



August 2015 Newsletter

The Potato Crop Across Canada (Aug 15 2015)

PEI

The remaining inventory of last year's crop is of excellent quality. Tablestock supply is limited and in the hands of a small number of shippers. Most of the 2014 crop inventory that remains is intended for processing, which will be used up by the end of September. New crop harvest has begun with limited shipments to date for tablestock and processing markets within Atlantic Canada. Quality is excellent. Crop progress is still behind because of the late spring however fields look great with low disease and insect pressures. Moisture levels are good in the Eastern part of the province and hopefully timely rains currently experienced will be enough to improve moisture conditions across the entire province. It is too early to predict yield, however overall production will likely be lower than last year due to later planting and less overall acres planted. The PEI Potato Board hosted a field day and BBQ for the general public last Sunday, as a way of saying thank you for your support to the industry over the past year. Over 1300 people attended the event making it a great public relations venue.

New Brunswick

The current NB potato crop looks to be in great shape, with full and thick canopies covering most fields. The latest planted fields are finishing the blossom stage. Growers received untimely rain at planting time that delayed and extended the planting season. Once planting was complete the ground did become dry in early July but since mid July adequate rainfall has been reported in most if not all fields. Most growers would welcome a short, 10-12 day window, of good sunny weather. Tuber set appears to be on par with most years. Only a small number of acres have been harvested to date. Reported yields are in the 225cwt to 250cwt range and this is considered average. Quality also appears to be good.

With the very low movement on new potatoes to date, prices have not really reached an equilibrium price just yet. Old crop destined for processing is scheduled to clean up by the end of August. There could be some inventories of processing and table potatoes that will end up in the

unsold category. Early estimates are around 200,000 cwt. for that pile. Many growers in northern NB are expecting good yields similar to last year. However with better growing conditions this year, the growers in the southern part of the potato belt could see yields increase over last year by 25cwt to an average of 300cwt. All current indicators predict yields to be similar to last year's 300cwt average for all sectors.

Quebec

Crop development has been very good with no major issues. Harvest is under way for the chip sector and also for early potatoes in the fresh market. There is some pressure on the fresh price at this time of year. The fry sector has begun its harvest as well. Yields and quality appear to be good. It is always hard to predict the yields early in the season but if the weather continue to cooperate, yields will be better than last year- perhaps in the range of 295 cwt./acre. There is no old crop left.

Ontario

The Ontario potato harvest is well underway. Yields look to be above average but not as high as they were last year. A more precise estimate on yields will occur after the later harvest begins. Old crop has cleared through the system and new crop is in retail stores. Ontario had a couple of weeks in late July with extremely hot and dry weather. The late crop was set back minimally with growers applying timely irrigation and is now progressing nicely. In some fields tuber set is a little low but the size and quality of the potatoes that are there make up for the low set. Ontario fresh crop pricing has come down since the first potatoes were harvested at the beginning of July. The recommended board price for new crop Ontario potatoes is \$3.00 a ten.

Manitoba

The new crop has considerable variation dependent on weather events as much as location. Isolated excessive rain and hail has taken the top off overall provincial yield targets. An average to above average yield is still achievable, possibly in the 305cwt./acre range. Crop health is holding up well with no reported late blight and minimal early blight. Moisture is adequate to excessive. Tuber set is variable but higher than normal in many instances. New crop Rangers were tested last week with good results for size, gravity and yield. New crop started supplying the first processing plant on August 14th with the other two plants beginning on the 18th and 25th respectively. Processors have currently been down until new crop starts. Old crop is almost all cleaned up with some of the remainder to be delivered at new crop startup.

Saskatchewan

The province has experienced record setting temperatures this summer, challenging the efforts of potato growers in that area.

