FoodSwitch: **State of the Food Supply**

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The George Institute for Global Health
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FOOD SWITCH

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Acknowledgement of Country

The George Institute for Global Health acknowledges the Gadigal People of the Eora Nation as the Traditional Custodians of the land on which our Australian office is built and this submission is written. We pay our respect to Elders past, present and emerging.

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PURPOSE

The goal of this "FoodSwitch - State of the Food Supply" report is to support Government, business and community efforts to help Australians eat healthier diets. Our annual 'snapshot' of the Australian food supply highlights the changing nutritional composition of Australian foods and beverages. This year's report benchmarks the healthiness of Australian packaged food products in 2019 and explores changes in healthiness over an annual period from 2018-2019.

The report uses four indicators to assess the healthiness of the packaged food supply in Australia: (1) The Health Star Rating (HSR) nutrient profiling system is used to compare overall nutritional quality, (2) the Australian Dietary Guidelines (ADG) classification of 'Core' and 'Discretionary' foods is used to compare proportions of discretionary foods, (3) the NOVA classification of processed foods is used to compare proportions of 'ultra-processed' foods, and (4) nutrient composition is used to analyse annual changes in levels of energy, total sugar, saturated fat and sodium.

This year we have also added a 'Bite' analysis as part of our annual report. This year's Bite explores current progress towards the Healthy Food Partnership's (HFP) targets for sodium and saturated fat, analysing compliance at both the food manufacturer and food company level.

BACKGROUND

Unhealthy diets are a leading contributor to poor health all around the world and in Australia poor diet accounts for approximately 20,000 deaths each year.[1] Key problems with the Australian diet are inadequate consumption of fruit, vegetables, nuts, seeds, whole grains and fibre combined with excess intake of unhealthy processed foods and beverages. Long-term exposure to excessive levels of saturated fat, sugar, and salt are leading causes of disease and the Australian Government has focused on reducing exposure to these unhealthy dietary components, as well as reducing over-consumption of calories from energy-dense foods served in large portion sizes.[1]

The Australian Dietary Guidelines provide sensible advice about how to promote health and well-being by recommending that Australians primarily consume fresh and minimally-processed foods and beverages. Unfortunately, fewer than one in ten Australians consumes a diet in line with recommendations[2], and most get more than half of their food and beverages from processed or pre-prepared sources.[3] Foods and beverages identified as unhealthy comprise about one third (35%) of energy intake for Australian adults, and an even higher proportion for Australian children (39%).[4]

The widespread manufacture, marketing and consumption of unhealthy processed and pre-prepared foods and beverages is a major contributor to why Australians consume excess quantities of energy, saturated fat, sugar and salt. Most of these unhealthy foods are purchased from Australian supermarkets.[4] In 2019, packaged food and beverage sales in Australia grew by 3%,[5] indicating a sustained demand for these products, and a need to monitor their nutritional quality.

The World Health Organization (WHO) recommends limiting the levels of harmful nutrients in products and ensuring that consumers can access and afford healthy food choices.[6] In Australia, the Federal Government is engaging with the food and beverage industry to create a healthier food environment for Australians. Through the Healthy Food Partnership[7] and the prior Food and Health Dialogue, food and beverage manufacturers have been encouraged to voluntarily reformulate their products and to improve the nutritional quality of their product ranges.

In May 2020, the Healthy Food Partnership released its first wave of voluntary reformulation targets for sodium and saturated fat. Sodium targets have been set for 27 food categories, five of which also have targets for saturated fat.[8] These targets are due to be implemented from July 2020 and will be implemented over four years. In 2014, Australia and New Zealand also introduced the Health Star Rating (HSR) front-of-pack nutrition label on a voluntary basis. Its aim is to rate foods from 0.5-5.0 stars based on overall nutritional quality, providing a tool to guide consumers towards healthier choices.

APPROACH

The FoodSwitch Database

This report uses data collected as part of The George Institute's FoodSwitch program. The FoodSwitch program includes a bespoke technology system that enables the systematic, standardised and replicable collection and collation of data describing Australian packaged foods and beverages.[9] Images of food packaging are captured, stored and processed with key data extracted from food labels and secondary measures of healthiness derived.

The FoodSwitch Monitoring Dataset is generated from annual, in-store surveys done at large grocery stores owned by ALDI, Coles, Independent Grocers of Australia (IGA) and Woolworths. The Monitoring Dataset is designed to track annual changes in the Australian packaged food and beverage supply. This report uses the 2019 Monitoring Dataset for the primary analyses and makes comparison to the 2018 Monitoring Dataset to explore recent changes.

Foods and beverages included

All packaged foods and beverages available in-store on the days of survey were imaged and processed using the FoodSwitch Data Collection system. Products with no Nutritional Information Panel were excluded and duplicates of an identical product in different package sizes were removed.

Results are provided for 15 major food categories and selected sub-categories. Excluded categories include alcoholic beverages, baking powders, chewing gum, cough lollies, herbs and spices, plain teas and coffees, vitamins and supplements, yeasts and gelatines since they do not contribute significantly to nutrient intake nor are manufacturers required to display a Nutritional Information Panel for these products.

