



Statement by the Rural Water Impact Network

A project of the Community Alliance with Family Farmers Foundation

Submitted to the

State Water Resources Control Board

July 14, 1994

I am here representing the Rural Water Impact Network, or Rural-WIN, which is a project of the Community Alliance with Family Farmers Foundation and I'd like to address key issue #2. Rural-WIN participants include the California Institute for Rural Studies, California Rural Legal Assistance, California Rice Industry Association, public elected officials, farmers, business owners and others concerned about the impact of water policy on the future of agricultural communities. I also work on a farm outside of Winters in Yolo County.

Rural-WIN was formed to represent the community interest in ongoing water policy discussions. Too often, the interests of farm labor, small-scale farming and small-businesses have been overlooked in these discussions even though the results of changes in water policy may have significant and long-term impacts on the future of our communities.

Our coalition is especially concerned about adverse social and economic impacts which will be a consequence of reductions in water availability to agriculture. Over the past six years we have seen reductions in water deliveries to agriculture in the Central Valley due to drought, water banking and changing environmental standards. Due to this, we have witnessed increases in unemployment, increases in immediate social service needs, lost tax revenue and a general downward trend in the economies of agricultural communities. These problems, unless addressed now, could intensify and become long-term.

Because changes in Bay Delta standards could further degrade the economies of rural areas, we believe it is important to be especially aware of potential problems. When changes in state and federal policy reallocate a critical resource like water, an assessment of the potential environmental, social and economic impacts needs to be made. If negative impacts are a concern, then it is the responsibility of public agencies to avoid or at least mitigate them.

Rural-WIN is conducting research that is quite relevant to the key issues outlined for this workshop. We are quantifying the impact of water cutbacks to agriculture that occurred during the drought of 1987-1992.

First, we are measuring the direct impacts of the water cutbacks to agriculture by compiling a comprehensive geographic description of which water districts and regions experienced reduced deliveries. The California Institute for Rural Studies maintains an extensive data base that describes cropping patterns on specific agricultural parcels from year to year. This data base allows us to directly measure reductions in harvested crops in each water district. We also take account of shifts from one crop to another, for example when the farmer shifts from a more water intensive to a less water intensive crop.

By quantifying reductions in harvested crops as a result of the water cutbacks, we then can estimate corresponding reductions in actual labor demands. In so doing we use seasonal labor demand coefficients for each crop as reported by U.C. Cooperative Extension economists. For example, almonds require 14 person hours of labor per acre per growing cycle; processing tomatoes require 34 person hours per acre; fresh market tomatoes require 63 person hours per acre; and cantaloupes require 133 person hours per acre.

In summary, our research will result in a description of changes in labor demand as a result of water cutbacks to agriculture in the drought of 1987-1992.

Changes in labor demand however are only one part of the picture. We are also concerned about the impacts that water cutbacks to agriculture will have on surrounding communities. This can also be quantified using easily available empirical data. We suggest that you use independent measures of recent local economic trends. For example, you could analyze sales tax revenue in such incorporated cities as Arvin, Coalinga, Corcoran, Dos Palos, Firebaugh, Gustine, Hanford, Huron, Lemoore, Mendota, Newman, Patterson, and San Joaquin.

Other sources would be business license fee revenues in the same cities, property tax assessments by region, economic conditions of special districts and the values of agricultural properties by region. Finally, unemployment rates should be analyzed by determining the duration of employment, the peak season employment demand, and the annual earnings of those who are employed.

We would be glad to discuss research methodology further with the State Water Resources Control Board. We are pleased to find that the Board is undertaking an analysis of economic and social effects of various alternative standards. If there are questions about our research, we would be glad to meet with you. Thank you very much.