



Advisory

Fluctuations in Butter Price Anticipated

30 June 2025

The Fijian Competition and Consumer Commission (FCCC) wishes to advise the public to anticipate price fluctuations of certain dairy products namely butter, in the coming weeks. This price adjustment reflects current trends in the global market, and consumers are encouraged to prepare accordingly.

These items, which are integral to Fijian households, have experienced notable price fluctuations due to global economic conditions.

Recent submissions received by FCCC and international trade movements indicate a substantial growth in the global butter and milk markets driven by raising demand and constrained supply.

Consumer preferences for dining out have bolstered the food service sector, further increasing dairy consumption.

Several factors contributing to this anticipated price increase are:

Regional Climate Disruptions: Unfavourable weather conditions in Fiji's key dairy import partners, have adversely affected supply chains. Drought in New Zealand's North Island reduced milk output, impacting butter production.

Global Market Trends: International demand for dairy products has surged. Fonterra's Q3 reported an 11% profit increase to NZD \$1.08 billion, largely driven by global demand. This same demand has driven butter prices up 65% in New Zealand, based on recent *Stats NZ* data.


*Fonterra's Chief Executive, Miles Hurrell, commented: "The international market is pushing these prices very high at the moment, and our job is to reflect that in the returns that we give back to our farmer owners."*¹

Higher Import and Shipping Costs: Rising transport costs have further strained supply chains for imported dairy products.

It is important to note that butter is an essential food item subject to price control under Section 39 and Section 44 of the FCCC Act 2010 and the Fijian Competition and Consumer Commission (Price Control) (Food Item Prices) Order 2024.

"We understand the potential impact of current market developments, and FCCC reiterates our commitment to fair pricing practices across Fiji. The FCCC is closely monitoring market developments, working diligently to lessen the impact of potential price increases on essential

¹ <https://www.odt.co.nz/rural-life/dairy/dairy-boss-blames-soaring-butter-prices-global-demand-rnz>



items like butter and powdered milk, all while ensuring steady supply," said Ms Senikavika L. Jiuta, CEO of FCCC.

"Even as global factors, such as those affecting butter remain outside our direct control, our focus is on consumer protection. We are enhancing market transparency through consistent price movement reports and developing early warning systems for global commodity trends."

We advise consumers to stay vigilant and budget wisely for these expected changes. During this period of price volatility, we also encourage you to explore alternative brands and products that might offer better value for your money.

About FCCC

FCCC is Fiji's sole consumer protection enforcement agency, mandated to enforce fair trading, competition, and consumer protection laws in Fiji. FCCC remains committed to ensuring that consumers are protected from unfair business practices, and businesses operate within fair and ethical standards.

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