Manufacturers included

Manufacturers were included based on a retail sales value share of 1% and above and were categorised according to the primary components of their product portfolio.[10] There were 24 packaged food manufacturers that sell 59% of all packaged foods and 10 beverage manufacturers that sell 78% of all soft drinks in Australia. The four grocery retailers that provide diverse 'own brand' products were also included.

Nutritional quality indicators

Four indicators of nutritional quality were assessed:

Health Star Rating – The Australian and New Zealand Health Star Rating (HSR) uses a nutrient profiling algorithm[11] to assign packaged foods and beverages a rating between 0.5 (least healthy) and 5.0 stars (most healthy) in ten half-star increments.[11] If labelled on pack, the reported HSR was used.

If not labelled on pack, then the HSR was calculated from data provided on the Nutrient Information Panel. Products were classified as 'healthy' if the HSR was 3.5 or above based on prior research suggesting that a HSR of 3.5 showed best alignment with New South Wales' 'green' traffic light in previously used school canteen criteria.[12] A HSR of 3.5 is also the point of greatest alignment with eligibility to make a health claim on foods under legislation in Australia and New Zealand.[13]

Australian Dietary Guidelines - The Australian Dietary Guidelines classify foods as either 'Core' (foods from five food groups: fruits, vegetables, grains, dairy and protein that form the basis of healthy diets) or 'Discretionary' (foods that are nutrient-poor and not necessary for a healthy diet).[14,15]

Level of processing - The NOVA classification framework groups foods according to the extent and purpose of processing applied during food and drink manufacturing. The main classifications are 'unprocessed or minimally processed foods', 'processed culinary ingredients', 'processed foods' and 'ultra-processed food and drink products'.[16] There is emerging evidence of an association between greater consumption of foods with higher levels of processing and adverse health outcomes.[17,18,19]

Nutrient composition - There are robust and consistent associations between greater consumption of nutrients such as salt, saturated fat and sugars, and also foods with greater energy density with adverse health outcomes. Government food reformulation programs such as the Healthy Food Partnership are designed to target levels of individual nutrients in packaged food products.

Manufacturer ranking

The primary ranking of manufacturers was done based on the mean HSR across each manufacturer's product portfolio. Mean HSR was chosen both because the underlying nutrient profiling method is underpinned by significant nutritional research and because it is the current focus of Government and industry action on the packaged food and beverage supply in Australia.

Annual 'Bite': Healthy Food Partnership reformulation targets

Each year, the report will analyse a one-off, special area of focus – a 'Bite'. This year's Bite explores progress against the new HFP targets for sodium and saturated fat. Targets were applied to products within the FoodSwitch Database in order to measure compliance within HFP categories as well as across manufacturers that include HFP-relevant products within their portfolio.

PRODUCT HEALTHINESS FOR LEADING MANUFACTURERS

Manufacturer *	Number of products	Nutrient profiling summary score		Dietary guidelines	Extent of processing	Top 3 food catgories per manufacturer
		HSR (Mean (SD))	Proportion HSR ≥ 3.5 (%)	Proportion discretionary (%)	Proportion ultra-processed (%)	
Sanitarium	69	4.2 (0.7)	92.8	11.6	79.7	Cereal and grain products; Special foods; Dairy
Nudie Foods	30	4.2 (1.6)	80.0	0.0	100.0	Non-alcoholic beverages; Dairy
The a2 Milk Company	6	4.2 (0.4)	100.0	0.0	0.0	Dairy
Simplot	431	3.8 (0.8)	84.0	30.4	55.5	Fruit and vegetables; Fish and fish products; Sauces, dressings, spreads and dips
McCain Foods	131	3.7 (0.7)	75.6	35.9	83.2	Convenience foods; Fruit and vegetables
Lion Dairy & Drinks	215	3.3 (1.3)	49.3	7.4	55.3	Dairy; Non-alcoholic beverages
Woolworths (own brand)	1,700	3.2 (1.3)	58.8	36.6	56.7	Fruit and vegetables; Bread and bakery products; Convenience foods
Parmalat	133	3.2 (1.0)	49.6	7.5	60.2	Dairy
Heinz	292	3.2 (1.3)	65.1	28.8	79.1	Fruit and vegetables; Non-alcoholic beverages; Convenience foods
Murray Goulburn Co-operative Company	43	3.1 (1.4)	48.8	18.6	14.0	Dairy; Edible oils and oil emulsions;
Coles (own brand)	1,678	3.0 (1.4)	50.7	43.5	60.8	Fruit and vegetables; Bread and bakery products; Meat and meat products
Unilever	267	2.8 (1.0)	49.1	56.6	88.0	Dairy; Convenience foods; Sauces, dressings, spreads and dips
ALDI (own brand)	1,720	2.8 (1.3)	43.3	48.7	66.4	Dairy; Bread and bakery products; Cereal and grain products
George Weston Foods	123	2.8 (1.4)	43.9	52.0	60.2	Bread and bakery products; Meat and meat products
Goodman Fielder	187	2.7 (1.1)	39.0	51.3	84.0	Bread and bakery products; Sauces, dressings, spreads and dips; Edible oils and oil emulsions
IGA (own brand)	155	2.6 (1.5)	41.9	53.5	61.9	Bread and bakery products; Dairy; Confectionery
The Smith's Snackfood Company	78	2.6 (0.9)	24.4	79.5	93.6	Snack foods; Bread and bakery products; Sauces, dressings, spreads and dips
Nestlé	291	2.5 (1.5)	41.9	75.9	96.6	Confectionery; Cereal and grain products; Sauces, dressings, spreads and dips
Mars	301	2.4 (1.4)	40.2	88.0	96.0	Sauces, dressings, spreads and dips; Confectionery; Cereal and grain products
Campbell Arnott's	215	2.4 (1.4)	34.9	62.3	100.0	Bread and bakery products; Convenience foods; Non-alcoholic beverages
Warrnambool Cheese & Butter Factory Company	37	2.4 (0.8)	16.2	0.0	2.7	Dairy
Bega Cheese	95	2.2 (1.3)	25.3	34.7	40.0	Sauces, dressings, spreads and dips; Dairy; Edible oils and oil emulsions
Coca Cola Amatil	146	2.1 (1.3)	19.2	80.8	87.0	Non-alcoholic beverages; Dairy
Bulla Dairy	48	1.9 (0.9)	6.3	93.8	72.9	Dairy
Fonterra	70	1.9 (1.2)	12.9	47.1	17.1	Dairy; Edible oils and oil emulsions; Snack foods
Schweppes	113	1.8 (0.9)	5.3	89.4	90.3	Non-alcoholic beverages
Peters Ice Cream	30	1.5 (0.6)	3.3	100.0	100.0	Dairy
Red Bull	10	1.5 (0.4)	0.0	100.0	100.0	Non-alcoholic beverages
Mondelēz	282	1.3 (0.9)	5.0	86.5	90.4	Confectionery; Bread and bakery products; Dairy
Bundaberg Brewed Drinks	15	1.2 (0.4)	0.0	100.0	100.0	Non-alcoholic beverages
Frucor Suntory	18	1.2 (0.6)	0.0	83.3	94.4	Non-alcoholic beverages

