

# 2017 Canadian Potato Crop Outlook

By [Jim Timlick](#) on July 5, 2017

Strong pricing, stable contract volumes and low dollar help provide optimistic outlook in 2017.

Potato growers in Canada enjoyed a banner year in 2016. Manitoba in particular recorded record yields thanks to good weather and favourable growing conditions.

Prices for fresh potatoes were strong from coast to coast and contract volumes remained stable. And for the third year in a row, the national average for potato yield hit record levels, coming in at 307 hundredweight (cwt) per acre.

Kevin MacIsaac, general manager of the United Potato Growers of Canada (UPGC), said with the exception of Ontario, growers enjoyed above average yields in most parts of the country thanks to good weather and an early start to planting.

“Last year in comparison to this year was a nice spring for getting planting started. Growers in some areas got started really early and other areas were [close] to average so the crop went in early,” he noted in mid-June. “For the most part, if you can get a crop in early... and get it emerged out of the ground and get to the longest day of the year where you have green leaves and photosynthesis, you get better yields and better quality.”

It was a much different story in many parts of the country this spring. Cool, wet weather in several provinces, including New Brunswick, Prince Edward Island and Quebec, delayed the start of planting in some areas by as much as a couple of weeks.

Despite that late start, MacIsaac said most growers remain optimistic about this season. The number of acres planted this season is expected to be relatively close to last year's overall total of 346,827 acres and may even increase slightly in some provinces.

Another bit of good news is that holdings from last season have declined significantly as the 2016 crop has moved through the pipeline. MacIsaac estimates overall holdings are down by about 14 per cent from a year ago while fresh potato holdings have dropped by nearly 18 per cent. The decline in surplus holdings has helped boost the price of fresh stock.

“[We've] basically got 18 per cent less fresh potatoes to go to market than we did June 1, 2016. That tells you that the market's been fairly strong, and when it's strong you tend to have better pricing and that's what we saw here in Canada... [with] one of the better pricing scenarios this year,” he said.

An increasing amount of that stock has been making its way south of the border. MacIsaac said the value of the loonie in comparison to the U.S. dollar has made Canadian spuds even more appealing to American buyers.

“It's a good time to be exporting product to the U.S. when the Canadian dollar is where it is. Our exports have actually been ahead of schedule and that's reflected today in the amount of potatoes that we have left in storage.”

Still, MacIsaac cautions that talk of protectionism by U.S. President Donald Trump and his administration is a concern. He said the hope is that cooler heads will prevail before any radical measures are implemented.

“You hope that there’s enough professional people in the industry that are involved [in any decisions] and are asked their opinion, so that when the result comes it’s a positive,” MacIsaac said. “Both countries need trade. We are importing a large number of potatoes into Western Canada from the U.S. at this time of year as our supply goes down. Likewise, the U.S. exports a lot of their potatoes to Europe, Japan and China, and we in turn export to their country as a back-filler. There has to be trade back and forth. People in agriculture and the potato industry understand that. It’s just a matter of trying to get that message to the people at the very top.”

While contract volumes for processing potatoes will likely remain relatively static in most parts of the country this season, it’s expected that New Brunswick and Quebec will experience a significant increase in that regard. The Saint-Arneault processing facility in Saint-Hubert, Que. is expanding, while McCain Foods is adding a new production line to its Florenceville-Bristol plant in New Brunswick.

“Those areas that will have expansion will need more volume, not just shifting supply from elsewhere. It could be largely the same growers... [because] companies usually prefer to award contract volume increases to growers they already do business with and...know how they perform,” MacIsaac said.

“It’s a very positive sign. In our industry, we’ve been in kind of a stagnant position for the last 10 years in terms of the industry expanding on the processing side. There just haven’t been any plants doing any expansions [in Canada]. We’re always happy to see expansion, because that means there’s been a market identified and you need more product to supply that, and that’s what growers can do.”

### **New Brunswick**

The total potato acreage in New Brunswick is expected to increase by about five per cent this year over last year’s 45,705 acres. That increase can be attributed in large part to the added line at McCain’s plant in Florenceville, where capacity is being increased by 15 to 20 per cent. About 62 per cent of this year’s potato crop will be destined for processing, while seed should account for 20 per cent and table 18 per cent.

Cold, damp conditions delayed the start of planting in most parts of the province by about two weeks, especially in southern regions of the province such as Florenceville, Hartland and Woodstock. Planting was completed in most areas by the first week of June.

Jean-Maurice Daigle, director of market information for Potatoes New Brunswick, said in June the two-week delay is not insurmountable, and he expects a typical growing season if weather conditions remain favourable.

Despite enduring an unusually damp spring, Daigle said there doesn’t appear to be any increased risk of disease or pest pressure this season, and the province should be able to expect an average yield.

