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Report Highlights:

Australia is a prosperous, industrialized nation with a stable economy that fosters an open and transparent trade and investment environment. This strong economic foundation supports its growing trade and economic ties, especially with emerging Asian economies. The U.S.-Australia Free Trade Agreement further benefits American products, which Australian consumers view as both high-quality and good value. The United States accounted for US\$1.5 billion or 8 percent of Australia's total food and agriculture-related imports in 2024.

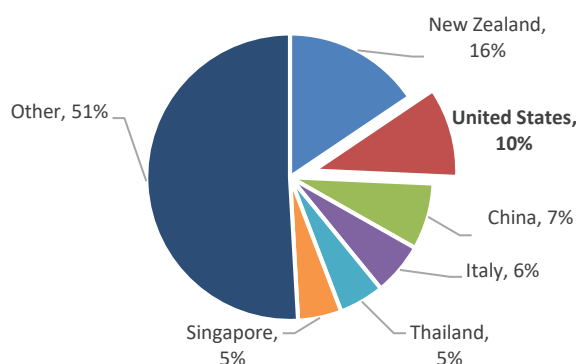
Market Fact Sheet: Australia

Executive Summary

Australia possesses a substantial economy, ranking 14th globally, and enjoys a high level of prosperity, evidenced by its high per capita GDP and second-highest median wealth per adult worldwide (UBS 2024). The U.S.-Australia Free Trade Agreement further benefits U.S. exporters by eliminating tariffs on many food products.

Consumer-Oriented Agricultural Imports

In 2024, Australia imported \$13.6 billion worth of consumer-oriented products with the United States' market share at 10 percent of the total imports (\$1.4 billion). Most of Australia's imports in this sector are sourced from New Zealand with 16 percent of the market share.



Source: Australian Bureau of Statistics

Food Retail Industry

Australia is currently grappling with a cost-of-living crisis fueled by rising inflation, which is changing how people shop. Consumers are increasingly prioritizing sustainability, waste reduction, food quality, and healthy eating when making purchasing decisions. In 2024, Australia imported US\$15.3 billion worth of consumer-oriented foods (including snacks, breakfast items, meat, dairy, produce, and beverages), fish, and seafood. The United States is the second-largest supplier in these categories, accounting for US\$1.4 billion (9 percent) of Australia's total food imports, while New Zealand leads as the primary source. For more information, please see the [Retail Foods](#) report.

Food Processing Industry

Australia's food processing industry is the largest manufacturing sector in the country. In 2022-2023, the sector grew 11 percent. The food manufacturing turnover was US\$ 107 billion. The sector's revenue is mainly generated by large companies. For more information, please see the [Food Processing Ingredients Sector](#) report.

Food Service Industry

High inflation and living costs have constrained Australia's consumer foodservice industry in 2023-24. Consumers, facing rising prices, cut discretionary spending, reducing demand for full-service restaurants and favoring cheaper, limited-service options like fast food. This shift has slowed the sector's growth after its post-pandemic recovery. For more information, please see the [Food Service Report](#).

Quick Facts CY 2024

Total Imports of Consumer Oriented Products - \$13.6 billion

Australia's Top Consumer-Oriented Growth Products

- | | |
|-------------------------------|----------------------------|
| 1) Bakery Goods | 6) Pork & Pork Products |
| 2) Food Preparations | 7) Condiments & Sauces |
| 3) Processed Vegetables | 8) Non-alcoholic beverages |
| 4) Chocolate & Cocoa Products | 9) Dog & Cat Food |
| 5) Processed Fruit | 10) Coffee |

Food Industry by Channels (\$ billion)

Retail Food Industry	\$141.1
Food Service – HRI	\$40.9
Food Processing (2022-2023 latest available data)	\$107
Food and Agriculture Exports	\$47.7

Top Australian Food Retailers

- | | |
|-----------------------|------------------------------------|
| 1) Woolworths | 4) Metcash/IGA |
| 2) Coles (Wesfarmers) | 5) Costco |
| 3) Aldi | 6) Australian United Retailers Ltd |

GDP/Population

Population (millions): 27.2 (June 2024)

GDP (billions USD): \$1.73

GDP per capita (USD): \$64,820

Strengths/Weaknesses/Opportunities/Threats

Strengths	Weaknesses
<ul style="list-style-type: none"> U.S. products have excellent image and acceptance. Northern hemisphere seasonal advantage for fresh foods, e.g. fruit and vegetables. 	<ul style="list-style-type: none"> Australia has strict quarantine requirements for fresh products. Import permits are required for fresh produce and some products are prohibited. Australian labeling and advertising laws are different from the United States, which may require some changes to food labels.
Opportunities	Threats
<ul style="list-style-type: none"> The U.S./Australia Free Trade Agreement enables many U.S. products to enter Australia tariff free. Australian consumers are experimental and desire new and innovative products. 	<ul style="list-style-type: none"> Most categories have substantial market leaders. Country of origin labeling is compulsory, and many Australian-made products bear the "Australian Made" logo.