* Manufacturers ranked according to mean HSR

Three manufacturers; Sanitarium, Nudie Foods and The a2 Milk Company had the healthiest mean HSR of 4.2. Whilst scoring the same HSR, they differed in the proportion of products within their portfolio's classifying as healthy (HSR ≥ 3.5). The a2 Milk Company's products all scored as healthy, followed by Sanitarium with 92.8% of its products and 80% Nudie Foods products. Sanitarium was the only manufacturer with products classed as discretionary (11.6%), which came from products within the 'ice cream' category. Similarly, Nudie Foods' portfolio of 'fruit and vegetable beverages' resulted in all products being classed as ultra-processed. Simplot and McCain were the other two manufacturers in the top five. Both predominately manufacture vegetable products, with mean HSR scores of 3.8 and 3.7 respectively.

Manufacturers at the bottom five according to mean HSR were Peters Ice Cream, Red Bull, Mondelēz, Bundaberg Brewed Drinks and Frucor Suntory. The highest mean HSR in this group was 1.5 and all had over 80% of their product range classified as discretionary and ultra-processed.

Throughout, there were strong correlations between higher mean HSR, and higher proportion of core products across manufacturers. The correlation between these indicators and the proportion of foods classified as ultra-processed was weaker.

MANUFACTURER RANKINGS FOR 2018 AND 2019

	2018 Manufacturer rank and HSR		2019 Manufacturer rank and HSR		
1	The a2 Milk Company	4.2	4.2	Sanitarium	1
2	Sanitarium	4.2	4.2	Nudie Foods	2
3	Nudie Foods	4.1	4.2	The a2 Milk Company	3
4	Simplot	3.8	3.8	Simplot	4
5	McCain Foods	3.6	3.7	McCain Foods	5
6	Lion Dairy & Drinks	3.3	3.3	Lion Dairy & Drinks	6
7	Woolworths (own brand)	3.2	3.2	Woolworths (own brand)	7
8	Heinz	3.2	3.2	Parmalat	8
9	Parmalat	3.1	3.2	Heinz	9
10	Coles (own brand)	3.0	3.1	Murray Goulburn Co-operative Company	10
11	Murray Goulburn Co-operative Company	2.9	3.0	Coles (own brand)	11
12	Unilever	2.8	2.8	Unilever	12
13	George Weston Foods	2.7	2.8	ALDI (own brand)	13
14	ALDI (own brand)	2.7	2.8	George Weston Foods	14
15	Goodman Fielder	2.7	2.7	Goodman Fielder	15
16	The Smith's Snackfood Company	2.7	2.6	IGA (own brand)	16
17	Nestlé	2.7	2.6	The Smith's Snackfood Company	17
18	IGA (own brand)	2.6	2.5	Nestlé	18
19	Campbell Arnott's	2.4	2.4	Mars	19
20	Mars	2.3	2.4	Campbell Arnott's	20
21	Warrnambool Cheese & Butter Factory Co	2.3	2.4	Warrnambool Cheese & Butter Factory Co	21
22	Bega Cheese	2.2	2.2	Bega Cheese	22
23	Fonterra	2.0	2.1	Coca Cola Amatil	23
24	Coca Cola Amatil	1.9	1.9	Bulla Dairy	24
25	Bulla Dairy	1.9	1.9	Fonterra	25
26	Schweppes	1.7	1.8	Schweppes	26
27	Peters Ice Cream	1.6	1.5	Peters Ice Cream	27
28	Red Bull	1.4	1.5	Red Bull	28
29	Frucor Suntory	1.3	1.3	Mondelēz	29
30	Mondelēz	1.2	1.2	Bundaberg Brewed Drinks	30
31	Bundaberg Brewed Drinks	1.2	1.2	Frucor Suntory	31

