

# DROUGHT

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Economic Associates suggests that in the Yakima River Basin a reduction in water availability of about 65 percent to 70 percent — which is expected under current drought conditions — would result in about a 14 percent to 17 percent loss\* in the basin's ag production value, the report said.

Statewide, the range of possible impacts on agricultural production in 2001 from drought conditions is between \$270 million and \$400 million, or 8.5 percent to 12.5 percent of total production, the report said.

The report said the drought, if it lasts only one year, will have long-lasting effects on the state's agriculture. The report did not speculate on impacts of a multi-year drought.

Among the impacts to agriculture, the report cited concerns that fall-planted crops may not have enough soil moisture to germinate and grow, which could affect the 2002 outlook.

Other impacts include losses to perennial crops that would have to be replanted, adding costs and reducing returns for several years. Some farmers, already hammered by continuing downturns in most commodities, may not be able to afford to replant, the report said.

Fields and orchards that are abandoned or not farmed can lead to other problems, including erosion, noxious weeds, diseases and pests that could cause declines in farming value in future years.

The drought will force some farmers out of business and add to agriculture's decline. "Farm failures and bankruptcies, exacerbated by the drought, will depress farm and land values and may lead to long-term or permanent reductions in Washington agriculture," the report said.

A decline in agriculture will seriously affect other sectors. Decreased production means unemployment in the ag and food industries will rise. Food processing, ag services, transportation and warehousing will also be affected, the report said.

The drought also has dire consequences for fish, recreation and hydroelectric power. Rising energy costs, caused in part by lack of water behind dams, affect the entire state, including agriculture.

The report's data will be used by several state agencies, including a new group of top-level officials that is organizing to look at how the state can and should respond to the effects of the drought. The People and Communities Work Group was organized at the request of Paul Isaki, Gov. Gary Locke's chief of staff.

"All of a sudden, people are responding to the energy price crunch and the drought because they hit at the same time," said Busse Nutley, director of the state office of community development in Olympia, and chairman of the new work group. The group will look at questions beyond ways to move water around to meet drought needs — they will consider the

drought's impact on people and communities and coordinate the state's resources to help ease the pain caused by the drought, she said.

The cabinet-level group is also charged with preparing for the 2002 legislative session. The group might recommend adding resources for drought-stricken areas, Nutley said.

The third area the group has been asked to explore is the state's role in developing and implementing long-term strategies to deal with the array of larger issues affecting rural communities, Nutley said. The group met for the first time June 28 and has not had time to come up with a work plan, she said.

The group parallels other cabinet-level groups including one focusing on water needs, another on energy issues and a third on the state's economic vitality.

The People and Communities Work Group includes high-level representatives of WSDA, Office of Community Development, Department of Ecology, Department of Employment Security, Department of Health, Commission on Hispanic Affairs, Office of Indian Affairs, Department of Revenue, Department of Social and Health Services, Office of Trade and Economic Development, Governor's Policy Office, Association of Washington Cities, Washington State Association of Counties and Washington State University's International Marketing Program for Agricultural Commodities and Trade Center.