1 Nutrition

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1 NUTRITION IN AUSTRALIA

30%
of agricultural produce is consumed domestically. 70% is exported

2/3
adults are overweight or obese

$16 billion
annual economic cost of unhealthy diets

3.4 million
households experienced food insecurity in 2024

>50%
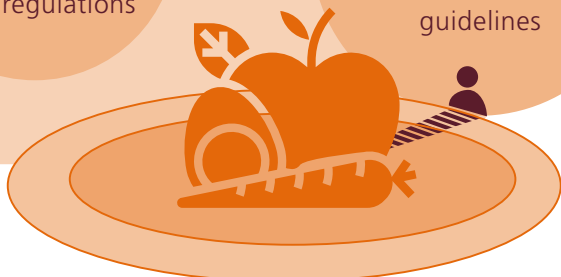of packaged foods are ultra-processed

80%
of nutrient content claims fail to comply with regulations

<5%
of Australians consume fruit and vegetables consistent with dietary guidelines

2 CHALLENGES

- **Poor diets**
- **Agriculture oriented to bulk commodity exports**
- **Unhealthy food environments**
- **Socio-economic disparities**
- **Insufficient data**

3 OPPORTUNITIES

- **Public sector leadership**
- **Alignment of agricultural priorities** with health goals
- **Reshaping food environments** to support healthy diets

KEY POINTS

○ Australia experiences high rates of diet-related diseases due to poor-quality diets.

○ A reporting focus on agricultural production and exports has distracted from the nutritional value of food, and risks accessibility and affordability issues being overlooked.

○ Better recognition of the influence of food environments on dietary choices is needed to enable improvements in nutrition and health.

Australia experiences diseases due to poor-quality diets despite a relative abundance of safe, high-quality food.

1.1 Nutrition in Australia

Australia has an industrialised food system characterised by a relative abundance of safe, high-quality food, which is provided to over 27 million consumers every day. However, Australia's food system is also associated with obesity and epidemic rates of diet-related non-communicable diseases. Around two-thirds of Australian adults and almost one-third of children and adolescents were overweight or suffered from obesity in 2022, up from 56% and 20% in 1995, respectively (AIHW, 2024). Obesity rates in Australia are among the highest rates of Organisation for Economic Co-operation and Development (OECD) countries (OECD, 2023). The Foodbank (2024) Hunger Report suggests that almost one-third of Australian households (an estimated 3.4 million households) experienced moderate or severe food insecurity in the previous 12 months.