Manufacturer - primary portfolio:

- Bread & bakery products
- Confectionery
- Convenience foods
- Dairy
- Miscellaneous
- Non-alcoholic beverages
- Snack foods
- Sauces, dressings, spreads & dips

The annual rankings of the above manufacturers are based on the mean HSR of their portfolios in both 2018 and 2019. Overall, the ranks stayed relatively the same with changes in mean HSR scores changing by 0.1. Murray Goulbourn Co-operative Company rose one spot to tenth with their mean HSR increasing from 2.9 to 3.1. This increase in mean HSR was also seen for Coca Cola Amatil, which received a mean HSR of 2.1 in 2019 as opposed to 1.9 in 2018. This change for Coca Cola Amatil was likely due to the 2019 collection having more products with lower amounts of sugar collected.

THE HEALTHINESS OF FOOD CATEGORIES IN 2019

Major and minor food category	Number of products	Nutrient profiling summary score		Dietary guidelines	Extent of processing
		HSR (Mean (SD))	Proportion HSR ≥ 3.5 (%)	Proportion discretionary (%)	Proportion ultra-processed (%)
Bread and bakery products	**2,679**	**2.3 (1.2)**	**30.4**	**63.5**	**100.0**
Biscuits	1,067	1.8 (1.1)	12.2	76.9	100.0
Bread	834	3.5 (0.7)	76.0	16.2	100.0
Cakes, muffins and pastries	778	1.8 (0.8)	6.6	96.0	100.0
Cereal and grain products	**2,126**	**3.6 (1.0)**	**73.0**	**21.0**	**59.0**
Breakfast cereals	508	4.0 (0.8)	81.9	28.7	89.4
Cereal and nut-based bars	261	2.9 (1.0)	32.6	100.0	100.0
Couscous	17	4.1 (0.5)	100.0	0.0	29.4
Noodles	282	2.8 (1.2)	42.2	13.1	68.1
Other cereal and grain products	353	4.1 (1.1)	78.5	0.8	18.1
Pasta	507	3.8 (0.6)	89.2	0.0	43.8
Rice	198	3.6 (0.3)	93.9	0.0	28.3
Confectionery	**1,320**	**1.3 (0.8)**	**3.1**	**100.0**	**100.0**
Convenience foods	**1,700**	**3.5 (0.6)**	**73.5**	**7.4**	**93.4**
Pizza	112	3.0 (0.5)	37.5	10.7	100.0
Pre-prepared salads and sandwiches	256	3.6 (0.6)	74.2	1.2	97.7
Ready meals, meal kits and other frozen foods	877	3.4 (0.5)	74.8	8.9	92.7
Soup	455	3.5 (0.7)	79.6	7.3	90.5
Dairy	**2,819**	**2.8 (1.3)**	**38.7**	**26.1**	**50.2**
Cheese	1,018	2.7 (1.3)	36.4	0.0	0.0
Cream	77	1.4 (0.8)	3.9	87.0	13.0
Desserts	177	2.5 (0.9)	22.6	78.0	100.0
Ice cream and edible ices	501	2.1 (0.9)	10.2	100.0	100.0
Milk	492	3.7 (1.0)	72.0	6.1	43.9
Yoghurt and yoghurt drinks	554	3.1 (1.5)	49.1	0.0	92.1
Edible oils and oil emulsions	**415**	**2.6 (1.3)**	**44.3**	**28.0**	**0.0**
Edible oils	173	1.8 (1.3)	19.7	67.1	0.0
Oil emulsions	242	3.1 (1.1)	62.0	0.0	0.0
Eggs	**69**	**4.0 (0.0)**	**100.0**	**0.0**	**0.0**
Fish and fish products	**743**	**3.6 (0.9)**	**81.7**	**0.0**	**19.0**
Fruit and vegetables	**2,512**	**3.8 (1.1)**	**73.2**	**27.4**	**16.6**
Fruit (packaged)	715	3.5 (0.9)	69.2	13.7	17.8
Jam and marmalades	145	2.1 (0.3)	1.4	100.0	100.0
Nuts and seeds	470	4.4 (0.8)	90.0	7.2	0.0
Vegetables (packaged)	1,182	4.0 (1.0)	77.8	34.8	12.4
Meat and meat products	**1,538**	**2.7 (1.3)**	**42.8**	**64.4**	**54.5**
Meat alternatives	215	4.0 (0.7)	90.7	0.0	100.0
Processed meat	1,323	2.5 (1.2)	35.1	74.9	47.1