Data Sources: Trade Data Monitor, Australian Bureau of Statistics, Euromonitor, IBISWorld, Trading Economics

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Section I. Market Overview

Americans and Australians enjoy a remarkably warm and enduring relationship, forged through a common heritage, culture, and language, and cemented by their support for each other in every significant international crisis over the past century.

As a prosperous, politically and economically stable, industrialized nation, Australia offers a robust environment for business. Its strengths include vast natural resources (agriculture and minerals), a highly skilled workforce, advanced legal and financial systems, and comprehensive physical and service infrastructure. This is all supported by cutting-edge internal and international transportation and telecommunications, fostering a diversified and thriving market.

Australia's robust economy supports an open and transparent trade and investment environment. This strong economic base also fosters significant trade and economic ties with developing economies, especially those in Asia.

Australia has one of the highest levels of per capita GDP in the world and is ranked second for median wealth per adult, according to UBS's 2024 Global Wealth Report.

The Reserve Bank of Australia's (RBA) baseline forecast for the Australian economy in 2025 indicates that domestic GDP growth is expected to pick up, but at a "less-pronounced pace" than previously expected, due to weaker global demand, global and domestic uncertainty, and weaker momentum in consumption. Overall, GDP growth is expected to continue picking up over 2025 and 2026.

The labor market remains tight, with many employers continuing to face challenges finding workers, though the pressure is easing compared to the peaks of 2022 and 2023. It is forecasted to gradually loosen throughout 2025 due to a slowing economy and potential impacts from global uncertainty. The unemployment rate as of April 2025 was 4.1 percent.

As of June 2025, Australia's population is estimated to be around 27 million people. Australia's population is highly urbanized, with a significant concentration along the eastern and southeastern seaboard. The country continues to experience population growth, with projections suggesting it could exceed 30 million by 2029. The continent's center is flat, dry, mineral-rich, and largely unpopulated, while the coastal areas are wet, mountainous, and densely forested. The interior plains are rich and fertile, supporting great varieties of agriculture.

Australia has an internationally competitive agricultural sector that exports around 70 percent of its output. The Australian manufacturing sector has recently experienced some rebalancing in sectors, products, technologies, and supply chains in response to long-term local and global shifts.

Apart from a stringent quarantine regime, Australia offers few barriers to entry, a familiar legal and corporate framework, and a sophisticated yet straightforward business culture. While it is important to understand and appreciate Australia's cultural differences, the long and successful

history of U.S. firms suggests that other U.S. companies will also find this market rewarding and attractive.

The society is increasingly multi-cultural, with the traditional Anglo-Celtic majority joined by immigrants from Southern and Eastern Europe, the Middle East, Latin America, and Asia. This population mix results in vibrant restaurant and food processing industries.

Advantages	Challenges
U.S. culture well accepted and similar to Australia.	Australia has strict quarantine requirements for fresh products. Import permits are required for fresh produce and some products are prohibited
No language barriers.	Australia is a significant producer of a similar variety of agricultural products.
U.S. products have excellent image and acceptance.	Australian labeling and advertising laws are different from the United States which may require some changes to food labels.
Northern hemisphere seasonal advantage for fresh foods, e.g., fruit and vegetables.	“Buy Australian” campaign is significant.
The U.S./Australia Free Trade Agreement enables most U.S. products to enter Australia tariff free.	A focus on purchasing fresh local food by many restaurants and cafés provides advantages to local producers and suppliers.
Australian consumers constantly seeking new tastes and cuisines	
Strong dining out culture provides opportunities to supply the consumer foodservice sector with new products.	

Section II. Exporter Business Tips

Educated and affluent Australian consumers are willing to try new products. With a population from a wide range of countries, there is a wide range of dietary tastes and preferences. In addition, foreign travel is relatively common, and these consumers have broadened their culinary horizons. Australian demographics are like the United States, with a large number of two-income families and the consequent need for more processed and consumer-ready foods. Australian consumers are oriented toward the same factors that many U.S. consumers seek – freshness, wholesomeness, and healthy lifestyles. To a large extent, Australian consumers are prepared to pay extra for quality.

Given Australia's large agricultural base, market prospects for U.S. food products are best in areas drawing on innovative products, economies of scale, and the U.S. position as a counter-seasonal supplier of fresh products. The United States faces competition from New Zealand, European, and Canadian suppliers, and specialty suppliers in Asian countries. Domestic production is also well established and growing in product lines. Foreign investment in the Australian food sector is substantial, with many large multinational companies participating.

