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British Columbia's wine industry seeks $317 million lifeline amid climate challenges

The British Columbia navigating climate challenges and seeking support

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Similkameen valley

The British Columbia wine industry, renowned for its diverse and high-quality wines, is currently navigating a path through a series of climate-change related challenges that have significantly impacted grape growers and winemakers in the region. In an extensive report commissioned by the BC Wine Grape Council (BCWGC), urgent recommendations and a call for substantial financial support have been outlined to ensure the future sustainability and success of this vital industry.

Central to the BCWGC's assessment is the critical recommendation for a crop renewal program specifically designed for the BC grape wine industry. The projected funding required for this initiative ranges from $162 million to $317 million. This comes in light of empirical data indicating significant damage to vineyards across British Columbia:

- **Extent of Damage:** Approximately 29% of the industry's 12,681 acres have been severely affected by winter damage, while another 30% are battling permanent viral diseases necessitating replanting to prevent further spread.
- **Replanting Requirements:** The study estimates that between 3,814 and 7,492 acres need urgent replanting.
- **Financial Implications:** The average cost of re-establishing each acre is placed at $42,360, leading to an estimated total replant cost of $162 million to $317 million.

The climate-related adversities, including winter freezes and wildfires, have not only reduced yields but have also led to a downturn in tourism revenues. Ross Wise, Chair of the BC Wine Grape Council, underscores the uniqueness and severity of these challenges, highlighting the need for substantial funding to address these pressing issues.

Christa-Lee McWatters, Chair of the Wine Growers BC Board, echoes this sentiment, emphasizing the significant economic contribution of BC's wineries. In 2019, the industry's total economic impact was reported at $3.75 billion, generating $440 million in tax revenue.

Further exacerbating the situation is the report by Cascadia Partners in conjunction with BCWGC and Wine Growers British Columbia (WGBC) on the Winter Bud Damage. The report revealed a 54% loss in vineyard crops, leading to a 20% reduction in vineyard and winery employment, equating to 381 lost jobs. Additionally, there has been a $133 million decrease in total revenues and a $100 million reduction in government tax revenues, significantly impacting wine tourism and related sectors.

Reflecting on historical challenges, such as the impact of the North American Free Trade Agreement in the early 1990s, McWatters notes that the BC wine industry has previously navigated crises successfully. The Grape and Wine Adjustment Assistance

Program (GWAAP) of that era is cited as a pivotal moment in transforming the BC wine industry.

For the proposed replant program to succeed, stakeholders agree that specific guidelines are essential to ensure the health and vitality of new plantings. This initiative is not only a response to current challenges but also an opportunity to reassess and potentially improve grape varietal selection and vineyard locations.

This crisis in British Columbia forms part of a larger narrative of declining global wine production due to extreme weather events. The International Organisation of Vine and Wine (OIV) has reported a significant drop in global wine production, with notable declines in major wine-producing countries.

Despite these challenges, there remains a sense of optimism within the BC wine community. This period of adversity is also seen as a chance to innovate and adapt, potentially leading to a more resilient and quality-focused wine industry in British Columbia.