

# ECONOMIC STUDY REVEALS IMPACT STATE WATER POLICY HAS ON CENTRAL VALLEY ECONOMY

A recent study<sup>1</sup> commissioned by the Westlands Water District (WWD) highlights the importance of agriculture in the Central Valley region particularly as it relates to the local, regional, and state economies. With more water, the regional economy will thrive; with less water, businesses and families, and the overall community will feel a crushing economic burden.

## Westlands Today

The WWD is the largest agricultural water district in the United States and accounts for:

- 29,000 Jobs
- \$3.6 billion in economic activity
- \$1.8 billion in crop value
- More than 351,000 acres of farms
- Provides key fruit, nut and vegetable crops, vital to national security

## Westlands with Water

With the full amount of water contractually promised to WWD, over 100,000 additional acres could be serviced, resulting in:

- Over 5,000 more jobs
- \$561 million increase in economic activity
- Increased opportunity for social mobility
- Increased national food security

## Westlands without Water

Providing none of the water allocated to WWD would result in:

- 25,000 -27,000 jobs lost
- \$3 billion decrease in economic activity
- Decreased opportunity for social mobility
- Massive displacement of Hispanic community
- Decreased school funding

## Study Highlights

- The role agriculture plays in California's overall economy cannot be overstated. The industry functions as the primary economic driver of the region, generating billions of dollars in local revenue, delivering high quality produce to people around the globe, and providing much needed jobs to tens of thousands of individuals. Without water, none of this would be possible.
- Hispanic and lower educated workers will be disproportionately impacted by the loss of entry-level/low skill jobs.
- An 80% decline in agricultural associated economic activity would more than double the unemployment rate to almost 21% in both Fresno and Kings Counties.
- Impacts to the regional economy will force an out-migration, which is estimated to impact home values and cause a \$477 million loss of tax revenue, further harming the overall economy.



<sup>1</sup>Shires, Michael A., Ph.D. *The Implications of Agricultural Water for the Central Valley*. Report prepared for Westlands Water District, June 19, 2017.

