



Pigs

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Author: Christopher Barclay

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- This note describes the pig industry in the UK and some of its problems. The pig industry has operated in a highly competitive environment without the price support offered by the EU to other sectors.
 - Animal welfare concerns in the UK led to stricter welfare laws than in the rest of the EU. The result has been increased imports of pork and bacon. British farmers believe that many consumers do not realise that pigs in other EU countries do not have to conform to the same welfare standards as those in the UK.
 - Labelling laws do not allow terms like “British bacon” to be strictly limited to bacon from pigs reared on British farms. Consumers buying “British bacon” may be misled by the label “British bacon”. However, food labelling is an EU competency. Currently the EU origin marking scheme protects traditional products from particular regions. It does not cover meat in general and it does not apply to whole Member States.
 - New EU regulations in 2011 will require some origin labelling for meat from 2015.
 - British pig farmers have tried to get round the problem by persuading the four large supermarkets to favour British pork and bacon, while only labelling pork or bacon as British if it comes from pigs reared on British farms. A broader voluntary agreement with the retail industry was reached in November 2010.
 - Further information is available on the [Pigs](#) page on the Defra website – in particular covering animal welfare. The Defra pages are normally the best place to go for the most recent information.
 - The Coalition Government is committed to “honesty in food labelling so that consumers can be confident about where their food is coming from and its environmental impact”.
 - Despite brief optimism in autumn 2010, profitability of pig farming declined by 40% in the 2010/11 financial year. Provisional figures for 2011/2 show a further decline of nearly 20%. High cereal prices increased prices of feed, but pig prices did not reflect the increase.

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1 Pig Industry problems

The pig industry has suffered severe losses for several years, and there is little sign of the crisis ending. The number of pigs has declined, with the main drop in numbers in the late 1990s. There were 7.9m pigs in the UK on average for 1996-8; 5.8m in 2001; 5m in 2003; 4.9m in June 2006, 4.7m in 2008, 4.46m in 2010 and 4.44m (provisional) in 2011¹ Incomes of specialist pig farmers declined by 40% in real terms from 2009/10 to 2010/11. Provisional figures for 2011/12 show a further decline of nearly 20%.²

One problem is that British regulations, based on animal welfare concerns, have banned the use of stalls and tethers since 1999, thereby increasing the costs of British pork or bacon. Rules in the rest of the EU are less strict, so that imports have undercut British producers. The problem has been increased by the rules over labelling that allow the term “British bacon” to cover bacon from pigs reared abroad. The British Government has arranged a deal with supermarkets that they would not label pork or bacon in a way that might mislead consumers. That agreement does not seem to have solved the problem, partly because of sales outside the large supermarkets. In addition, large supermarkets still import pork and bacon that undercut the prices of British producers.

Stricter EU animal welfare laws for pigs have been agreed, but they will only come fully into force in 2013. Council Directive 2001/88/EC³ and Commission Directive 2001/93/EC⁴ both amended Directive 91/630/EEC⁵ laying down minimum standards for the protection of pigs.

¹ Defra etc, [Agriculture in the United Kingdom 2011](#), 2012

² Defra Press Release, [Farm Business Income by type of farm in England](#), 27 October 2011

³ OJ. L 316, 1.12.2001

⁴ OJ. L 316, 1.12.2001

⁵ OJ. L 340, 11.12.1991

They will introduce an EU-wide ban on close confinement sow stalls, with full effect from 1 January 2013.

Pig farmers are concerned, however, that even then they may face stricter rules in the UK. There are also fears that – as with battery cages – some countries may be slow to comply. The issue was discussed in the following PQs in 2012:

Glyn Davies: To ask the Secretary of State for Environment, Food and Rural Affairs (1) what plans she has to require pig farmers to reduce the gaps in slatted floors to comply with new regulations;

(2) what assessment she has made of the potential cost to pig farmers of reducing the gaps in slatted floors in order to comply with new regulations;

(3) what recent discussions she has had with representatives of the pig industry about proposed changes to the size of the gaps in slatted floors.

Mr Paice: I met with the pig industry in February to discuss the provisions in the pig welfare Council directive 2008/120/EC which apply to all holdings from 1 January 2013. The UK is already fully compliant with the key provision of the directive, namely the Sows Stalls ban. We are gathering information on the other technical provisions, such as gap widths used in concrete slatted flooring, in preparation for further discussions with the pig industry.

