History

The Manintveld family purchased an exiting pig enterprise 25 years ago. When we arrived the piggery was run down and they selected all their own breeding stock. We had to suspend black plastic from the roof of the farrowing shed to direct the water away from the creep area and into the drains when it rained. We were forced to sell very light pork because we did not have to room to keep the pigs any longer and the herd was that inbred that growth rates were very poor.

Over the next years we made as many changes as were economically possible. We built new sheds based on European designs. These are very efficient to operate but expensive to build.

We made massive improvements in the herd genetics and bought the best available breeding stock. We also started to use A.I. as this gave us access to the best available boars/semen.

Over this time ration formulation has become an exact science. Gone are the days when to decrease the palatability/feed intake you were told to " add half a bag of lime"

I took over the sole ownership of this enterprise three years ago and times have never been tougher. In the last 25 years there have never been two successive

astronomical crop failures. Pig prices have seldom been worse and pig imports have never been higher! The high Australian dollar has only made it harder to export our product.

Production

Shedding

As we bought an existing pig enterprise it was not always possible to have everything the way we wanted. However the sheds we built were and are still some of the most modern in Australia.

The farrowing shed has floor heating and heating lights. The heating and ventilation is all computer controlled. It consists of seven rooms, each has eight crates; attached to a central walk way. The shed is constructed of brick and sandwich panels. This means that it is very well insulated and the temperatures can be manipulated as required. This shed would cost approximately $280,000 at today's prices.

We have two bacon sheds constructed of the same materials as the farrowing shed. There are eight pens in each room and six rooms per shed. The rooms are attached by a central walkway the wall of which contains evaporative cooling panels this allows me to keep the temperatures in the rooms well below the extremes of outside. A climate computer regulates

ventilation levels. At today's prices each shed would cost $180,000 to build.

Dry sows are housed in sow stalls from joining to eight weeks they are then group housed for the rest of gestation.

Production Figures

In 1989 there were 9.34 born alive and 8.94 weaned per litter. This had improved to 10.5 and 9.86 in 2002. Currently I have 11.5 piglets born alive and 10.3 weaned. That equates to about 23.69 piglets weaned per/sow/year.

When we first started we were probably only getting about 400gms/day. This had improved to 650gms/day in 2005/02 and is currently around 685gms/day. Since 2005/06 my herd feed conversion efficiency (FCE) has come down from 3.6 to 3.5 currently.

All pigs are sold to "Highsteaks" In previous years I have concentrated on selling the heaviest leanest pigs possible. Males of about 85kg/HSCW and 12-13mm P.2 and Females at 75kg/HSCW and 12-13mm P.2. Recently I have been forced to sell lighter pigs as the heavy ones have been hard to sell. Most of my pigs go into the fresh meat market. In the past some of the heavier females were exported to Singapore. This market seems to have dried up with the increased price of the Aus/$. The last load I sold the males were 77.3kg and 11mm the females were 67kg and 9mm.

Costs

The main cost associated with operating a pig enterprise is feed. I have included tables to indicate the increases in the prices of feed ingredients (table 1) as well as the ration costs over the last three years (table 2). I have also included a table of my current cost of production (table 3). This is expressed as a cost per kilo of meat. Prices are improving slightly but when I produced this I was getting $2.02 per kilo and my breakeven price is $2.12 therefore I am loosing .10c a kilo or $7.50 a pig. On my enterprise that is about $600.00 a week. This figure would be higher except one of my staff had to leave due to personal reasons. Due to my financial situation I have not been able to replace her. This has saved me $450.00 a week but significantly increased my workload!

Another area where I have been able to save a lot of money is in the purchase of my grain. I have storage for 500t of grain. When it started to look as if we were going to have a drought I started buying grain and was able to keep the cost of barley for the last financial year (2006/07) to $299/t. Two months before harvest I was offered barley for $460/t. For enterprises that do not have this storage or rely on feed mills this saving would not have been possible.

Imports

From what I can gather most of the imported pig meat is boned, skinned and denuded legs. This is being imported at approximately $3.00/kg. As 50% of a leg is bone in effect I would need to sell my product at $1.50 to compete this has not taken the labor into effect and this would cost as much as 10%.

Conclusion

I am confident that I can compete with **any** pig farmer in the **world**! However it is simply not possible to produce pig meat for under $1.50 HSCW and that is the equivalent price of the imported product. It also seems hard to believe that the exporters are able to ship their product here and make a profit. At these prices they must be receiving significant subsidies.

TABLE .2

Pig Ration Costs

The Main feed ingredients were used in the calculations. Minor ingredients have been left as standard for all diets. There has been very little change in my diets in the last three years, as they have proven very effective.

	2005/06 $/ton	2006/07 $/ton	% INC	2007/08 $/ton	%INC 05/06
Finisher	**248**	**353**	**42%**	**413**	**67%**
Porker	**254**	**357**	**41%**	**423**	**67%**
Dry Sow	**231**	**341**	**48%**	**403**	**74%**
Lac Sow	**267**	**356**	**33%**	**415**	**55%**
Weaner	**409**	**450**	**10%**	**553**	**35%**
Creep	**487**	**604**	**24%**	**602**	**24%**

TABLE.3

CALCULATION COST PIGS PER KILO DRESSED WEIGHT HEAD ON

FEED USED PER WEEK IN TONNES:		%FEED	HFC 3.5	PPT/FEED	COST/3,5KG
DRY SOW	3.32	15	0.525	403	0.2115
LACTATING SOWS	1.5	7	0.245	415	0.1017
PORK	6.885	31	1.085	423	0.459
FINISHER	8.85	40	1.4	414	0.5796
CREEP	0.5	2	0.07	602	0.0421
WEANER	1	5	0.175	553	0.0968
TOTAL FEED	**22.055**	100%	3.5kg		
TOTAL FEEDCOST PER 1 KG MEAT :----------					$ 1.491

FURTHER COSTS:

FREIGHT	$ 26,000.00	(based on 4000 ppy, 75 kg. Dw)	$ 0.087
Electricity & Gas	$ 21,000.00		$ 0.070
Wages & Super	$ 36,000.00		$ 0.120
Interest	$ 19,270.00		$ 0.064
A.I.	$ 6,130.00		$ 0.020
Insurance	$ 2,600.00		$ 0.009
Car Expences	$ 3,100.00		$ 0.010
Fuel & Oil	$ 3,100.00		$ 0.010
Replacement gilts	$ 25,000.00		$ 0.083
Interest&principal	$ 36,350.00		$ 0.121
Misc.	$ 10,000.00		$ 0.033
			$ 0.627

TOTAL COST FOR 1 KG MEAT **$ 2.120**