THE HEALTHINESS OF FOOD CATEGORIES IN 2019 CONTINUED

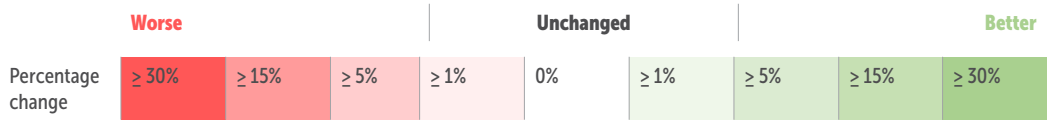
Major and minor food category	Number of products	Nutrient profiling summary score		Dietary guidelines	Extent of processing
		HSR (Mean (SD))	Proportion HSR ≥ 3.5 (%)	Proportion discretionary (%)	Proportion ultra-processed (%)
Non-alcoholic beverages	**1,510**	**2.7 (1.6)**	**35.5**	**52.6**	**92.7**
Coffee and tea (flavoured)	153	2.3 (1.5)	31.4	43.8	88.2
Cordials and beverage mixes	121	1.7 (0.6)	0.0	100.0	100.0
Electrolyte drinks	38	1.6 (0.3)	0.0	100.0	100.0
Energy drinks	53	1.3 (0.6)	0.0	100.0	100.0
Fruit and vegetable juices	521	4.0 (1.6)	73.5	0.0	93.1
Soft drinks	439	1.6 (0.5)	0.0	100.0	100.0
Waters (plain and flavoured)	185	3.6 (1.6)	56.8	41.1	69.7
Sauces, dressings, spreads and dips	**2,325**	**2.6 (1.2)**	**33.2**	**93.1**	**98.3**
Mayonnaise and salad dressings	281	2.0 (0.8)	11.0	100.0	100.0
Sauces	1,416	2.6 (1.2)	33.9	98.0	100.0
Spreads and dips	628	2.9 (1.2)	41.7	79.0	93.8
Snack foods	**704**	**2.6 (1.2)**	**31.8**	**99.9**	**90.3**
Special foods	**396**	**3.7 (1.2)**	**63.9**	**79.5**	**100.0**
Breakfast beverages and milk-based protein drinks	55	4.6 (0.5)	100.0	0.0	100.0
Fitness and diet products	341	3.6 (1.2)	58.1	92.4	100.0
Sugars, honey and related products	**374**	**1.3 (0.9)**	**6.7**	**100.0**	**56.7**

CHANGES IN THE COMPOSITION AND HEALTHINESS OF FOOD CATEGORIES FROM 2018 TO 2019

Major and minor food category	Number of products in 2018 and 2019	Absolute change compared to 2018				
		Energy (kJ/100g)	Saturated fat (g/100g)	Sodium (mg/100g)	Total sugars (g/100g)	Mean HSR
Bread and bakery products	**5,496**	**-2**	**0.0**	**17**	**-0.8**	**0.0**
Biscuits	2,201	6	0.0	34	-0.6	0.0
Bread	1,690	-10	-0.2	1	0.0	0.0
Cakes, muffins and pastries	1,605	10	0.2	7	-1.4	0.0
Cereal and grain products	**4,294**	**-21**	**0.0**	**26**	**-0.4**	**0.0**
Breakfast cereals	1,031	5	0.0	0	-0.2	0.0
Cereal and nut-based bars	552	47	0.3	8	-1.0	0.0
Couscous	38	66	0.1	-7	-0.1	0.1
Noodles	555	-57	-0.1	64	0.0	0.0
Other cereal and grain products	711	-24	-0.2	84	0.0	-0.1
Pasta	1,014	-26	0.0	-4	0.1	0.0
Rice	393	-4	0.0	-5	-0.1	0.0
Confectionery	**2,737**	**-8**	**-0.1**	**5**	**-0.9**	**0.0**
Convenience foods	**3,541**	**-13**	**-0.1**	**-18**	**-0.2**	**0.0**
Pizza	235	-7	0.0	-29	0.1	0.0
Pre-prepared salads and sandwiches	571	9	0.1	-25	-0.2	0.1
Ready meals, meal kits and other frozen foods	1,838	-15	-0.1	-14	-0.3	0.0
Soup	897	12	0.1	-27	0.0	0.0
Dairy	**5,795**	**-19**	**0.0**	**5**	**-0.9**	**0.1**
Cheese	2,059	-4	-0.1	0	-0.1	0.0
Cream	159	14	0.1	5	0.1	0.0
Desserts	410	-89	-0.2	-12	-1.4	0.1
Ice cream and edible ices	1,076	-13	0.1	0	-0.7	0.0
Milk	981	-1	-0.1	1	0.0	0.1
Yoghurt and yoghurt drinks	1,110	-17	-0.2	-3	-0.6	0.2
Edible oils and oil emulsions	**847**	**-6**	**1.3**	**4**	**0.2**	**-0.1**
Edible oils	345	9	0.0	-23	0.0	0.0
Oil emulsions	502	6	1.8	12	0.3	-0.1
Eggs	**141**	**2**	**0.0**	**0**	**0.0**	**0.0**
Fish and fish products	**1,511**	**-9**	**0.0**	**10**	**0.0**	**0.0**
Fruit and vegetables	**4,994**	**-35**	**0.1**	**-4**	**-0.7**	**0.0**
Fruit (packaged)	1,424	11	0.6	-4	-1.5	0.0
Jam and marmalades	293	1	0.0	7	-0.6	0.0
Nuts and seeds	978	10	0.1	-26	0.2	0.0
Vegetables (packaged)	2,299	-2	0.0	-9	-0.2	0.0
Meat and meat products	**3,163**	**11**	**0.1**	**20**	**0.1**	**0.0**
Meat alternatives	401	9	0.3	0	0.2	-0.1
Processed meat	2,762	15	0.2	34	0.1	-0.1

