

Food and grocery manufacturing remains Australia's largest industry

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Australia's food and grocery manufacturing sector continues to grow, reinforcing its position as the nation's largest manufacturing industry and a cornerstone of regional employment and economic resilience.

According to the Australian Food and Grocery Council's (AFGC) State of the Industry 2023-24 report, based on ABS data, the sector recorded a 5.3 per cent increase in turnover to \$173 billion and a 4.4 per cent rise in employment, now supporting nearly 300,000 jobs, over a third of which are in regional Australia. Exports also rose by 5.2 per cent, highlighting the sector's growing global reach.

Colm Maguire, AFGC CEO said, "This is a sector with enormous potential. With the right policy settings and strategic support, food and grocery manufacturing will continue to boost Australia's economy – driving regional jobs, underpinning Australia as a proud manufacturing nation, and securing our food and grocery supply in an increasingly complex global environment."

While the sector's growth is impressive, the report also highlights areas for improvement, including a decline in capital investment and ongoing cost pressures. The AFGC is advocating for targeted collaboration with the government to support further growth and innovation.

Key Highlights from the Report:

Turnover rose 5.3 per cent to \$173 billion, maintaining the sector's leadership in Australian manufacturing

Employment grew 4.4 per cent to 294,212, with 36 per cent of jobs located in regional communities

Exports increased 5.2 per cent, while imports fell 3.3 per cent, strengthening Australia's trade balance

The United States overtook China as Australia's top export market

Investment declined 11 per cent to \$3.8 billion, signalling an opportunity for renewed focus on capital growth

As the Albanese Government advances its "Future Made in Australia" vision, food and grocery manufacturing stands ready to play a central role. The AFGC has outlined seven key pillars to boost productivity across the industry, including cutting red tape, building resilient supply chains, and ensuring affordable, reliable energy.