Huw Irranca-Davies: To ask the Secretary of State for Environment, Food and Rural Affairs what discussions she has had with her European counterparts on legislation banning sow stalls across the EU.

Mr Paice: Since the end of last year, the sow stall ban has been discussed on a number of occasions in Brussels at meetings of the Standing Committee on the Food Chain and Animal Health and at a meeting of chief veterinary officers. It is also on the agenda of this month's Agriculture and Fisheries Council meeting on 26-27 April. The Commission is also seeking data on member states' progress in implementing the ban.

Over the coming months we will continue to discuss progress with the implementation of the sow stall ban, with the Commission, and our European colleagues to keep the pressure up, so all countries meet the European ban on sow stalls by the deadline.⁶

2 The EFRA Committee Report 2009

In January 2009, the EFRA Committee reported on the pig industry, with the following summary:

The pig industry is highly competitive and is well known for being cyclical. The last ten years have seen a steady decline in the scale and productivity of the English pig industry and an increase in the pig meat imported into the UK to satisfy consumer demand. UK pigs cost more to produce than their EU counterparts, but the price received by farmers for their pigs does not appear to be sufficient to cover the rising costs of production or provide sufficient margins to enable investment in more efficient production methods. The lack of transparency in the supply chain leads farmers to form the view that they are not getting their fair share. The industry blames the high cost of production on the effects of disease outbreaks, high feed prices, burdensome environmental regulations and the high cost of the introduction of new welfare standards of housing for pigs in 1999. However, evidence to the Committee has

⁶ HC Deb 24 April 2012 c782W

questioned whether pig production is as efficient as it could be in the UK, whether carcase utilisation could be improved, and whether there is sufficient demand to support both producers and processors in the supply chain.

The UK Government assisted the pig industry with a one-off restructuring grant in 2000 but has said that it will not provide further funding to assist producers with the cost of high welfare housing or the cost of implementing environmental regulations. The Committee considers that, despite its reluctance to provide further grants for the industry, the Government has an important role to play in facilitating round table discussions to ensure better cooperation within the pig supply chain. These discussions could help the industry identify how it can help itself to improve its efficiency and productivity through health, welfare, research and marketing strategies. Defra must continue to advise other Government departments and public bodies on the welfare standards of farm assurance schemes in order to encourage them to adopt a more innovative approach in public sector procurement of pig meat. Defra must continue to liaise closely with the industry on its Health and Welfare Council and also continue to fund research into the pig-specific diseases which have severely impacted on the industry in recent years.

We believe that the Government should discuss with the Scottish administration the common issues facing both Scottish and English pig industries.

Pig producers are rightly proud of their high welfare standards, but we do not consider that they have successfully promoted to the consumer the justification for the higher cost of English pig meat. Retailers and catering suppliers are responsible for ensuring that labelling of pig meat products is clear and unambiguous, but producers, animal welfare groups such as the RSPCA, and Government, have a role in making certain that consumers understand the difference between the standards of welfare in the various methods of pig production and ensuring that pig meat produced in the UK is of a high welfare standard.⁷

The Labour Government replied to the Committee, [The English pig industry: Government Response to the Committee's First Report of Session 2008-09](#), April 2009, HC 391 2008-9.

3 Criticism of supermarkets

The National Pig Association (NPA) has often criticized supermarkets for stocking too little British pork and bacon.⁸ The EFRA Committee returned to the topic – and to labelling - in its 2009 report, with the following conclusions:

Retailers' support for the pig industry

8. It is the responsibility of retailers to ensure that the labelling on its products is clear and unambiguous, especially when retailers use the qualities of British meat as a marketing tool. The Government should support actively the European Commission's proposals for clearer country of origin, and also welfare labelling. We are encouraged that the Minister believes that Defra and the Food Standards Agency could do more to promote understanding of the differences in labelling, and we note the recent publication of Food Standards Agency guidance on country of origin labelling. We ask that the Department do keep us informed on progress in this area. The pig industry is responsible for raising awareness amongst consumers of its high welfare standards, but the Government has a responsibility to ensure that consumers have access to clear product information through labelling. Defra must bring together the pig industry