Generally, doing business in Australia is more straightforward for U.S. exporters than in other foreign markets. Culture, language, and business practices are remarkably similar. Subtle cultural differences do exist, however, that can either invigorate or undermine a business relationship. In their dealings, Americans and Australians are wise to take the time and effort to confirm that their perceptions about roles and expectations are consistent with those of their counterparts. Depending on the product or service, Australian agents/distributors expect support from their U.S. suppliers, including training, advertising, and promotion. Timely delivery of goods is expected and is rarely a problem, as major U.S. freight forwarders have offices in Australia. Air and sea freight are highly reliable.

The Australian market requires that companies be price competitive, expect lower profit margins, and anticipate sales of smaller quantities. In addition to Australian domestic supply, products from all over the world are represented in this market, where sellers and end-users search for something new. It is important for U.S. companies to adapt their pricing to the local market, which is active and highly competitive. To structure prices competitively, suppliers must consider all the cost elements imported products must bear. The key factors are freight rates, handling charges, Goods and Services Tax (GST), marketing costs, such as advertising and trade promotion, and agent or distributor commissions. U.S. exporters should note that sea freight rates from the United States to Australia are higher than those from Asia and Europe.

The cost of living is generally higher in Australia, coupled with higher wages. Australian wholesalers and retailers traditionally have sought the highest markup the market would absorb rather than thinking of volume buying or selling. Suppliers must be able to deliver quality products or services at attractive prices. To compete successfully, exporters should consider granting maximum wholesale discounts, considering what may seem a small transaction to the U.S. exporter appears as a major order to an Australian buyer.

Agents/distributors are key components in developing exports of U.S. consumer-ready foods to Australia. FAS Canberra recommends that exporters enter the market through a distributor, importer, agent, or broker who understands the Australian market and targets specific food categories or merchandise managers at major wholesalers and supermarket chains. U.S. exporters may also approach specialist distributors or wholesalers.

Section III: Import Food Standards and Regulations/Import Procedures

Australia has strict food standards and labeling requirements, set out in the [Australia New Zealand Food Standards Code](#). If U.S. products meet these standards, they may have good market potential in Australia.

The [Food and Agriculture Import Regulations and Standards](#) (FAIRS) Country Report for Australia contains detailed information on Australia's food standards, labeling requirements, import regulations, etc.

Exporters should also work closely with their importers/distributors to meet all requirements before any product is shipped.

Australia also has stringent sanitary and phytosanitary standards, which impede the import of many fresh food products. The Australian Department of Agriculture, Fisheries and Forestry (DAFF) maintains an online database, [BICON](#), which includes import conditions for all agricultural products coming into Australia. U.S. exporters should utilize this database to ensure they can meet all the relevant quarantine conditions.

Food safety and plant and animal health import regulations are available on the DAFF site at: <https://www.agriculture.gov.au/biosecurity-trade/import> or through links in the FAIRS report mentioned above.

Section IV. Market Sector Structure & Trends

Retail Food Sector

Australia is experiencing a cost-of-living crisis due to rising inflation. Consumer behavior and societal trends are driving shifts in shopping habits. Meanwhile, sustainability, waste reduction, food integrity, and healthy eating are key factors influencing product choices. The value of Australian consumer-oriented (i.e., snack foods, breakfast cereals, meat and poultry, dairy, eggs and products, fresh fruit and vegetables, processed fruit and vegetables, fruit and vegetable juices, nuts, wine, beer, nursery products, pet food, etc.), fish, and seafood imports totaled US\$13.9 billion in 2023. The United States accounted for US\$1.3 billion or 10 percent of Australia's total food related imports. Most of Australia's imports in these sectors are from New Zealand, and the United States is the second largest supplier. For more information, please see the latest [Retail Food Sector](#) report.

Food Processing Ingredients Sector

Australia's manufacturing sector is dominated by food, beverage, and grocery production, which represents one-third of all activity. The Australian Food and Grocery Council reports that the industry secured a 11 percent growth in turnover, reaching US\$107 billion in 2022-23. Australia's total food processing ingredients imports for 2024 totaled \$13.6 billion, with the United States accounting for US\$1.4 billion. For more information, please see the latest [Food Processing Ingredients Sector](#) report.

Food Service Sector

The Australian consumer foodservice industry is valued at A\$59 (US\$39) billion. The rising inflation and the overall cost of living have hindered its growth in 2023 and 2024. For more information, please see the latest [Food Service - Hotel Restaurant and Institutional Industry](#) report.