Diet quality for the average Australian is poor, characterised by low consumption of fruit and vegetables and excess consumption of discretionary foods that are energy-dense and nutrient-poor (Figure 3). Less than 5% of Australians consume amounts of fruit and vegetables consistent with dietary guidelines. Discretionary food accounts for around one-third of dietary energy intake among adults and around 58% of household food expenditure (AIHW, 2018; Lee et al., 2020). Displacement of healthy foods with discretionary foods means that many Australians suffer from micronutrient deficiencies despite the relative abundance of food. For example, around 70% of adult women aged 19–30 years consume inadequate calcium and 40% consume inadequate dietary iron to meet physiological needs (AIHW, 2018). Thirty-one per cent of First Nations people in remote communities are estimated to be food insecure (Commonwealth of Australia, 2023).
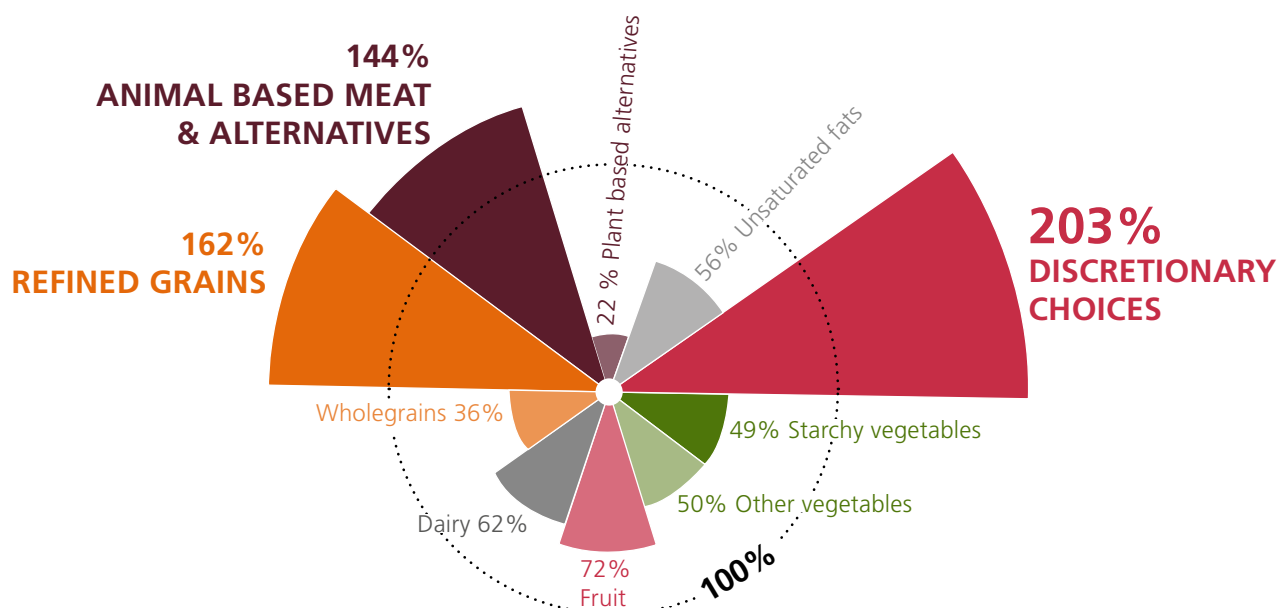
THE AVERAGE AUSTRALIAN DIET

Figure 3: Comparison of the average Australian diet (adults 19–50 years) with the 2013 Australian Dietary Guidelines. The average Australian diet is expressed as a percentage of the benchmark recommendations. The red dashed line represents 100% of the recommendations in the Australian Dietary Guidelines. Source: Hendrie et al. (2022)

Unhealthy diets are now the third leading cause of disease in Australia, after overweight/obesity and tobacco use, and cost the economy more than $16 billion each year when considered with other diet-related health risks (AIHW, 2022). Dietary risks are also contributing to growing health inequities, where the disease burden from poor diet among the most socio-economically disadvantaged communities is twice as high as the least disadvantaged group (AIHW, 2021).

1.2 Issues and challenges

Unhealthy food environments are a major driver of the poor health and nutritional status of Australians. Food environments include all the factors affecting decisions to acquire, prepare and consume food, including how food is marketed, access to shops and afford-

ability (see Insight 2, Retail environment). Australia is performing well in several areas of food environment policy relative to international best practice. These include some aspects of labelling such as regulation of ingredient lists, nutrition information panels and health claims, and the exclusion of fresh fruits and vegetables from goods and services tax (Sacks and Mann, 2023). National strategies for preventative health and addressing obesity have been developed (Commonwealth of Australia, 2021, 2022), and the Australian Dietary Guidelines and supporting scientific evidence are under review.

However, there are several aspects of food environments where Australia falls short of global benchmarks. These include restrictions on the promotion of unhealthy foods, taxes or levies on unhealthy foods, healthy food provision in public sector workplaces, support for health promotion agencies, and dedicated

efforts for addressing obesity and nutrition. In addition, there is room for improvement in some aspects of labelling. Over 80% of nutrition content claims do not fully comply with regulations and only 36% of packaged food and drinks display the health star rating (Sacks and Mann, 2023).

While the impact of food environments on dietary choices has long been recognised in health policy, it is much less recognised in other areas of food policy such as agriculture and manufacturing. This creates an opportunity for stronger and more coherent policies to pursue health outcomes. An over-reliance on markets to meet nutrition goals means that public health epidemics in diet-related non-communicable diseases are interpreted as an acceptable consequence of personal choice, foregoing the benefits of collective action to improve nutrition and alleviate public health costs. Australia has already regulated tobacco to improve

Diet-related health epidemics are being interpreted as an acceptable consequence of personal choice, foregoing the benefits of collective actions that could improve nutrition and health.

public health (Swinburn et al., 2019; Wilkinson et al., 2019). Health and community groups in Australia have called for a tax on sugar-sweetened beverages, but this has been strongly opposed by the Australian beverage industry (Cancer Council, 2024).

