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### Weighing up pork production priorities

Addressing pork producers in Western Australia last week at WAPPA's annual Pig Day Out, Pork CRC CEO Roger Campbell said increasing carcass weight was perhaps the greatest opportunity for productivity improvement for Australian pork producers, albeit at a time when many were struggling as prices declined due to apparent over supply.

Dr Campbell suggested that if a business model was developed where \$2.70/kg could sustain producers, he was optimistic producers would have a positive future.

"Also, if buyers, including supermarkets, processors and others in the meat chain, could create markets for heavier pigs, producers would respond positively and reap rewards.

"Even grain prices, which are largely beyond a producer's control and which have the heaviest impact on the bottom line, can be mitigated if, for example, other factors affecting cost of production can be better aligned," Dr Campbell said.

"While it's difficult to do much about grain and feed costs, except use the feed more efficiently, the greatest opportunity for reducing COP lies in volume and this is independent of grain price and hence more under producer control.

"Busting the \$2.50 COP barrier and getting that down to, say, \$2.30, would help."

Dr Campbell had recently noted quite large increases in born alive and this too would help improve productivity, volume and, potentially, profitability.

"In Pork CRC's benchmarking group we're seeing consistent improvements in sow productivity, with better herds weaning 11 piglets per litter and 26 per sow per year.

"If we get our average to this, we will take nearly 20 cents off other costs, independent of feed cost or carcass weight and if we get carcass weight up five kilograms, we could reduce other costs by another eight to 10 cents.

"Global competitiveness is within our reach, but 2018 is likely to be volatile for the global pork industry," Dr Campbell declared.

Australian producers were not alone in receiving less for their pork, with EU prices down 7.6% on 2017; US down 22% in the past month; China down 23% in the past five weeks and UK down 2.5% on 2017.

[www.porkcrc.com.au](http://www.porkcrc.com.au)

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