### **Prince Edward Island**

Early indications are that Prince Edward Island’s total acreage in 2017 will be similar to last year’s total of 89,000 acres. Once again, about 60 per cent of P.E.I.’s production will be destined for processing, all of which has been contracted, with 30 per cent targeted for the fresh market and the remaining 10 per cent intended for seed.

Like it’s neighbouring province to the northwest, P.E.I. also had to endure a wet spring. This May was the third wettest in the province’s history, dating back to 1872, with only 11 days where there was no precipitation. While that only pushed back planting by a few days in some sectors, most areas finished the second week of June, a week or so later than normal. Historically, planting on P.E.I. is wrapped up by the end of May.

Greg Donald, general manager of the P.E.I. Potato Board, said in June the later-than-usual start would not have much bearing on outcomes for most fresh and shorter-season varieties. “Probably the greatest pressure it will have is on our longer-season varieties such as Russet Burbanks,” and that the province can likely expect a typical yield this year.

## **Quebec**

In Quebec, early estimates were that potato acreage would increase slightly over last year’s total of 41,761 acres. Clément Lalancette, director general of le Fédération des producteurs de pommes de terre du Québec, said in June any increase likely wouldn’t exceed between 500 and 1,000 acres, and would be tied to increased demand for processing potatoes.

Planting in the province began about seven to 10 days later than usual due to heavy rains and flooding in some areas, but most of it had been completed, including along the Saint Lawrence River, by the first week of June. Lalancette said most of that lost time would be made up if weather conditions were favourable throughout the rest of the month.

The wet spring conditions mean Quebec could be hard pressed to match last year’s yield of 287 cwt per acre. “I would be surprised if we had record yields this year. It could still be a good year but it’s too early to really know,” Lalancette said, adding about 55 per cent of this year’s crop will be destined for the fresh market.

Late blight will remain a concern for Quebec growers, according to Lalancette, especially with all the rain the province received this spring.

## **Ontario**

Ontario potato growers experienced one of the worst growing seasons ever in 2016. Extreme heat and a lack of precipitation resulted in one of the worst droughts in more than three decades and substantially reduced yields.

Things got off to another slow start this spring when pounding rains pushed back planting by several weeks in some areas of the province. Some regions, most notably northern areas like Shelburne, were still planting the second week of June.

Despite the sluggish start, Ontario Potato Board general manager Kevin Brubacher said in June he expects this year’s potato plantings to be comparable to the 34,800 acres planted in 2016. The split between fresh and process will be nearly even with a few thousand acres of seed potatoes rounding things out. Unfortunately, this year’s wet spring brings with it increased pest and disease pressure.

Brubacher said Ontario growers are optimistic this year’s crop will be much better than last year’s. “For sure. We’re expecting probably an average crop right now,” he noted in late June.

## **Manitoba**

Manitoba expects its total acres to remain relatively unchanged from a year ago when growers planted 65,914 acres. About 45,500 acres of that total will be devoted to processing potatoes, although process volumes are expected to climb slightly due to additional contract amounts given out by processors. Fresh and seed acres are expected to remain in the 8,000- to 9,000-acre range.

Unlike the east, planting wrapped up on schedule in Manitoba by the last week of May.

The province did experience some late blight last summer but it shouldn't be a major concern this season if growers remain vigilant, Keystone Potato Producers Association manager Dan Sawatzky said in June.

While Manitoba will be hard-pressed to match last year's record yield of 350 cwt, Sawatzky said it looks like the province is poised for another strong year. "The way the start of the season has come there is the potential for a good crop."

### **Saskatchewan**

Saskatchewan's potato plantings are expected to be down somewhat from last year's 6,000 acres. The decrease can be attributed to the fact the number of seed growers in the province has been declining slightly over the past few years.

Planting wrapped up on time in most parts of the province. The only question now is will growers receive enough rain in the coming weeks to make up for a dry start to the season.

### **Alberta**

Total acreage in Alberta is expected to remain close to last year's 53,300 acres, although that number will rise when Cavendish Farms completes the expansion of its processing plant in Lethbridge in the next couple of years.

Planting began April 20 and finished on schedule by the first week of May in most parts of the province.

There appear to be no real concerns regarding pest or disease pressures, Potato Growers of Alberta executive director Terrence Hochstein said in June. "As long as Mother Nature cooperates and we don't have a late blight issue we're golden," he said.

He added that while it's too early to say if Alberta will enjoy a result similar to last year's record-setting yield, preliminary indications look positive. "So far, emergence looks good and everything looks to be coming up."

### **British Columbia**

B.C. growers enjoyed one of their best years on record in 2016 but it's likely to be a far different story this year. Relentless rain pelted the West Coast for much of the spring and set back planting efforts by several weeks.

Hugh Reynolds, a B.C. representative for the UPGC, said in June he expects yields to be down markedly from last year's 315 cwt per acre because of the wet weather, but that quality will be good and prices fair. He added disease and pest pressure is likely to be the same as in past years.