The result is a food system where unhealthy foods are readily available, convenient and aggressively marketed to consumers. They are often manufactured explicitly to be highly palatable, encouraging overconsumption using low-cost ingredients including sugar, fat and salt (Monteiro et al., 2019). Such foods now account for more than half of all packaged foods on supermarket shelves (Crino et al., 2018). Fast food outlets are heavily concentrated in areas of socio-economic disadvantage and around schools, driving poor dietary patterns among these groups (Thorton et al., 2016).

Australia is perceived to be food secure due to an exportable surplus of bulk agricultural commodities (ABARES, 2020). More than 70% of Australia's agricultural production is exported. The other 30% feeds a population of 27 million (ABS, 2024), so Australia is estimated to be able to feed another 63 million people, or around 100 million people in total. This metric is misleading as an indicator of food security because it assumes that commodities are food. By assuming a diet based on grains and beef, which dominate exports (Figure 4), dietary requirements for fresh fruit and vegetables, or the potential of alternative sources of proteins such as dairy products, pulses and eggs, are downplayed. The metric also ignores the impact of food environments on dietary choices and issues relating to the accessibility and affordability of food for vulnerable people throughout Australian society (see Insight 2, Retail environment).
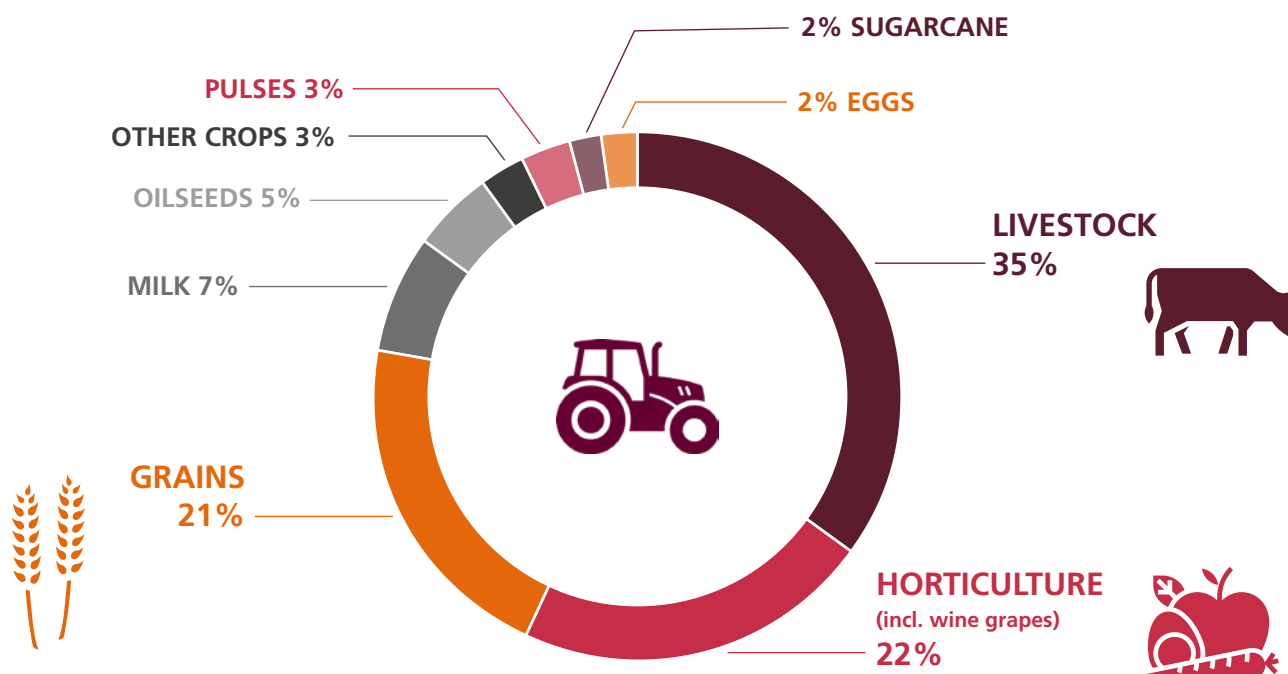
SHARE OF AGRICULTURAL PRODUCTION

