QUEENSLAND
resources
COUNCIL

State of THE SECTOR

MARCH 2026

Resources performance holds, **but pressure on conditions intensifies**

Queensland's resources sector has entered 2026 navigating a significantly more volatile global environment. The results from the latest CEO Sentiment Survey highlight the geopolitical conflict in the Middle East disrupted energy markets and increased global costs, while flooding across Queensland impacted production at several operations. At the same time, **uncertainty around domestic policy settings has remained elevated, particularly in relation to gas market reforms, taxation and upcoming federal and state budgets.**

Despite these disruptions, the sector has continued to perform. **Early data indicates that coal exports and port throughput have increased year-on-year, and commodity prices have strengthened.** This reflects the underlying resilience of Queensland's existing operations, which continue to deliver strong output even in challenging conditions.

However, the sentiment of Queensland CEOs tells a different story about business conditions. **While production and export performance have held up, confidence remains constrained**, with companies continuing to face sustained pressure from external volatility, rising costs and ongoing policy uncertainty.

This growing divergence between strong performance and strained operating conditions is the defining feature of this report.

Chart 1: CEO confidence for organisational and industry growth over the next 12 months compared to the last 12 months

At a glance

The top issues affecting confidence include:

1. **Global macroeconomic conditions are now the top concern**

2. **Cost pressures remain elevated and structural**

3. **Regulation continues to weigh on confidence**

4. **Production and exports remain resilient despite disruption**

Nearly half of Queensland resources CEOs (48%) reported being less confident in the growth prospects of their industry compared with the previous 12 months, with almost one in five (19%) much less confident.

> **“Demand is there, but getting product to market is becoming more complex.**
>
> QRC member CEO, March 2026

Key insights

A shift in what is driving pressure

In March 2026, the global macroeconomic environment has emerged as the single most significant pressure on CEOs, overtaking domestic factors. This reflects the direct impact of global shocks over the quarter — including conflict-driven energy disruption, price volatility and broader uncertainty across international markets.

This does not suggest that policy pressures have diminished. Rather, it highlights that **external conditions are now setting the overall operating environment**, with domestic policy continuing to influence how those pressures are experienced at the project level.

Cost pressures remain entrenched

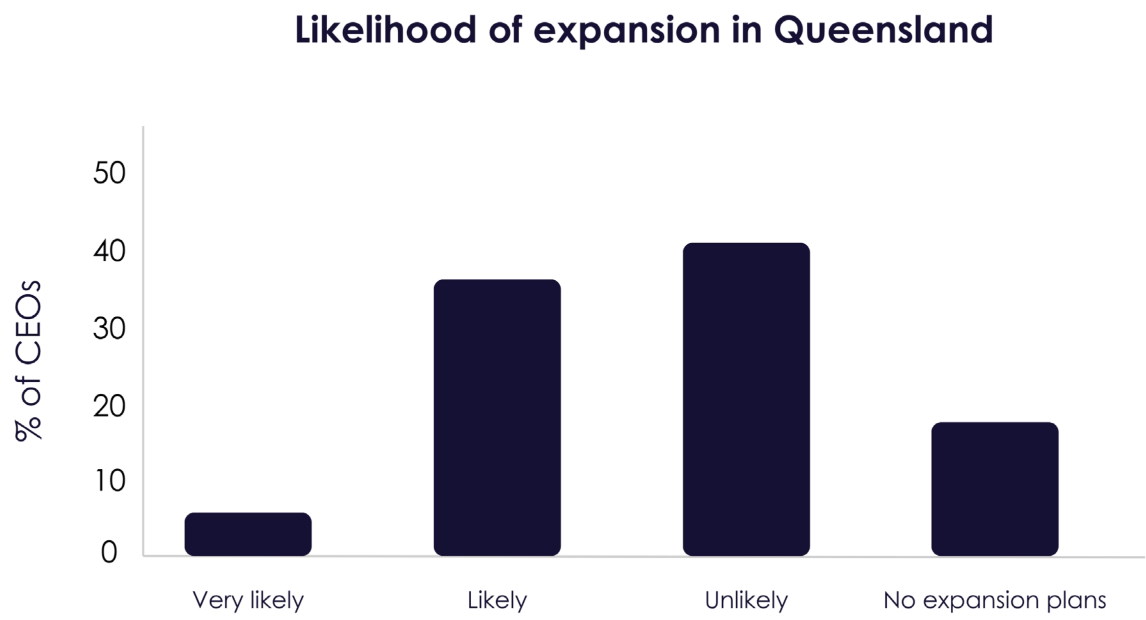
Input costs remain one of the most consistent and significant challenges facing the sector. In earlier State of the Sector reports, rising costs were closely linked to inflationary pressures and weaker market conditions. In March 2026, however, costs remain elevated despite stronger commodity prices and improved export performance.

This points to a more structural issue. **Energy prices, labour constraints and supply chain costs continue to weigh on margins**, limiting the extent to which improved prices translate into improved business conditions.

