



Written by
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Will marijuana cripple California wine?



Forget the drought. Grapevines can deal with water shortages. Some California winegrowers have an even bigger problem these days: marijuana.

No, it's not that people are choosing to get high instead of drink wine. Wineries in northern California aren't competing with marijuana for customers, they're competing for workers, particularly in Mendocino, the epicentre of the domestic marijuana industry.

'When we need help in the vineyard around harvest time, we put out signs that we're looking for pickers', says Martha Barra of Redwood Valley Vineyards. 'People will usually stop by and apply for the job, but this year none did. I was down at the grocery store around harvest time, and saw four young people holding up a sign saying that they were looking for work. I told them to jump in the back of my pickup and I'd give them work. "What's the job?" they said, and when I told them picking grapes, they said that wasn't the kind of job they were looking for. It made me

furious. These kids can get paid \$20 an hour to sit inside on a white bucket and trim buds.' (That's the vital operation of isolating the potent bits of the dried marijuana plant.)

The average hourly wage for basic vineyard work in Mendocino County, where Barra farms over 300 acres, is somewhere between US \$10 and \$12. Barra pays \$12.50 and provides housing or an additional monthly housing allowance for her workers.

'Last year was the first year where we just couldn't find enough people and it cost us work', says Norman Kobler, owner of Ardzrooni Vineyard Management company. 'Every year now maybe 15 of my employees will disappear around harvest time to do the marijuana harvest instead. They can get \$25 or more an hour. I can't compete with that.'

Kobler farms over 500 acres from as far south as Marin County to the furthest northern reaches of Mendocino's winegrowing region. His labour costs have increased 33% over the past five years. He's raised his prices about 4%, but doesn't think it's possible to raise them much further.

'If it costs our clients about \$8,000 per acre to farm, and they're getting three tons of fruit per acre, and the value of that fruit is \$4000-\$5000 a ton, it doesn't pencil out', says Kobler.

When I ask Kobler what the solution is, I can almost hear his shrug through the phone: 'More bodies is what we need, but where that comes from, I don't know.'

Agricultural labour in California, which has historically been performed by a combination of legal and illegal immigrants from Mexico, has gone through a sea change over the past ten years thanks to a perfect storm of conditions that show no sign of abating any time soon.

The political climate with regard to illegal immigration has turned particularly nasty in recent years, resulting in the strictest enforcement of US immigration policies since the Second World War. There are more border patrol agents on duty than at any time in history, deportations are at an all-time high, and some border states are passing anti-immigrant legislation so severe that the Justice Department has suggested civil rights are being violated.

'They've basically shut down the border', says Stephen Collum of Vineyard Concepts, a Calaveras County vineyard management company in the foothills of the Sierra Nevada mountains. 'A lot of guys used to go down [to Mexico] in the off season, but they're having a lot of trouble coming back.' With increased vigilance at the border, the prices commanded by 'coyotes' who can get people across the border have skyrocketed even as their efficacy has plummeted.

Simultaneously, Mexico is not the same place it was 15 years ago. 'The demographics are changing', says Markus Bokisch, of Bokisch Vineyards in Lodi. 'You don't have these big families anymore. People are having less than three kids, and the job market is really improving there.'

As more and higher-paying jobs continue to be created in Mexico, the incentives to head north across an increasingly impenetrable border seem less attractive.

For those who do make it across, or those who are already in the US, the cost of housing has begun to reach painful levels, making it difficult to save money on a fieldworker's salary. What's more, these rising prices continue to drive a construction boom, and in an effort to attract more workers, the construction industry has had to raise its hourly wages.

'The last three years have been pretty bad', says William Easton of Terre Rouge Wines in

Amador County, 'There's not only less reason to come north for work, farm labour is just not as appealing as it used to be. They now have options like construction. And a lot of people who started in the fields have now migrated to the cellars.'

Neither Collum nor Easton believe that they're losing workers to the marijuana industry, but they both say they are facing a new source of competition: Napa Valley.

