

Why Bacon Is Getting More Expensive - Food Inflation

Various factors have contributed to bacon's higher costs over the past year, including rising feed costs, processing costs, increased demand, and newly passed animal confinement rules.

As the pandemic shuttered businesses over the past year and kept workers home, processing plants that produce meat products, such as bacon, weren't able to fulfill demand. Grains and other feed products increased in costs concurrently, adding pressure for producers to increase prices.

A California proposition passed in 2018, known as the Farm Confinement Proposition, will start to require that pig farmers maintain more breeding space for animals. Producers are already making arrangements for the additional required real estate and plan to pass along those expenses to consumers. Pig farmers in states other than California are affected since pork products won't be allowed for sale in California unless the new animal confinement rules are met.

Increasing labor costs are also a concern as meat producers that lost workers last year to the pandemic, still haven't found replacements, with some having to increase wages in order to attract new hires.

Sources: USDA, BLS, National Pork Producers Council

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