Figure 4: The share of agricultural commodities in the gross value of agricultural production; average for the 3 years 2019–20 to 2021–22. Source: ABARES (2024)

Better recognition of food environments and their impact on dietary choices is needed to improve nutrition, health and food security

Reporting on nutrition is a necessary step to defining and monitoring progress towards nutrition and health goals. To date, reporting on nutrition has focused on the downstream outcomes of food systems, especially obesity and diet-related disease. Data on food consumption are rarely available on a consistent national scale, making it difficult to understand changes in diets. Food environments have not been consistently reported on in terms of the availability, affordability and marketing of healthy and unhealthy foods, making it difficult to track the outcomes of industry and government policies that influence diets (see Insight 2, Retail environment). This lack of data on the drivers of poor nutrition inhibits the design and implementation of policies to improve nutrition.

In lieu of regular and nationally representative data, Australia's Food Environment Dashboard has been created and supported by public-interest organisations and researchers to monitor and benchmark the upstream drivers of overweight and obesity (Deakin University, 2025). This platform is strengthening accountability of public and private sector actors but lacks sustained long-term resourcing. The voluntary nature of corporate reporting and the

political influence of food companies are seen as factors that limit accountability in food systems (Mialon et al., 2016).

Reporting on key factors in food environments that influence diets will help define and monitor progress towards nutrition and health goals.

1.3 Opportunities to improve nutrition

Decades of health research in Australia have shown that educating consumers on healthy diets can be beneficial, but it is not sufficient to reduce rates of obesity and diet-related disease. What is needed is the creation, via public sector leadership, of enabling environments that support and empower people to eat healthy foods by making them more convenient, accessible, desirable and affordable – and, in turn, making unhealthy foods less so. The leadership required is similar to the public leadership taken to reduce the consumption of tobacco. Australia's National Obesity Strategy also encourages the creation of supportive environments that empower consumers to make healthier choices (Commonwealth of

Australia, 2022). Taking a whole-of-food-system approach, key opportunities lie within food environments, as well as in changes to broader agricultural systems that underpin the supply and affordability of foods. These opportunities are discussed in more detail below.

Reshaping food environments

Key opportunities to reshape food environments to support better health and nutrition include:

O stronger restrictions on marketing of unhealthy food and beverages to children

O mandatory reformulation of certain food products to reduce sodium, saturated fat and sugar

O making the health star rating system mandatory rather than voluntary

O implementing levies on unhealthy foods, including sugar-sweetened beverages (Sacks and Mann, 2023).

Public sector leadership is needed to make healthy foods more convenient, accessible, desirable and affordable.

Aligning agriculture and health

From a nutrition perspective, Australia produces food ingredients such as grains, meat, sugar and oilseeds far in excess of what is needed for the Australian population (Ridoutt et al., 2017). As indicated earlier, much of this is exported and used by other countries to produce highly processed food products, some of which are then re-imported to Australia.

At the same time, agricultural production in Australia is currently insufficient to provide the Australian population with food ingredients in amounts consistent with dietary guidelines. In particular, domestic production of vegetables is insufficient for all Australians to consume recommended quantities, and the gap between production and recommended intakes is not being filled by food imports (Mason-D'Croz et al., 2019; Ridoutt et al., 2017). This is reinforced by a levy system that biases agricultural research and development towards commodities for export, without consideration of the nutritional needs of consumers in those markets.

This is an example of a lack of coherence across sectoral policy objectives (see Insight 5, Policy coherence). An overarching vision that articulates the multiple goals of food systems is essential if structural contradictions such as this are to be identified and managed to optimise synergies and minimise trade-offs in food systems to support health, equity, sustainability and economic priorities.