

Questions and Answers: National Animal Identification System Benefit-Cost Analysis Swine Sector

Q. Was the swine sector considered in the benefit-cost analysis for the National Animal Identification System (NAIS)?

A. Yes. The swine sector was one of the main areas of research and analysis for the study. The analysis focused on the bovine, porcine, ovine, poultry, and equine industries. The report also includes some discussion about minor species groups.

The study looked at the benefits and costs for livestock producers (divided into subgroups by production phase), livestock markets, and packers. All three groups were broken down by operation size to provide additional accuracy in the analysis. The benefits and costs for Federal and State governments also were examined.

Q. How was the swine sector examined?

A. The swine sector analysis was broken down by type and size of operation. The farrow-to-wean, farrow-to-feeder, farrow-to-finish, wean-to-feeder, feeder-to-finish, and packer segments were examined separately. Within each segment, the number of head per operation served to divide the segment further for a more accurate assessment.

Q. What form(s) of identification were used for swine in the study?

A. For the purposes of this study, it was assumed that market swine would be identified through group/lot identification, where no tags are used. Only cull breeding animals would require a tag, which was assumed to be a visual premises identification tag.

Q. What costs did the study indicate?

A. The study estimates that the overall costs for 100 percent participation in a fully traceable NAIS system for all four major species (cattle, swine, sheep, poultry) is \$228.27 million annually. Costs for 90 percent participation in the same system would be \$192.22 million.

The swine sector costs for a fully traceable system at 90 percent participation would be \$5.67 million. The average costs per animal or head sold in the swine sector is \$0.059.

For cost details broken down by operation type and size, please reference table 5.7 on page 93 and table 5.8 on page 100 of the full report, which is accessible at http://www.usda.gov/nais/naislibrary/documents/plans_reports/Benefit_Cost_Analysis_NAIS.pdf

Q. Looking at the cost per industry, how does the swine sector compare?

A. The costs for the swine industry were significantly lower than the cattle sector, since the swine sector does not use individual ID on each animal. Swine industry costs were also less than those in the sheep sector. The poultry sector had the lowest cost.

Q. What size operations had the highest and lowest costs of participation?

A. The average cost per animal marketed throughout the swine sector is \$0.06. The study found that farrow-to-finish operations with less than 500 head represent the swine group with the highest average cost, at \$0.63 per animal.

There were several swine groups with the same lowest average cost per animal, at \$0.01. These included: farrow-to-wean operations with more than 5,000 head; farrow-to-feeder operations with more than 5,000 head; wean-to-feeder operations with more than 2,000 head; and feeder-to-finish operations with more than 2,000 head.

Q. Why should a swine producer participate? Are there any benefits listed in the study that apply to them specifically?

A. Yes, there are benefits mentioned in the study that affect all producers, as well as benefits that specifically affect swine producers.

Swine-specific benefits include:

- ability to use NAIS animal identification methods in other value-added and certification programs

General benefits include:

- better disease management and surveillance—lessening the chance that animals might be exposed
- reduction of economic impact of disease events—quickly containing the outbreak and reopening markets for unaffected producers

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W. , Washington , D.C. 20250-9410 , or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.