

**STATEMENT BY  
WESTERN UNITED DAIRYMEN  
as presented by  
GARY H. CONOVER**

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**TO THE  
STATE WATER RESOURCES CONTROL BOARD**

**AT THE**

**JULY 13, 1994  
BAY/DELTA STANDARDS WORKSHOP**

**Western United Dairymen is a non-profit trade association representing approximately 1,400 Northern California milk producers, geographically covering Bakersfield to Humbolt. As the largest milk producing trade association in California Western members account for nearly 70% of the fluid milk produced in the state. Our staff provides services ranging from legislative and regulatory representation to field assistance in dairy site permitting, workers compensation, health care coverage, animal waste discharge and other services that may be required by our membership from time-to-time.**

**Western is not here before you today with alternative plans for salinity or flow standards, nor are we here to purport our expertise in the area of water hydrology or fish and wildlife issues. We wish to provide the Board and it's staff with expertise in the coming month(s) concerning dairy industry impacts which we believe you need to insure a balanced approach during your technical analysis of alternative plans with regard to the Delta.**

**Part of the "key issues" in the Water Board's Notice of Public Workshop deal with economic and social effects that may result by decisions implemented to effect sound change in the Delta. Western is before you to commit to providing you and your staff with insight into severe social and economic impacts that will occur within the dairy industry, and related and allied industries, including social structure impacts in towns and communities of Northern California, if water reductions are unduly absorbed by hay commodities, specifically alfalfa hay.**

**Alfalfa hay represents approximately one half of the total feed and roughage required for consumption by a milk dairy cow. The recently released California Water Plan Update projects a 204,000 acre reduction in alfalfa acreage in the Central Valley by the year 2020, off from the current estimated planting of 826,000**

acres. This needs to be compared against an industry which is essential to providing the California population in 1993 with an invaluable food substance, and managing it's expansion plans to absorb the predicted growth expected in California through to the year 2020.

California agricultural produces over \$18 billion annually in farm gate receipts, behind tourism and national security/defense. The defense industry is well on it's way out and that will make the significance of the ag industry all that more important in stabilizing California's economy. Milk producers farm gate receipts in 1993 represent approximately \$2.6 billion of the \$18 billion, far outdistancing the nearest agricultural commodity. What is of real significance is the multiplier effect that raw milk has once it does leave the farm for it's journey to the processing plant, all the way to the grocers shelf. In addition, allied and impacted industries, especially in the San Joaquin Valley, will incur severe negative economic impacts if hay commodities are forced to unduly absorb additional water reallocations. The obligations that are owed to the banking community in this industry would astound the most conservative of economists, debts ranging from land aquisition, facilities and structures, processing plants, milk tanks, milk machines, crop loans, housing, farm implements, milk tankers, and the huge investments in their most prized resource: their animals.

Western United Dairymen will be, within the next few days, retaining an economic consultant to measure the impacts as just described. In discussions with your staff, they appear to agree that information of this sort will provide them with valuable data to ensure that obligations of the Board are met while considering the economic degradation that may result by alternative decisions.

Western greatly appreciates the opportunity to provide the Board and staff with the coming study and will work towards the goal of insuring accurate and reliable data that can be used during your deliberation period.

Thank you.

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