⁷ EFRA Committee, *The English Pig Industry*, 13 January 2009 HC 96 2008-9

⁸ "NPA says superstores stock too little British", *Farmers Weekly Interactive*, 31 August 2006

with the processing, retail, catering and hospitality industries to establish a strategy for the best way of informing the consumer of the choices available. (Paragraph 71)

9. We are disappointed that such a high proportion of imported pig meat does not meet UK welfare standards. It is not possible from the information available to provide a definitive figure, but we believe that consumers would be shocked to hear that as much as 66% of imported pig meat might have been reared in conditions banned in this country. Whilst price might be the number one factor in consumers' choice, consumers have the right to be properly informed of the country of origin and welfare standards when making their choice of product. The responsibility for this, until the Commission implements its welfare labelling scheme, lies with the whole supply chain. (Paragraph 72)⁹

4 Labelling

4.1 Origin labelling

Pig farmers have long complained that they cannot insist that "British bacon" means bacon from pigs reared and slaughtered on British farms. New EU labelling regulations in 2011 will introduce requirements for origin labelling of meat from 2015 - [REGULATION \(EU\) No 1169/2011 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 25 October 2011 on the provision of food information to consumers](#), Article 26. The issue is covered in more detail in another note [Origin Marking of Food](#) (SN/SC/1194).

4.2 The RSPCA campaign 2009

In 2009, the RSPCA called for better welfare labelling for pig meat:

The results reveal only a staggering two per cent of those questioned understand the terms used on pork products, such as 'free-range, 'outdoor bred' or 'outdoor reared', meaning almost all shoppers are confused about the conditions in which pigs are actually reared.

Rooting for pigs!

There are currently no set definitions for pork product labelling, and so today the RSPCA is launching its new '**Rooting for pigs**' campaign, calling on supermarkets and other UK food retailers to work with the charity and the British pig industry to develop and sign up to a voluntary labelling agreement.

"We think it is essential that all pig meat be clearly and consistently labelled to allow consumers to make an informed choice," said Dr Julia Wrathall, head of RSPCA farm animal science. This survey shows animal welfare is important to more than eight out of ten people when they're out shopping, even in these hard economic times, and shoppers often seek out specifically-labelled products purely because they want to support certain farming practices."

Consumers need clear and consistent labelling

Dr Wrathall added: "It may come as a surprise, but there are actually no industry-wide agreed definitions when it comes to labelling, in complete contrast to eggs and chickens that do have legal definitions at EU (European Union) level for terms such as 'free-range'. We need clearer labelling, and under a system which makes sense to everyone."

⁹ EFRA Committee, *The English Pig Industry*, 13 January 2009 HC 96 2008-9

Improving the lives of millions of pigs

Pigs are highly intelligent and inquisitive animals that often outdo dogs in learning tests. They are often rated as the fourth most intelligent animal, behind primates, dolphins and elephants. There are concerns that many of the 160 million pigs reared annually for meat in the EU are raised in conditions that the public would think horrifying if applied to any of these other species. Later in the year, the RSPCA will be calling for a proper review of welfare issues within the UK and EU pig industry to significantly improve the welfare of millions of pigs. The charity will also be lobbying for a legal requirement within the EU to ensure agreed definitions are complied with when using labelling terms such as 'free-range', 'outdoor bred' or 'outdoor reared' on pork products.¹⁰

4.3 The Coalition Government

The Coalition Government wants to address the labelling issue. [The Coalition: Our Programme for Government](#) included a commitment:

We will introduce honesty in food labelling so that consumers can be confident about where their food comes from and its environmental impact.

5 Westminster Hall Debate, March 2011

Mr Richard Bacon (South Norfolk) (Con): (...)

Despite fluctuations in profit margins, the outlook remained positive, at least for a few months, until last August, when the industry was driven into crisis once more. The fleeting period of profitability was not long or profitable enough for pig farmers to recoup the severe losses that they sustained in 2007-08.

Mr Greg Knight (East Yorkshire) (Con): I am grateful to my hon. Friend for giving way, and I congratulate him on securing the debate. Does he agree that one problem has been our loose labelling law? Many consumers wanting to support the British pig farmer by buying British pork have not always known when they were doing so, because it is possible to package pork reared overseas as British if it is merely processed here.