'These guys can go to Napa and make five or even ten more dollars per hour, just by driving two hours to Napa instead of an hour and a half to me', says Collum.

There's no other place in California that so starkly demonstrates both the principles of supply and demand and the new realities of the vineyard labour market as does Napa Valley.

'When I got here in 2003 we used to quote a labour cost of \$3,500 per acre', says Jennifer Putnam, the executive director of Napa Valley Grapegrowers. 'It's not less than \$10,000 now.'

Putnam's organisation conducts an annual wages and benefits survey among Napa farmworkers. Their most recent set of results shows that in 2015, 46% of grape growers offered their workers 401k retirement accounts [effectively pension arrangements], something that was almost unheard of a decade ago.

'The model from 15 years ago just does not apply any more', says Putnam. 'People are kicking and screaming about raising the national minimum wage to \$9 an hour, and you can basically walk in off the street here in Napa and get a job for as much as \$15 an hour in the vineyards. Years ago we were competing with lettuce in Salinas, or almonds or cherries. Now we're seeing a major shift to year-round, full-time employment.'

In some other parts of the state, vineyard labour continues to be a mix of full-time crews augmented by migrants who, instead of returning to Mexico between harvests, simply migrate from cherries to peaches to grapes and back again throughout the year.

But the days of filling up a pickup truck with illegal immigrants by the side of the road and setting them loose on a grape harvest in Napa are long gone.

'If you think about what we do, our job is to deliver the best possible grapes to the winemakers so they can make killer wines', says Kathy Simpson, general manager of Barbour Vineyard Management, one of Napa's top vineyard-management companies. 'You can't do that with transient labour. Our guys need to be with us, full-time, year after year.'

In Napa, migrant labour has largely been supplanted by vineyard professionals.

'We need a skilled individual out there who really knows the vineyard', says Simpson. 'Someone who can spot troubles, diagnose weaknesses, who can remember the last time it flooded and what happened as a result. We don't want turnover.'

Consequently, wages in Napa tend to start at \$14 to 15 per hour for the most basic labour, and go up steeply from there.

'It's competitive here', continues Simpson. 'We constantly raise our rates to keep our men. A lot of our workers now own homes in Fairfield and Vallejo, and their kids are going to college.'

Vineyard wages in Napa and Sonoma have become so competitive in fact that some growers are

finding themselves unable to manage.

'I've heard some horror stories', says Toby Halkovich at Cakebread Cellars. 'This year I heard of at least one crew walking out during harvest over a wage dispute, and another case of someone being forced to pick days after they wanted to because they couldn't find pickers.'

Even with its higher wages and many full-time crews, Napa is still feeling the pinch of the labour shortage. The brand value of Napa and the corresponding prices its wines may command might allow an increasing transition to more expensive, full-time vineyard labour, but the rest of California certainly can't follow that path. Legalising the recreational use of marijuana, something that's likely to happen in the next few years, would mean it could be grown anywhere and prices would fall, at least temporarily alleviating the acute pain facing vine growers in Mendocino, Lake and northern Sonoma Counties, but they're not the only ones hurting.

When pressed for solutions that don't involve merely playing the supply and demand game of rising wages and better benefits, few growers have ready answers.

'There's no fat on the bone when it comes to grape prices', says Markus Bokisch. 'The trend I see is mechanisation - machine harvesting, robotic pruners with stereoscopic vision. These won't lower the cost, but they'll lower the dependency on labour.'

Others mention the idea of importing labour from other countries, but it's hard to imagine how that might be accomplished in today's political climate.

No panacea exists for the looming crisis of vineyard labour in California, and growers are increasingly being forced to get creative in order to survive.

For her part, Martha Barra has found at least a temporary solution. 'Last year we got the sheriff to give us six people out of the county jail. We have to pick them up in the morning and deliver them back at night without their knives. It's worked out very well for us. They do a great job and they're so grateful to be outside.'

Fighting the California vineyard labour shortage with prison reform? That sounds like an MW thesis waiting to be written.

Picture by George Rose.