerns about government intervention and policies lifted significantly, with worry about the threat to live export increasing slightly.*
- *However, rising red meat prices and favourable seasonal conditions were cause for celebration.*

**Western Australian rural confidence is holding steady, as farmers continue to navigate the impacts of government policy and rising input costs on their businesses, balanced by beneficial winter rain.**

**The latest Rabobank Rural Confidence Survey, released today, tracked a marginal increase in net confidence among the state’s farmers, edging up from –8 per cent earlier in the year to now sit at –6 per cent.**

**WA farm sentiment has remained in this narrow range for four consecutive quarters.**

**More WA farmers are hopeful this survey than last, with 29 per cent indicating they expect the performance of the agricultural economy to improve in the coming 12 months (up from 16 per cent previously).**

**However, this was balanced by an increase in those with a more bearish outlook. Around a third (34 per cent) anticipate conditions will deteriorate, up from 23 per cent last survey. Far fewer expect little change to current conditions, at 37 per cent (down from 54 per cent).**

**WA farmers voiced a range of concerns which were weighing on their confidence, with the majority nominating government interventions/policies. This was an increasing area of pessimism and was raised as a concern by 57 per cent of WA farmers surveyed, up from 39 per cent in the previous survey.**

Rabobank’s state manager for WA, Steve Kelly, said the specific threat to live exports continues to weigh on producers’ minds, and remains a concern for nearly a third of WA farmers (32 per cent).

“We’ve seen a jump in concern this survey around government interventions and policies – in particular, there is heightened concern about live export as producers edge closer to the cessation date for sheep live export,” he said.

“There’s also growing anxiety about global politics, with one in five WA producers citing political unrest as a major concern.”

Rising input costs re-emerged as a cause for negativity among the state’s farmers this quarter, nominated by 37 per cent of respondents, up significantly from 18 per cent earlier this year.



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Mr Kelly said the timing of this survey – completed last month\* – coincided with a period of higher fertiliser prices for grain growers, in particular.

“The cost of fertiliser, along with machinery prices, is a consideration for grain growers, particularly in relation to the final value of their grain at harvest. So, global supply and demand factors will be closely watched by WA farmers over coming months,” he said.

There was a lift in optimism around commodity prices, with 45 per cent of WA farmers surveyed expecting rising prices to have a positive impact on the agricultural economy over the year ahead (up from 33 per cent with that view in the previous survey).

Much of this optimism came from the beef and sheep sectors, which have enjoyed favourable market conditions recently, although there remains some caution over wheat pricing as growers look ahead to harvest.

WA sheep producers were most confident about the outlook, with 71 per cent now anticipating conditions will improve – whereas no sheep producers anticipated better conditions in the previous survey.

“The lamb industry has reacted strongly with record-breaking prices which somewhat offset the concerns around the live export industry in the short term. National cattle prices also continue to trend upwards,” Mr Kelly said.

With red meat commodity prices holding and anticipation of a strong harvest, 30 per cent of WA farmers are now hopeful their farm incomes will increase (up from 25 per cent last quarter). Sheep producers were most confident of a strong financial result in the upcoming 12 months (57 per cent).

A good season was the other leading cause for optimism, nominated by 29 per cent of WA farmers (back from 32 per cent last survey).

“The season started slowly but once July came, the rains haven’t stopped. Thanks to a wet July and August, seasonal confidence is back on track across most of WA,” Mr Kelly said.

He said there was some regional variation in confidence, reflecting seasonal conditions on the ground.

“Farmers in the south-west and central/southern wheatbelt were most positive this quarter – regions which have received great rain since July,” he said.

“For WA grain growers, with the last of the fertiliser out, it’s now about waiting for the finishing rain over the next few weeks – the weather in September is now at the top of their minds.

“Seasonal conditions were also somewhat patchy for WA’s northern beef industry, and dry spots in the west could see movement of store cattle out of those regions.”

WA farmers’ appetite for investment edged up this quarter, with 30 per cent of farmers indicating they intend to increase investment in their farm businesses in the coming year (up from 25 per cent last survey), while a further 56 per cent are looking to



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maintain current investment levels (was 64 per cent). Only slightly more farmers intend to decrease investment, at 13 per cent (was 11 per cent).

Investment focus remains mixed across commodities – WA’s grain growers are especially optimistic, with 43 per cent planning to increase investment, compared with just eight per cent of beef producers.

The top priorities for investment continue to be on-farm infrastructure. Fences, yards and silos will be the main area of investment for more than half of WA farmers (56 per cent). The other key areas of spend remained adopting new technologies (for 52 per cent), new plant/machinery (45 per cent) and education (a quarter of respondents).

After displaying a strong appetite for property acquisition over recent quarters, WA farmers are feeling less inclined to expand, with 13 per cent reporting an intention to purchase land in the coming 12 months – down from 21 per cent with that view last survey, and now more in line with the national average of 14 per cent.

“There is still plenty of interest and strong prices for rural land in WA,” Mr Kelly said. “This is supported by cautious optimism that September will be kind, and interest rates will continue to ease over the next six months.”

A comprehensive monitor of outlook and sentiment in Australian rural industries, the Rabobank Rural Confidence Survey questions an average of 700 primary producers across a wide range of commodities and geographical areas throughout Australia on a quarterly basis. The most robust study of its type in Australia, the Rabobank Rural Confidence Survey has been conducted since 2000 by an independent research organisation. The next results are scheduled for release in October 2025.

<ends>

**\* Q2 2025 survey completed later due to delayed fieldwork. Survey will return to regular timing over the course of the year.**

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To arrange an interview with Steve Kelly, Rabobank regional manager Western Australia, or for more information on Rabobank’s Rural Confidence Survey, please contact:

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