

The UK pig industry: what is its current status?

David Burch, past president of the Pig Veterinary Society, answers the question

YOU MAY HAVE SEEN the advertisements in the *Daily Telegraph* magazine, 'Save a rare British breed from extinction. No we don't mean the pig.' It depicts a pig farmer standing with a young sow. 'Save our bacon before it is too late' is the pay-off line.

This is one of a number of adverts being put out by the British Pig Executive (BPEX – formerly MLC) which I think tells the tale of what is happening in the British pig industry. It is in trouble, but we do not know yet how far it will fall.

What are the factors?

So what has driven the representative body of the pig industry to take such unprecedented action?

High feed prices are the primary cause of the woe. With feed wheat prices up to £150-180/tonne from lows of £60-75 two years ago, the cost of production of pig meat is approximately £1.50/kg and the average pig price is currently around £1.15/kg, as it has recently started to increase. However, on a 78kg carcass, that difference leaves a £0.35/kg loss or a £27.30 loss/pig.

How long can this be borne by the pig farmer before he says he has had enough? How long will the banks – which have their own problems – support the farmers? We have seen one large producer go into liquidation and the third biggest producer is up for sale. Some vets have seen a decline of 25 per cent in their clients' sow numbers.

Who controls the prices?

The supermarkets sell 80 per cent of the total fresh pork and bacon sold – butchers selling only 12 per cent of pork and six per cent of the bacon. Other outlets account for the rest.

The retail prices have gone up after a campaign by the National Pig Association (NPA) and BPEX to apply pressure on the supermarkets; but the effects of this have only just started to trickle down to the farmers from the processors. Over 80 per cent of our processed pork (bacon and ham) is either imported or comes from imported meat for further processing, and we only produce about 63 per cent of our fresh pork requirements.

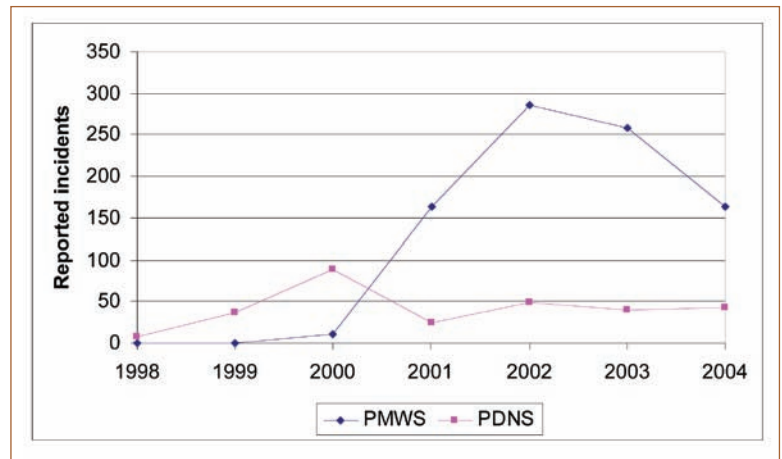
The majority of imports come in from the European Union (EU), especially Denmark, Holland and Ireland. As a result, EU prices are critical to our market prices. It is not until EU producers' meat prices go up, that any benefits will filter through to the UK. It seems this is starting to happen now.

In addition, the pound has weakened against the Euro quite markedly in recent months, owing to the banking crisis.

Supply and demand

In Europe sow numbers are starting to fall,

Figure 1. Reported incidents of PMWS & PDNS to VLA (VIDA, 2005).



as producers there face the same high feed costs. As sow numbers fall, slaughter pig numbers start to go down and supply tightens and the prices will go up. The supermarkets will have to pay more for the product. Danish prices are still low, but soon they will have to come into line.

There is talk of pig meat prices of £1.50/kg by the end of the year but this will also depend on many factors, such as the size of the new harvest and grain prices. In the UK, set-aside land has been reduced from 15 per cent to five per cent.