Alberta

For the most part the crop remains healthy. Alberta has just experienced another week of mid 30 C temperatures so there is the possibility that some heat related stress may start to appear. Some of the crop is starting to undergo natural senescence. The seed areas have received about 3 inches of rain the last two weeks so their crops are looking good, although there will be a reduced set in many areas. Hailed areas still remain to be seen if they will recover. Overall tonnage will likely be down. Irrigated processing crops appear to be doing well, with a slightly above average set, as long as there are no detrimental effects from the heat. Early chippers are being harvested with pleasing results. Fry varieties will start the last week of August with Shepody, Ranger and then field run Russets. In terms of old crop; McCain's still has old crop to clean up after their plant starts back up and Lamb Weston is still running for another week. Cavendish is finished. There is no excess crop left. Early yield projections for the province could come in at 345-350 cwt./acre.

British Columbia

Some areas have now only had 2 inches of rain since April, but this is not unheard of. Much of the crop is sold in season, as soon as it hits market size beginning in June, so yield will likely be about the same. An early spring with good weather allowed some growers to plant extra Kennebec for the Fresh Fry program. Given the drought situation in California, and reduced imports, extra Kennebec's will likely be needed for the local market. Harvest is well underway on everything but Russet varieties. BC awaits the decision of the Canadian International Trade Tribunal (CITT) on dumping stripper-sized potatoes into the Canadian market.

Highlights of the US Potato Crop

Columbia Basin

The potato crop in Washington is very different depending on the planting date. The early planted Shepodies and Rangers now being harvested have above average yields and outstanding quality. The later planted crop seems to have some very large (16 oz.) potatoes but also some undersize ones in the same hill. It is unlikely the smaller potatoes will finish up well as the extreme heat has resulted in some of the lowest vine scores ever recorded. It is expected that potatoes will need to be pulled from Idaho to fill the potential shortfall.

Idaho

United Potato Growers of Idaho have completed their first test digs for the 2015 crop. Average Russet tuber count per 10-foot strip is 87. That is down from 108 tubers counted at the same time for the 2014 crop. If the crop bulks up normally, this year's size profile should have a much better balance between cartons and consumer packs than the 2014 crop did. Last year's size profile created a surplus of consumer packs resulting in low prices. The health of the Norkotah crop is of great concern as high temperatures have stressed the plants, causing defoliation and early senescence. Excessive heat has been more prevalent in the Magic Valley creating the potential for rougher tubers. Late blight is seldom an issue in Idaho but this year the disease came in during the second week of July, the earliest ever.

Colorado

The San Luis Valley has experienced excellent growing conditions this year. Russets have a lower tuber count, are sizing up early and have the potential for great yields, certainly above trend line. This crop could pack out above the 5-year average, which is 68%.

Wisconsin

A beautiful crop coming on, as the result of one of the better growing seasons in recent years; not too much heat and not the excessive rainfall like experienced last year. This crop should also provide better pack out rates than last year.

Red River Valley

In North Dakota, moisture levels were extreme towards the end of planting, resulting in drown outs of 1-2,000 acres. Fields look decent but on closer examination, fresh growers are concerned about enlarged lenticels and growth cracks. Processing growers feel their crop is an average one.

China's Upcoming Potato Expansion

The Chinese government has launched an official plan to increase potato production by between 50% and 100% with the intention of making potatoes a food that is as staple as rice and wheat. However the challenge will be similar to North America, in matching consumption demand with production. It is their goal to improve the quality and type of potatoes produced. They will also need to change the perception of potatoes and their consumers eating habits, not an easy feat. Chinese culture traditionally used rice and noodles as their primary food source. The potato industry is now focused on replacing these products with potato flour. Great progress has been made with a multitude of products that have similar taste and texture to the original ingredients. Potential is unlimited for the kinds of products that can be made with potatoes. Unfortunately the cost is higher with lower recoveries than from a rice-based product. However with imports of 100 million tonnes of grain into the country each year, this becomes a more attractive replacement. In addition, where water availability is of great concern in a country like China, the potato can provide a higher nutritional and environmental return per unit of arable land while requiring less water than its rival crops. After all, China needs to feed a fifth of the world's population with only one tenth of the world's arable land to do it on!

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