CHANGES IN THE COMPOSITION AND HEALTHINESS OF FOOD CATEGORIES FROM 2018 TO 2019 CONTINUED

Major and minor food category	Number of products in 2018 and 2019	Absolute change compared to 2018				
		Energy (kJ/100g)	Saturated fat (g/100g)	Sodium (mg/100g)	Total sugars (g/100g)	Mean HSR
Non-alcoholic beverages	**3,043**	**-3**	**0.0**	**4**	**-0.2**	**0.0**
Coffee and tea (flavoured)	318	36	-0.4	-1	2.8	-0.1
Cordials and beverage mixes	241	43	0.3	52	-1.1	0.0
Electrolyte drinks	78	-9	0.0	-1	-0.5	0.0
Energy drinks	103	2	0.0	-5	0.1	0.0
Fruit and vegetable juices	1,086	-2	0.0	2	-0.1	0.0
Soft drinks	848	-11	0.1	-3	-0.7	0.1
Waters (plain and flavoured)	369	-5	0.0	5	-0.2	0.2
Sauces, dressings, spreads and dips	**4,644**	**11**	**0.0**	**19**	**-0.1**	**0.0**
Mayonnaise and salad dressings	551	53	-0.1	3	1.0	0.0
Sauces	2,836	-8	0.0	26	-0.3	0.0
Spreads and dips	1,257	27	-0.1	17	-0.3	0.1
Snack foods	**1,381**	**-17**	**-0.2**	**5**	**0.1**	**0.0**
Special foods	**841**	**30**	**0.3**	**-11**	**0.7**	**-0.1**
Breakfast beverages and milk-based protein drinks	135	19	0.1	-7	0.0	-0.1
Fitness and diet products	706	-25	0.1	-21	0.5	-0.1
Sugars, honey and related products	**756**	**-18**	**-0.1**	**-34**	**-1.0**	**0.0**



When looking at the healthiness of categories and their nutrient compositions between 2018 and 2019, there were no major changes and any movement that did occur was small. In terms of the healthiness of the 15 major categories, there was only three instances of change; one being an increase in mean HSR and the other two a decrease. Changes were more evident in the 40 sub-categories with seven having a decrease in mean HSR and six having an increase. The sub-categories 'Yoghurt and yoghurt drinks' and 'Waters (plain and flavoured)' saw the most amount of change with an increase mean HSR of 0.2.

ANNUAL BITE: HEALTHY FOOD PARTNERSHIP

In May 2020, the Healthy Food Partnership released its first wave of voluntary reformulation targets for sodium and saturated fat. Sodium targets have been set for 27 food categories, five of which also have targets for saturated fat. The release of reformulation targets in Australia is an important step in trying to reduce the amount of sodium and saturated fat in packaged foods.

Healthy Food Partnership category and subcategory	Number of products affected by HFP target	Proportion of products meeting HFP targets (%)
Bread		
Flat bread	147	42.9
Leavened breads	514	42.0
Cheese		
Cheddar and cheddar style variety cheese products	410	67.1
Processed cheeses	40	57.5
Crumbed and battered proteins		
Meat and poultry	161	44.7
Seafood	106	28.3
Gravies and sauces		
Asian-style sauces	88	50.0
Gravies and finishing sauces	197	66.5
Other savoury sauces	435	57.0
Pesto	35	48.6
Pizza		
Pizza	112	49.1
Processed meat		
Bacon	81	27.2
Frankfurts and saveloys	29	41.4
Ham	80	36.3
Processed deli meats	59	18.6
Sausages		
Sausages	97	22.7
Savoury biscuits		
Flavoured savoury biscuits, crackers and 'grain-cake' biscuits	232	65.1
Plain corn, rice and other 'grain-cake' biscuits	27	74.1
Plain savoury crackers and biscuits	177	62.1
Savoury pastries		
Dry pastries	23	26.1
Wet pastries	143	49.0
Savoury snacks		
Extruded and pelleted snacks	73	53.4
Potato snacks	141	39.7
Salt and vinegar snacks	19	63.2
Vegetable, grain and other snacks	95	33.7
Soups		
Soups	419	61.6
Sweet bakery		
Cakes, muffins and slices	482	64.7
Total	**4,422**	**52.8**

ANNUAL BITE: HEALTHY FOOD PARTNERSHIP CONTINUED

Food category compliance for sodium targets

In 2019, 4,422 foods fell into categories covered by the HFP's sodium targets. Over half (52.8%) of these products already met the HFP sodium targets. Compliance ranged from as low as 18.6% for processed meat and 22.7% for sausages up to 74.1% for plain corn, rice and other 'grain-cake' biscuits and 67.1% for cheddar and cheddar style variety cheese products.