Prices will also depend on the grain demands of the emerging Asian countries, such as China and India, and also on biofuel production in the US and the EU.

The current target for US biofuel production of 7.5 billion gallons could utilise 25 per cent of its own maize production.



Figure 2. Skin lesions and kidney problems collectively named Porcine Dermatitis and Nephropathy Syndrome (PDNS).

Future UK pig production

BPEX is forecasting a drop in sow numbers from 455 thousand to 400-430 thousand by June 2008

and possibly 380-400 thousand by December – a fall of 12-16.5 per cent.

DEFRA figures are showing an increase in weekly sow slaughter numbers from 4000 to 6000 and if this carries on throughout the year, it could bring the sow numbers down to 350 thousand, a 23 per cent fall. At worst this could bring our 'pigs slaughtered' numbers down from 9.2 million to 7.6 million. BPEX, however, is hoping that productivity improvements will keep production closer to nine million this year. There is a lag effect, but if the sow numbers do fall, it can be expected to be closer to eight million in 2009.

Productivity improvements

So where are the productivity improvements coming from? As usual, the most efficient producers will survive and the less efficient will stop.

Additionally, the UK pig industry has been plagued by a major disease caused by porcine circovirus type 2, Post-weaning Multi-systemic Wasting Disease (PMWS). The disease first started in the EU in France and Spain in 1996 and spread across continental Europe. The first cases hit the UK in 1999 causing a very high mortality, up to 30 per cent in weaners and growers (**Figure 1**). It spread across the country like a new disease, although PCV2 could be found in tissues from 20 years before.

It was also associated with skin lesions and kidney problems collectively named Porcine Dermatitis and Nephropathy Syndrome (PDNS) (**Figure 2**).

Something had changed, which led to the increased pathogenicity of the virus. It attacked primarily the lymphoid system; multiplying in – and destroying – the lymphocytes. These were replaced by macrophages and giant cells.

In the acute form it caused death, but in the less severe form it caused a large number of wasting pigs that just refused to grow, as they were often struggling with severe complicated respiratory infections (**Figure 3**).

As the disease progressed, the high mortality subsided, but it left many pig farms with a persistent high mortality, especially in finishing pigs (**Figure 4**).

Progress with vaccines

In recent months, after several years of waiting, PCV2 vaccines are starting to appear in the EU. The first to be registered in September last year was Circovac (Merial) for vaccinating sows, and more recently, Ingelvac CircoFLEX

(Boehringer Ingelheim) for use in piglets from two weeks of age.

Early results for both products have shown reductions in mortality rates, but the piglet vaccines appear to give better protection during the finishing period. It is expected that the use of these vaccines will reduce the average mortality on pig farms and improve productivity by at least four per cent, as well as potentially delivering a further six to seven per cent increase in growth rate.

BPEX is planning to allocate £1.5 million to a scheme to encourage farmers to start using these vaccines. If the demand for piglet vaccines is as high as has been seen in Canada and the US, this could prove to be a several million pound market in the UK, similar to the *Mycoplasma hyopneumoniae* vaccine market, with an approximate 70 per cent uptake for piglets.

Conclusions

The UK pig market is expected to decline over this year by 10 to 20 per cent. It is a fragile market having already declined 43 per cent over the last 10 years. It is under fierce competition from cheaper EU imports and it has struggled to keep going under normal conditions with its 'welfare friendly' straw-based housing, which increases the cost of production and has probably made the impact of PMWS even worse.

With the introduction of the new PCV2 vaccines it is hoped that the UK pig producer will be more competitive, especially if pig meat prices increase. However, history has shown over the last decade that once pig production actually falls in the UK, it is very hard to get the numbers up again because of all the other issues that still impact the industry.

Figure 3. In the acute form PMWS causes death, but in the less severe form it results in wasting pigs that refuse to grow.



Figure 4. Average UK mortality figures in weaners/growers and finishers (BPEX, 2006).