Mr Bacon: My right hon. Friend is correct. He might have seen my Food Labelling Regulations (Amendment) Bill, which is scheduled for Second Reading on 1 April. Should the Government wish to take this opportunity to announce that they will give it Government time, I would be only too pleased to hand it over to officials to be steered through the House. Yesterday, I was encouraged by a phone call from the Department for Environment, Food and Rural Affairs asking to see a copy. It is important to say that there has been some improvement in labelling in the pork sector, but I still believe and have always maintained that the only viable long-term answer is a mandatory regime. We already have mandatory regimes for many other foodstuffs; we should have one for pork and pork products as well.¹¹

He criticised most supermarkets for failing to support the British pig industry, but praised Morrisons.

He concluded:

¹⁰ RSPCA Press Release, *Most people are 'pig ignorant' when it comes to food labelling on pork products, according to a new poll commissioned by the RSPCA*, 12 January 2009

¹¹ HC Deb 23 March 2011 c291WH

When feed prices peaked in 2008, it took six months for prices to fall back to a sustainable level, during which time many pig farmers had left the industry. Today, three-quarters of the remaining farmers say that they too will get out of the pig business if things do not improve within the next 12 months. That would be a tragedy for not only pig farmers, but processors, retailers and consumers. British consumers want to buy British produce because they want to support British farmers and they believe that it is the best. I have not wavered in my belief that a mandatory country of origin labelling regime, combined with the widest possible support for the red tractor and quality standard marks, will give shoppers the information they need.

The Minister acknowledged in the House last week that the pig industry receives no subsidies. That is quite correct and I am certainly not calling for that to change. However, if the Government value having a British pig industry that sets the highest standards for quality and animal welfare, they cannot simply shrug and believe themselves to be powerless in the face of global food prices and grocery behemoths. The Government must encourage the pigmeat supply chain to work as it should, so that pig farmers can make a living, not a loss. Pigs were worth it in 2008. They are still worth it today.¹²

The Minister replied:

The Minister of State, Department for Environment, Food and Rural Affairs (Mr James Paice):

As my hon. Friend the Member for South Norfolk rightly said, the industry is vital. He said that its total value is £8.7 billion, which is a significant sum in the retail sector. Others hon. Members have referred to the collapse of the pig herd since the mid-1990s. It is impossible to say precisely how much of that is attributable to the unilateral ban on stalls and tethers that we introduced, but it is obviously a significant part.

One of the changes over 20, 30 or 40 years has been rationalisation into specialist pig units. Years ago, pigs were one unit on a generalised farm, and a rise in grain prices had less impact, because farmers were feeding their own grain to their pigs, so they lost on one side and gained on the other. Now, more and more farmers are specialist pig producers, and must buy all their feed, so they can only lose from rising grain prices.

I shall try to address some of the issues that have arisen during the debate. My hon. Friends will be aware that there has always been pig cycle. Pigs have a relatively short gestation and growth period, so the rise or fall in supply is a reasonably short-term phenomenon. They were always muck or money as supply and demand fluctuated slightly, but the level of fluctuation has become much worse, and the £20 a pig loss to which several of my hon. Friends referred reveals a dramatic downside of the cycle. It is unfortunate that the cycle was already beginning to drop off when feed prices were hiked up because of the grain price. That exacerbated the problem, but we are there, and the situation is horrendous.

My hon. Friend the Member for South Norfolk referred to some of the costs that our producers incur. Stalls and tethers were first phased out in the early 1990s, and were banned completely by 1999. Tethers were banned in the rest of Europe in 2006, and stalls will be banned by 2013, although, as my hon. Friend correctly pointed out, it will be permissible to keep sows in stalls for up to four weeks after service, and that brings me to the question asked by the hon. Member for Glasgow North East (Mr Bain). I assure him that the Government are absolutely opposed to any extension or

¹² HC Deb 23 March 2011 cc298-9WH

derogation. As with battery cages for chickens, countries have known for a long time that the change was coming, and farmers have no excuse for not making the transition.

The hon. Gentleman asked me quite rightly about enforcement, and the fact that farmers will be allowed to have stalls on their farm in which to keep sows for four weeks will create a big challenge. Responsibility for enforcement will rest with the competent authority-usually the Department of Agriculture in member states-and I recognise the issue. We must keep pressing the Commission to ensure proper enforcement, because that is a worrying loophole. (...)

