An EGG ECONOMICS UPDATE

The Changing Disposition of Fowl From U.S. Table Egg Layina Farms
1992 to 1996

During the past ten years, the method by which egg production farms have removed their old hens has gone through drastic changes. This has been due, primarily, to the very low values received for fowl and in many cases, to the unavailability of "shackle space" when flocks are ready to be sold. Today, there are fewer than ten plants in the entire country that routinely process spent Leghorn hens.

In the 1992 through 1996 period, average monthly slaughter rates have decreased from 10.57 million to only 7.54 million hens per month - a monthly decrease of 3 million hens. Even though the need to remove birds has remained fairly stable, the number going through traditional USDA supervised slaughter plants has decreased by 862,000 birds per month annually for the past 5 years. This represents a change in the disposal method for about 43 million hens (862,000 hens x 12 months x 5 years).

Table 1 shows the bird movement within the U.S. table egg flock for the 5 year period from 1992 to 1996.

Table 1. Estimated Balance Sheet for Pullets to be Added and Fowl to be Removed
1992 to 1996 (all numbers are in millions)

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* Mortality was estimated at .75% per month
Figure 1. Declining U.S. Slaughter of Light Fowl
1992 to 1996

Source: USDA Monthly Slaughter Reports

Figure 1 plots the monthly USDA slaughter statistics for the period 1992 to 1996. The heavy line indicates that the monthly slaughter has decreased from 11+ million per month to a level of about 7 million by the end of 1996. Seasonal differences occur with January and April being the highest months and September through November usually the lowest slaughter months.

Figure 2 illustrates the increasing percentage of the hens that are removed that are not processed through traditional U.S. slaughter plants. In 1992, for example, only 2.7 million hens per month were unaccounted for while in 1996, the figure doubled to 5.5 million.

Figure 2. The Increasing Amount of Fowl Not Slaughtered in U.S. Plants - 1992 to 1996

Source: USDA Monthly Slaughter Reports
Figure 3: The Destination of Spent Fowl From U.S. Table Egg Laver Farms - 1992

![Pie chart showing destination of spent fowl]

- U.S. Slaughter: 70.2%
- Canada Slaughter: 5.8%
- Mortality: 11.7%
- Other: 12.3%

Source: USDA Monthly Slaughter Reports & Mr. Ken Looper, Cal-Maine Farms.

A significant portion of the “missing” category is made up of birds shipped to Canada for slaughter. It is estimated that this number reached almost 1.5 million per month (17.5 million in 1996). The “other” category consists of birds slaughtered on the farm and either composted or buried and a significant number that were further processed in some form (rendered, extruded, ??). The exact breakdown of this category is unknown. As indicated in Table 1, we estimated that .75% of the average laying flock was normal mortality. This is equal to about .17% per week - a typical mortality rate for most flocks.

Figures 3 and 4 show how the proportion of birds disposed of by different means has changed from 1992 to 1996. During this time period, the “other” category has doubled to 27.1% of the total.
Figure 4: The Destination of Spent Fowl From U.S. Table Egg Layer Farms - 1996

Source: USDA Monthly Slaughter Reports & Mr. Ken Looper, Cal-Maine Farms.

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