Market Trends

Health and Wellness: Australians are more health-conscious than ever, leading to a growing demand for functional foods that offer specific health benefits, such as those supporting gut health or immunity. The popularity of plant-based and flexitarian diets continues to rise, with consumers actively seeking out meat and dairy alternatives. Additionally, there's a strong

preference for "clean label" products with reduced sugar and natural ingredients, alongside a growing market for non-alcoholic beverage alternatives.

Evolving Consumer Preferences & Dining Experiences: Australian consumers are becoming more discerning, balancing a desire for convenience with a demand for quality, especially in ready-to-eat meals and quick-service options. Price sensitivity remains a factor, driving interest in private label brands and value offerings.

Sustainability and Ethical Consumption: Australian consumers are increasingly prioritizing environmental and social responsibility in their food choices, leading to a surge in demand for sustainably produced and ethically traded products. This also drives a strong focus on reducing food waste across the supply chain, from farm to consumer, and a push for more sustainable packaging solutions that minimize environmental impact.

Technological Integration: The Australian food industry is embracing technology to enhance efficiency, safety, and consumer experience. This includes the use of AI and automation for precision agriculture, optimizing supply chains, and streamlining foodservice operations. Blockchain technology is also gaining traction for increased transparency and traceability, while advanced food preservation techniques are extending shelf life and reducing waste.

Section V. Agricultural and Food Imports

Key U.S. Agricultural Products to Australia (\$M USD)

Product Category	2020	2021	2022	2023	2024	% Change 2022-2023
Pork and Pork Products	174.7	162.0	118.1	233.6	327.8	+33
Dairy Products	174.7	162.0	216.3	182.8	173.9	-3
Distilled Spirits	127.8	113.8	156.8	151.9	130.6	-6
Dog and Cat Food	84.4	93.4	127.7	89.5	106.4	+19
Confectionery	11.1	19.4	18.0	19.7	24.7	+25
Food Preparations	105.8	121.2	114.8	94.9	81.0	-15
Fresh Fruit	95.4	88.1	89.4	85.3	88.9	+5
Fresh Vegetables	8.5	10.5	11.1	8.8	9.1	+5
Condiments and Sauces	38.1	43.5	58.9	45.9	30	+34
Tree Nuts	74.6	55.9	52.1	45.6	48.8	+7
Processed Fruit	57.7	59.1	53.0	47.9	54.1	+33
Bakery Goods, Cereals and Pasta	48.3	45.2	51.5	52.8	59.2	+17
Chocolate and Cocoa Products	38.1	40.1	44.7	47.3	46.9	+7
Processed Vegetables	47.5	53.9	45.0	60.1	9.1	+5
Non-Alcoholic Beverages (excluding Juices)	37.4	28.7	36.5	44.9	45.8	+2
Wine & Related Products	7.1	8.1	16.2	9.4	9.9	+9
Beef and Beef Products	0.06	0.77	2.3	4.7	2.2	-51

Source: GATS/FAS

Trade statistics can be obtained at the publicly available USDA/FAS Global Agricultural Trade System ([GATS](#)).

Best High-Value Consumer Oriented Product Prospects

- **Confectionary:** candy, chocolate, biscuits
- **Dairy Products:** cheese, whey, ice cream
- **Distilled Spirits:** whisky, vodka, gin
- **Processed Products:** snack foods, bread, pastry, mixes, and doughs

Australia's Top Ten Imported Consumer-Oriented Agricultural Products

Product	2024 Value (\$M USD)	Top Country
Bakery Goods, Cereals, and Pasta	1,617	Thailand
Soup & Other Food Preparations	1,616	Singapore
Dairy Products	1,525	New Zealand
Processed Vegetables	1,053	Italy
Chocolate & Cocoa Products	1,003	Malaysia
Processed Fruit	687	China
Pork & Pork Products	680	United States
Distilled Spirits	642	United Kingdom
Wine & Related Products	632	France
Condiments & Sauces	557	Thailand

Australia's Fastest Growing Imported Consumer-Oriented Agricultural Products

The fastest-growing imported consumer-oriented agricultural products based on value (US\$M) from 2020-2024 are:

- Non-alcoholic beverages (+35%)
- Chocolate & cocoa (+33%)
- Fruit & vegetable juices (+32%)
- Dog & Cat Food (+31%)
- Processed Vegetables (+31%)
- Bakery Goods, Cereals and Pasta (+25%)

Section VI. Key Contacts & Other Information

Office of Agricultural Affairs
U.S. Embassy
Canberra, Australia

Tel: +61-2-6214-5854
Email: AgCanberra@fas.usda.gov

Food Standards Australia New Zealand

Email: info@foodstandards.gov.au
Web: <http://www.foodstandards.gov.au/>

Food & Beverage Importers Association

Email: info@fbia.org.au
Web: <http://www.fbia.org.au>

Attachments:

No Attachments