As a result, even as market indicators strengthen, many companies continue to face **tight operating conditions and restricted flexibility in investment decisions.**

> “**Cost pressure is coming from every direction, and it’s compounding.** Diesel remains the most acute concern, but **labour, contractors, consumables and specialist services** are all rising at the same time.
>
> QRC member CEO, March 2026

Chart 2: CEO confidence for organisational and industry growth over the next 12 months compared to the last 12 months



Regulation remains a constant constraint

In the latest reporting period, **regulation remains firmly within the top tier of concerns**, although it now sits behind global conditions and cost pressures. This indicates that there has been no material improvement in the regulatory environment. Rather, its relative importance has shifted as external pressures have intensified.

Ongoing policy developments - including gas market reforms and taxation discussions - continue to **contribute to uncertainty, reinforcing the role of regulation as a persistent, underlying constraint on confidence.**

More than 60% of CEOs (62%) say they are unlikely to expand or have no plans to pursue expansion opportunities in Queensland over the next 12 months, pointing to a more cautious outlook for future growth.

CEO Sentiment

Every year the Queensland Resources Council (QRC) prepares its CEO Sentiment Index by surveying its full member CEOs at regular intervals. The survey typically receives between 20 and 35 responses from members of the coal, gas, metals and minerals sectors in Queensland.

The survey asks CEOs to rate the extent to which they expect 11 factors to impact their organisation's objectives over the next 12 months. The QRC weights responses to produce a single sentiment value for each sentiment factor.

The weighting means the factors generating the most significant concern receive the lowest scores and are lower on the negative axis. The March 2026 survey confirms that CEO concern remains concentrated in three areas:

Global macroeconomic environment

Input costs

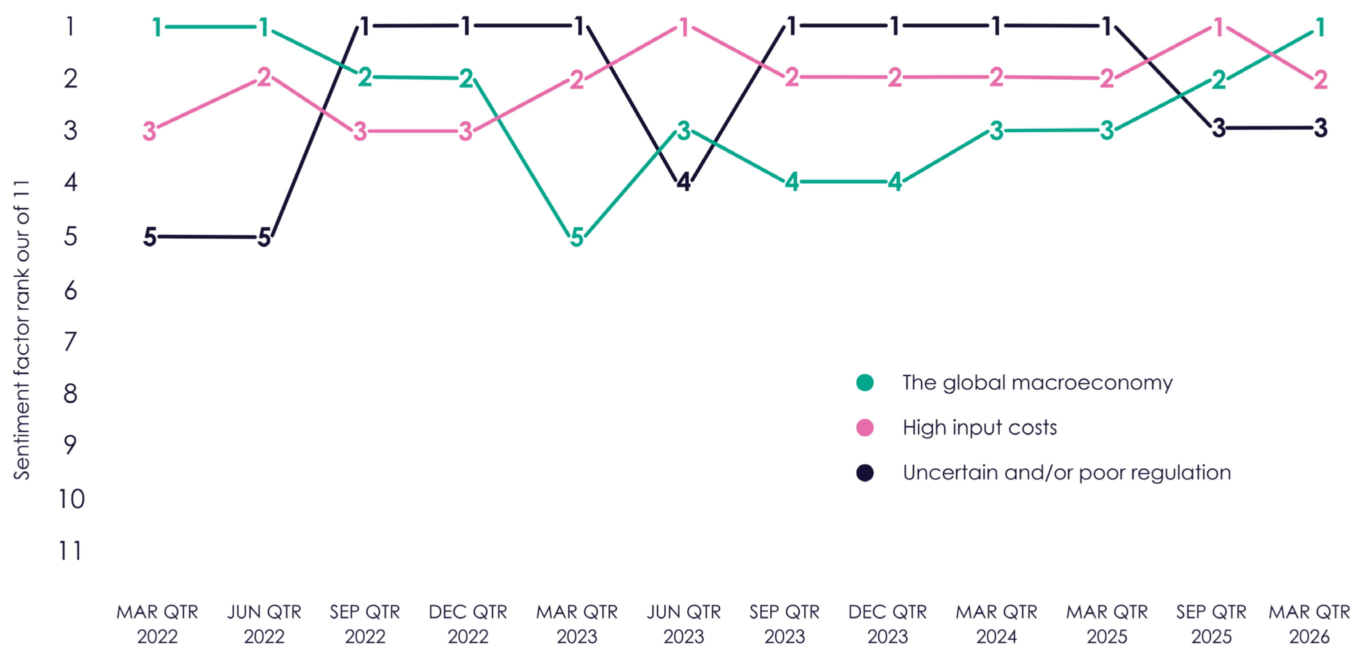
Uncertain and/or poor regulation

In earlier surveys, sentiment was spread across a broader range of issues, including workforce availability, infrastructure and market access.

This indicates that CEOs are increasingly focused on a smaller number of system-level pressures - those that are harder to manage at an operational level and more influenced by external or policy settings.

> **Geopolitical fragmentation, changing trade rules and higher regulatory intervention are all increasing risk and variability.**
>
> QRC member CEO, March 2026

QRC CEO Sentiment Index - Key Issues (Trend)



Access past State of the Sector reports:

(07) 3295 9560
info@qrc.org.au **linkedin**.com/queenslandresourcescouncil
www.qrc.org.au **facebook**.com/queenslandresourcescouncil

Images courtesy of Hastings Deering, Evolution Mining, Whitehaven Coal and Powerlink

QUEENSLAND
resources
COUNCIL