Manufacturer	Number of relevant targets (n=27)	Number of products affected by target	Proportion of products meeting targets (%)
Parmalat	1	1	100.0
Nestlé	4	35	97.1
Fonterra Brands	1	25	92.0
Murray Goulburn Co-operative Company	2	12	91.7
Unilever	4	93	87.1
Mars	3	86	82.6
Warrnambool Cheese & Butter Factory Company	2	30	76.7
The Smith's Snackfood Company	6	55	70.9
McCain Foods	3	30	70.0
Woolworths (own brand)	23	380	67.4
Campbell Arnott's	9	108	59.3
Mondelēz	5	29	58.6
Lion Dairy & Drinks	2	21	57.1
Coles (own brand)	27	401	56.4
ALDI (own brand)	27	418	49.0
IGA (own brand)	8	35	48.6
Heinz	2	44	45.5
Bega Cheese	2	39	41.0
George Weston Foods	6	90	38.9
Simplot	5	110	38.2
Goodman Fielder	5	83	26.5
All other manufacturers	27	2,297	47.9

Food manufacturer ranking for sodium targets

In 2019, Parmalat, Nestlé, Fonterra Brands and Murray Goulburn Co-operative Company had the highest proportion of products meeting the targets, ranging 91.7% to 100%. However, while Parmalat achieved 100% compliance with the sodium targets, they had only one product covered.

Three major supermarket retailers (Woolworths, Coles and ALDI) made the highest number of products covered by the targets by virtue of their own brand products. The number of products affected ranged from 380 to 418 products, significantly higher than the other manufacturers. Of these three retailers, Woolworths had highest proportion of products already meeting the sodium targets at 67.4%, considerably more than Coles and ALDI at 56.4% and 49.0%, respectively.

The three manufacturers with the lowest proportion of products meeting the sodium targets were George Weston Foods, Simplot and Goodman Fielder, whose compliance ranged from 26.5 to 38.9%.

ANNUAL BITE: HEALTHY FOOD PARTNERSHIP CONTINUED

Food category compliance for saturated fat targets

Healthy Food Partnership category and subcategory	Number of products affected by the target	Proportion of products meeting targets (%)
Pizza		
Pizza	112	56.3
Processed meat		
Frankfurts and saveloys	29	69.0
Sausages		
Sausages	97	52.6
Savoury pastries		
Dry pastries	23	34.8
Wet pastries	143	72.7
Total	**404**	**60.9**

Among the 404 products in FoodSwitch covered by the HFP's saturated fat targets, over half (60.9%) already met the targets. The food categories with the lowest proportion of products currently meeting the targets included dry pastries (34.8%) and sausages (52.6%). The food categories with the largest proportion of products meeting the targets included wet pastries (72.7%) and frankfurts and saveloys (69.0%).

Food manufacturer ranking for saturated fat targets

Manufacturer	Number of relevant targets (n=5)	Number of products affected by target	Proportion of products meeting targets (%)
Campbell Arnott's	1	1	100.0
George Weston Foods	1	4	100.0
Coles (own brand)	5	52	75.0
Woolworths (own brand)	5	34	67.6
ALDI (own brand)	5	53	49.1
McCain Foods	1	28	35.7
IGA (own brand)	1	1	0.0
All other manufacturers	5	231	61.9

In the categories covered, seven key manufacturers had products covered by the HFP's saturated fat targets. Of these, Campbell Arnott's and George Weston Foods were the highest ranked food manufacturers as 100% of their products met the saturated fat targets. However, they both had less than five products affected by the targets. IGA was ranked last (0% compliance) as it had only one product affected that did not meet the target.

Coles, Woolworths and ALDI had the largest number of products affected by the targets, followed closely by McCain Foods. Across the supermarket retailers, Coles had the highest proportion of products meeting the targets at 75%, followed by Woolworths and ALDI at 67.6% and 49.1%, respectively.

INTERPRETATION

With the increased amount of packaged foods and ready-to-eat meal options that are now readily available in supermarkets nationwide, the likelihood of consuming nutrients that are contributors to chronic diseases is greater. Despite the mean HSR increasing for eleven manufacturers from 2018 to 2019, there still does not seem to be a significant improvement in nutritional quality of products.

Looking at the changes in nutritional quality over the year, there were no significant changes observed. The absence of a decline in sodium concentration is disappointing given sodium has been a focus of attention for health groups over recent years. Likewise, there is little evidence of reductions in sugar beyond chance.

Through conducting the "FoodSwitch - State of the Food Supply" in 2019 comparing it to results from 2018, the results give rise to the same opportunities for manufacturers to increase the healthiness and nutritional quality throughout their portfolio. Manufacturers are able to improve the average nutritional quality of their portfolios through two main approaches. First, the renovation of existing products by reformulating them to healthier compositions with reduced level of added sugars, sodium, saturated fat and/ energy. And second, by changing the 'mix' of a company's product portfolio, that is, discontinuing unhealthy products and introducing new products that have a healthier nutritional profile.

The wide range of HSR and nutrient values for most product categories (indicated by the wide standard deviations, SDs, in the tables) highlights the feasibility of making healthier versions of similar products. Unsalted versus salted versions of canned vegetables, for example, often have sodium concentrations with a twenty-fold difference. Reducing sodium levels during manufacturing gives consumers the freedom to add salt if they wish and would produce immediate and substantial improvements to nutritional quality for large numbers of foods within that category.