At this point, I should probably discuss the issue of labelling. I welcome my hon. Friend's Bill, but he knows as well as I do that there are question marks-to say the least-about the legality of the UK legislating alone on food labelling. There is good news, however, and since we came to office, two things have happened. The hon. Member for Glasgow North East made a point about the pigmeat supply chain taskforce and the code agreed with the industry. That happened before we took office, and I am the first to recognise that. Since we took office, a bigger agreement on all meat has taken place between the supermarkets, the meat trade, the catering and hospitality trades and the producers, resulting in a much broader voluntary code of practice concerning country of origin labelling. That is the key issue. That code is now in place, and we are currently doing an evaluation exercise to baseline it so that we can measure progress in the future.

Alongside that, there are negotiations on the EU food information regulation. Since taking office, we have toughened up the UK's approach to support the idea of mandatory labelling for meat and meat products, and that is what the regulation currently requires. As my hon. Friend the Member for South Norfolk says, there is a long way to go and I do not want to forecast the outcome. At the moment, however, the food information regulation would achieve what he seeks with his Bill, except that it would apply not only in the UK but across the EU. That is the best way forward, and potentially that is encouraging news. (...)

I will touch on the two final issues raised by hon. Members. First, the coalition Government are committed to introducing Government buying standards, and we are on schedule to do so. Some parts of that relate to food but concern health, rather than the DEFRA rules on food, so I will concentrate on pigmeat. Our clear objective is that we should spend taxpayers' money only on food that has been produced to British standards, as long as it does not cost any more-there are plenty of examples and pieces of case work to demonstrate that it will not cost more. That is only right and fair, and it means using farm assurance schemes as benchmarks to ensure that it takes place. That objective is on schedule.¹³

The Minister is referring to an initiative by the British Retail Consortium in November 2010:

November 24, 2010

New guiding principles on country of origin labelling, announced today (Wednesday), formalise measures that Britain's grocers have already agreed - to provide consumers with clear, accurate information on the origin of their food.

The guidance, titled "Principles on Country of Origin Information", has been developed by retailers' organisation, the British Retail Consortium (BRC), in association with representatives of food manufacturers, commercial caterers and the hospitality trade. Based on the labelling practices of the best performers in the food chain, it aims to

¹³ HC Deb 23 March 2011 cc309-14WH

bring others into line to ensure a higher quality and consistency of origin - information everywhere that consumers buy food.

The Principles apply to meat, processed meat products (sausages, bacon, ham etc.) and milk, fresh cream, cheese and butter. They ensure that the term "British" can only be used for meat from animals born and reared in the UK, and dairy products made from milk produced here. Many British grocers already use this approach to origin labelling, with the overwhelming majority committed to going one step further, providing country of origin information on the meat in all "composite" products – such as soups and ready meals.

Food and Farming Minister Jim Paice said: "I'm delighted to see the food industry come together to build on good progress already made in labelling food with the country of its origin. I am pleased that a large number of food companies have already committed to follow the principles agreed today and are encouraging others to also do so. These principles will mean a consistency of information that will reduce confusion and ensure British consumers will be the best informed in Europe."

Andrew Opie, British Retail Consortium Food Director said: "This guidance formalises an approach to country of origin labelling which Britain's large retailers have already agreed. In fact, many grocers already go well beyond the high minimum standards set out in the document.

"We have taken leadership on this issue because we believe it's important that all elements of the supply chain, from food processors and restaurants, right through to the catering firms working for Government and councils, give consumers the information they need to make informed decisions. Supermarkets are making it easy for those shoppers who want to buy British to do so. Other food service providers need to up their game."

Notes to Editors:

A full copy of the "Principles on Country of Origin Information" guidance document is available at:

http://www.brc.org.uk/downloads/principles_on_country_of_origin_information_241110.doc

The retailers who have signed up to the principles are: Asda, Co-operative Group (now incorporating Somerfield), Marks and Spencer, Morrison's, Sainsbury's, Tesco, Waitrose.¹⁴

¹⁴ British Retail Consortium Press Release, *Retailers lead on origin labelling – New Principles published*, 24 November 2010