

Pork CRC Initiatives November 2017

by Pork CRC CEO Dr Roger Campbell

Eventful year for high achieving CRC

We are rapidly heading for Christmas and Pork CRC has a couple of big events coming up.

The first is our annual Stakeholders' day on November 18. This will be the last stakeholders' day for Pork CRC and I hope to have our program leaders summarise where we're at (after some seven years of operation), what's left in the pipeline and where gaps might still exist across the programs. The latter is important because, if warranted, these can be covered by APRIL and/or APL and getting feedback from the audience will play a major role in making such important decisions.

The meeting is at Level 8, Residence Room, Grand Hyatt Melbourne, 123 Collins Street.

Roseworthy course

The second big event is the Roseworthy Pig Course ('Science and Practice of Pig Production'), which runs from January 29 to February 9 in 2018 at University of Adelaide's Roseworthy Campus, Roseworthy, SA.

The course is widely acknowledged as a success, especially by those who have attended. Over time, we have had more than 300 complete the course, including undergraduate and postgraduate students, producers and/or their staff and those in technical and advisory positions across the industry. Career changing for many attendees, the course covers the basics plus the latest developments in pork production, from reproduction to marketing, with visits to mills and abattoirs. If you want to understand the industry and learn the very latest techniques and technologies applicable to pork production from the best, get your registration in ASAP.

The course is open to anyone in the industry, with Pork CRC covering travel and other costs for the first 15 production based personnel to register for the course, so discuss it with those you need to in your organisation and register.

All details, including registration form and social events are on our website (www.porkcrc.com.au) or can be obtained from Rebecca Smith, email rebecca.smith@porkcrc.com.au or Dr William van Wetteere, email william.vanwetteere@adelaide.edu.au, who will be running the course again this year.

Marking time

We held our annual benchmarking meeting in Melbourne on October 16 & 17.

I must say I was impressed by the progress some participants have made over the past year and just how good the top herds were in 2016-2017.

Kiwi benchmark

The best herd in the project is in NZ. It has about 450 sows and the owner/manager has shared his 'secrets' for success with the other participants and many have visited his farm. The reason for the interest and visits are summarised below.

KPI	Results for 16-17
Born alive	13.73
Piglets weaned/litter	12.43
Piglets weaned/mated sow/year	30.05

Farrowing rate (%)	93.2
Age at weaning (days)	20.3

Clearly, a top producer and uses PIC stock with genetics from the US.

Catching up

However, the top Australian herds are certainly improving and closing the gap quickly.

The average of all Australian participants and the top three Australian herds are shown in Table 2.

KPI	Average	Top 3	Your Value
Pigs weaned/mated female/year	23.5	25.3	??
Born alive	11.63	12.5	??
Weaned/litter	10.2	11.03	??
Farrowing rate (%)	86.1	90.6	??

Table 2: the average for all Australian herds and the top three Australian herds for selected reproductive KPIs for 2016-2017

The performance of the 'top' herds is a benchmark for all producers to strive for or exceed and at the meeting we heard from a number who are weaning 12 per litter, suggesting they might beat our top Aussie herd, which is weaning more than 26 pigs/mated female /year. The difference in COP between the average and top three herds for pigs weaned/sow/year (everything else being equal) equates to 8 cents/kg. The difference between the average and the best herd equates to 12 cents/kg. Our target for pigs/weaned/sow/year has been 26, which can be achieved with just above 11 weaned/litter. We've moved the target for number weaned to 12/litter, which would take pigs weaned/sow/year closer to 28. Based on the latest results, it seems we have the genetics and capability in the industry to approach this and might even exceed the target, with some assistance from our very good researchers.

Trends for reproduction have been increasing for the past six years following a period (years) where there was little progress.

I will go into more detail on some of the drivers of reproductive performance within the group once we see where we stand globally in 2016-2017. The global results will be available in late December, but we are likely to continue to be disadvantaged somewhat by higher grain and feed costs than our competitors, but this an ever changing number and very dependent on where you farm.

Price points

It was obvious at our benchmarking meeting that participants had been affected by the decline in pig prices during 2017. How much they've been affected depended largely on feed costs and how much average price declined for individual producers.

At the time of the meeting, Queensland producers were affected most and very adversely by pig price moving considerably south and feed cost markedly north.

The prices published by APL ('Eyes and Ears', October 20) suggest Queensland prices have moved up by as much as 10 cents recently, which, if correct, will help reduce losses, given COP between June and September this year in Queensland increased some 30 cents due to higher feed costs.

Otherwise, it appears prices have plateaued, albeit at or below 2012 levels (lowest year in the past six) and no sign yet of a Christmas 'surge', last seen recently in October and November in 2012 and 2015.

Reported buyer's prices do differ across states. For the Eastern states, the variation is only about six cents for carcasses in 65 to 75 kg and 75 to 85 kg ranges. Seller's prices, on the other hand, vary by 39 cents across the eastern states and the difference between buyer and seller prices differs by some 48 cents across states. So, it's difficult to say who is getting what or if the reported larger differences between buyer and seller prices, say in SA, reflect state peculiarities (like processor capacity) or a trend in demand, or are simply incorrect. Only producers really know what they are getting and, as I said in last month's Pork CRC Initiatives column, wholesalers probably have the best feel for supply and demand in the market. You will know things are improving when they begin calling you again.

Grain changes

The difference and change in grain prices is also interesting. Reported prices in 'Eyes and Ears' for October 20 show that Northern NSW and Queensland are paying a lot more for grain than southern NSW, Victoria or South Australia. This was clear at the benchmarking meeting, with feed costs ranging from the low \$300s/tonne in the South East to \$460/tonne in Queensland. The differences are also clearly reflected in the feed wheat and barley prices reported in the October 20 'Eyes and Ears', so a lot of variability in reported prices and feed costs and potentially reasonable margins for those with a lower COP or receiving a higher than average price. It will be interesting to see the trends in grain and pig prices as we go through Christmas and the harvest. I hope the respective trends are in the right direction. Best of luck to you all.

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