

VISION

Pig farms closing

More than 500 pig farmers have applied for a subsidy in order to close down. This is a lot more than the 300 the Ministry of Agriculture, Nature and Food Quality expected when it launched the scheme.

Why? Pig Production economist Robert Hoste explains.

Are prospects so bleak for pig farming?

'Pig farmers have never earned as much money as they did in 2019. Between 2000 and 2018, the average income per farm was about 40,000 euros, and that suddenly went up last year to an average of 330,000 euros. But don't forget that pig farmers have some bad years behind them, so they need some money to make up for that. What is more, new investments are coming up,

'The price of pork won't stay this high for ever'

and the price of pork will not stay as high as it is now for ever. In China, 200 million pigs died or were slaughtered preventively due to African swine fever: that is a quarter of all the world's pigs. So Dutch exports soared as a result. It is expected that the price of pork will still be high for another two to three years. After that, supply will outstrip demand and the price will collapse, I think. So it is important for Dutch pig farmers to invest in the future now.'

Why are they signing up to stop en masse?

'It doesn't cost anything to apply for this closing-down scheme, so it's a kind of insurance. What if your farm is blamed for causing too much of a bad smell, or swine fever breaks out in the Netherlands too? But I wonder how many farmers will actually make use of the scheme. Farmers who can see all the new regulations coming, and have had enough, will say: great, I can stop now, with no debt. And other farmers will think: I can earn a lot of money in the next couple of years.'

What does Agriculture minister Schouten want?

'She wants a lot of pig farmers to make use of the scheme so that next year – before the parliamentary elections – she can show that she has reduced livestock numbers in a decent way. It will take at least until mid-April to decide how many farms, and which ones, can participate. If selected farmers change their minds about it, she will have to select other ones, and that will take more time.' **© AS**