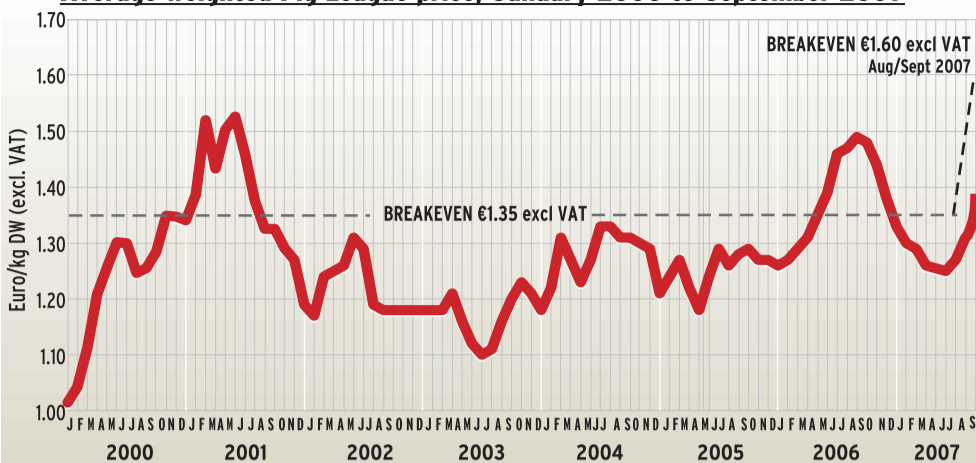
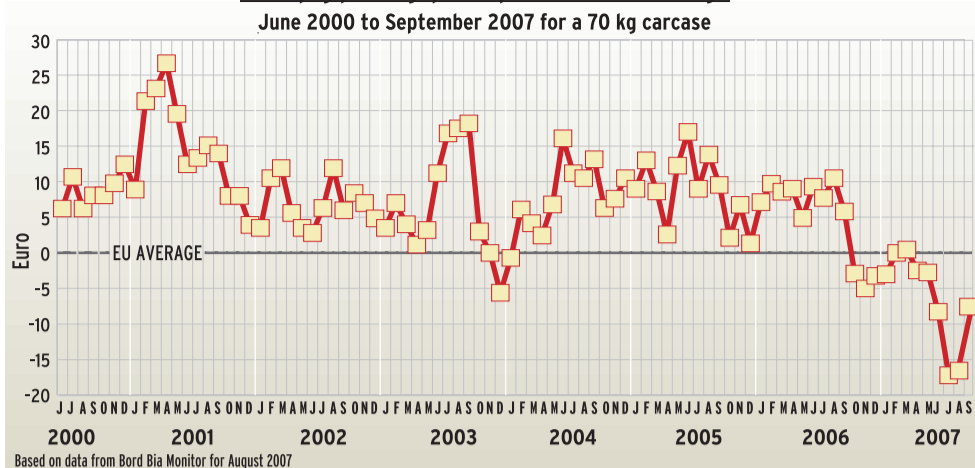


Average weighted Pig League price, January 2000 to September 2007



Irish pig price gap compared to EU average



Ireland 8c/kg behind Europe

AMII CAHILL *

THE weighted average for the September pig league was €1.38/kg. Glanbia having raised their prices in August with static prices all through September.

The differential between the Irish and EU price dropped considerably last month with Ireland 8c/kg behind the EU price. This brings Ireland to almost 99% of the EU average for the first nine months of the year.

Jim O Mahony (Teagasc tillage crops programme manager) has predicted that there could be an 11% increase in Ireland's cereal cropping next year, which would produce 282,500 extra tonnes of grain.

The scrapping of grain set-aside is also expected to boost EU production by at least 10 million tonnes. In

Ireland, this measure could equate to 15,000 extra hectares of wheat even if only half of the 10% set-aside land is planted.

However even if Herculex maize is allowed into Europe, with no thanks to the Irish Government, and there is a bumper grain harvest next year, Irish pig farmers would have starved for a year to see any effective drop in grain prices.

Pig slaughter weights have dropped in the last number of weeks with farmers not willing to finish pigs up to heavier weights with lower efficiencies, many farmers are dropping back in numbers, getting out or using this disaster as an opportunity to destock for the future.

The industry is trying to hang on but this will not be possible for many unless the retailers, processors and the government take some action.

Rising feed costs needs factory response

SEPTEMBER 2007 PIGMEAT PRICE LEAGUE TABLE

Factory	Sept 07 per kg DW	Aug 07 per kg DW	September 2006	Sept 07 price as % of Sept 06	Est. share of national kill in each factory %
Division No. 1 €1.38 and over					
Dawn	1.39	1.31	1.48	99%	21%
Stauntons	1.39	1.34	1.48		8%
McCarron	1.39	1.33	1.48	94%	10%
Division No. 2 - under €1.38					
Edenderry (information only)		1.32	1.50		0%
Roscrea	1.37	1.35	1.49	93%	46%
Weighted Average	1.38	1.31			
Green Pastures	1.38	1.34			
Ballon	1.40	1.35			
Garbally	1.37	1.33			
Northern Prices					
Cookstown	1.39	1.35	1.52	91%	
Grants	1.33	1.33	1.51	88%	
Cullybackey	1.40	1.37	1.52	92%	

MICHAEL REILLY (IFA FORMER PIGS CHAIRMAN)

PIG farmers are under severe pressure from increasing feed costs with another rise of €20 - €25/tonne expected. Increasing productivity will not solve the problem and the factories must respond with a realistic price increase.

To say that pig farming is in crisis is an understatement. Carcase pork is the same price today as it was in the early 1980s. Retail prices have more than doubled in the meantime.

This situation cannot continue any longer. The profit from pigs is unevenly divided with the supermarkets getting the lion's share.

The proportion of the retail

price, which the farmer received, was 35% in the 1990's. It is presently 20.4% and falling every year.

This is an appalling figure and shows clearly the greed of the supermarkets. The consumer is being fleeced and the pig farmer is being fleeced worse than a slave. How do the supermarkets justify this greed?

They must be made realise that the farmer needs a realistic return in order to continue to supply pigmeat.

No other business would tolerate the situation where the consumer pays €5 and the producer gets €1. Supermarkets have a case to answer.

Pig farmers must fight their case based on the retail price and not take what the factories throw at them.

* Amii Cahill is Executive Secretary of the IFA National Pigs and Pigmeat Committee