Healthy Food Partnership

The release of reformulation targets in Australia is an important step in trying to reduce the amount of sodium and saturated fat in packaged foods. The targets were designed to be set at a level so only one third of products would be at or below the target. However, our results have shown that around half of all products already meet the targets. This high level of compliance suggests that many of the targets are too lenient, reducing the potential to meaningfully cut sodium and saturated fat in the food supply. Moreover, the scope of the targets is limited compared with other countries, such as the UK, which has over 80 targets for sodium. Our results also show that most manufacturers have the capacity to further cut sodium and saturated levels across their product range to meet a greater number of targets. Meeting these targets is likely to be technologically feasible for most

food manufacturers considering a sizeable proportion of products across most product categories already meet them.

The four major retailers have a particularly significant role to play in improving the food supply because they have a very large range of 'own brand' products and they are the gatekeepers to the majority of food and beverage purchases made in Australia. Retailers have more power to improve the nutritional quality of foods consumed in Australia than any other industry sector as they can determine the healthiness of their 'own brand' product range and can also influence the marketing of branded foods sold in-store. Moreover, retailers will play an important role in the success of the voluntary reformulation program considering they have the largest number of products affected by the sodium and saturated fat targets.

Government sets the regulatory environment within which Australian foods are manufactured, marketed, sold and consumed. The data contained within this year's "FoodSwitch - State of the Food Supply" report suggest little recent impact of current Australian Government efforts to improve the nutritional quality of the food supply. Moreover, these efforts are currently reliant on voluntary industry participation. It has taken almost five years of planning and development for the HFP to release sodium and saturated fat targets. However, we've shown in this report that these targets are too conservative, with many manufacturers already meeting the targets across their product range. If we want these targets to have a meaningful impact on the food supply, we need stronger targets across a broader range of food categories. A large key to the success of these voluntary targets will be regular monitoring and public reporting at the food manufacturer level to ensure manufacturers are made accountable to comply with the targets. As such, this report provides an important baseline assessment to measure future success.

Informative food labelling

There is also the need for more widespread implementation of the HSR system. The George Institute research has shown that in 2019, only 41% of eligible products were displaying a HSR, mostly those that scored well.[20] These results demonstrate the limits of commercial goodwill in applying health labels voluntarily. A HSR on every product in the supermarket would enable customers to make meaningful comparisons between similar products, and to identify and avoid products that are less healthy.

Reformulation to reduce risk nutrients and improvements to food labelling are just two of the comprehensive evidence-based measures recommended by the WHO for countries to adopt in promoting healthier diets. Australia must now strengthen both the HFP and HSR and situate these initiatives within a broader commitment to a national nutrition or

obesity policy which includes other innovative measures such as taxes on sugar sweetened beverages, which have now been implemented in more than 40 other countries.

Strengths and limitations

This report benefits from the highly standardised approach to the collection, processing and evaluation of the data across years and the very large range of products captured. The preparation of the report independent of interested parties, in particular the food industry, is an important additional strength.

The report must, however, be interpreted in light of some limitations. While the data are representative of what was on the shelves of the sampled stores during the survey period, they do not represent every food and beverage available in every store throughout the year. The analyses rely upon the data reported on pack by manufacturers, with imputation of some metrics not required to be labelled but necessary for the calculation of a HSR. In addition, the data illustrates what is available for sale in stores but not what is purchased or consumed. Finally, the data here identify only recent changes in the quality of the food supply and additional insights might be obtained from an assessment of foods and beverages made over a longer time period.

RECOMMENDATIONS

Government should require mandatory on-pack labelling of all foods and beverages with a HSR label and the data required to calculate the HSR – consumers have the right to know about the healthiness of the foods they are purchasing.

Government must increase the scope and speed of the work being done by the Healthy Food Partnership. The Partnership must develop a clear plan for implementation. Monitoring of progress and accountability is required to incentivise food manufacturers to reformulate their products to targeted levels – real action across the whole food supply will be the most effective way of curbing the epidemic of obesity and diet-related ill health blighting Australia.

Food manufacturers (including retailers with own brand products) should benchmark the nutrient composition of their portfolios against best-in-category equivalents for levels of energy, saturated fat, sugar and sodium. They should also aim to meet the Partnerships sodium and saturated fat targets across their entire product range – food manufacturers must take responsibility for the healthiness of all the foods they are making and marketing.

Food retailers should take a more active role in improving the healthiness of the Australian food supply. Retailers could set minimum requirements for the healthiness of the foods they stock and promote in-store and could provide HSR shelf labelling for all products – as the gatekeepers to Australian food purchases, retailers have the opportunity to help every Australian buy healthier.

CONCLUSIONS

Packaged foods and beverages available in Australia include many products that are excessively energy dense, fatty, sugary and salty. The Australian food and beverage industry has a responsibility to improve the healthiness of what it manufactures and make it easier for their customers to identify the healthier options available. There are multiple highly plausible ways that industry could achieve this through better labelling, benchmarking, meeting the HFP reformulation targets, and marketing of foods and beverages, but rapid and substantive gains will be achieved only with significantly upgraded Government leadership. Actions that improve the quality of the Australian food supply have the potential to reduce overweight, obesity and premature death and disability amongst millions of Australians.

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Declaration of interest

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