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NEWS FROM THE OFFICE OF LT. GOVERNOR ED REINECKE

PR-60
September 27, 1974

Contact:
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Blue Ribbon Committee for
the Future of Agriculture
(916) 445-3513

FOR IMMEDIATE RELEASE

SACRAMENTO -- A report on the future of agriculture in California was released today by the Blue Ribbon Committee on Agriculture under the auspices of Lt. Governor Ed Reinecke and the Commission for Economic Development.

The 43-page document was prepared by a group of ten industry leaders appointed by the Lieutenant Governor within the structure of the Commission for Economic Development, an advisory body to the State Department of Commerce. Reinecke is chairman of the CED.

The report recommends steps which California agriculture must take to maintain the state's capability to meet forecasted food and fiber needs to the year 2000, while also fulfilling the industry's responsibility as an economic, social, and environmental force.

It is expected that harvested acreage will amount to nearly 9.2 million acres by 1985 and 9.7 million acres by the year 2000. Further, it is anticipated that the increased production of agricultural products in California, coupled with increasing prices, will boost the value of California agricultural production from slightly over 5 billion dollars in 1972 to 9 billion dollars by 1985, and 18 billion dollars in the year 2000.

(more)

Highlights of the report are:

-- Agricultural labor should be accorded the same rights, privileges, and prerogatives as other members of the work force in the state and should be required to assume the same responsibilities, duties, and abide by the same regulations. The report suggests that worker unit productivity could be encouraged through programs to train farm workers in the use of labor-saving equipment.

-- Ensure full implementation of the provisions of Article XXVIII of the California State Constitutuion, preserving agricultural lands for agricultural purposes by requiring that property taxes be based on actual land use rather than potential use.

-- Amend the Williamson Land Conservation Act so that its provisions are universally available to all agricultural land owners in the state who meet prescribed standards. This act provides that a farm owner may enter into an agreement with his county such that in return for maintaining the land in agricultural production, a lower property tax assessment is granted.

-- The state should foster the removal of trade and other barriers that deny access to the markets. Export controls should be used only in the most extreme cases in which a prior national emergency has been made.

-- The California Water Project should be completed as rapidly as possible with particular emphasis on meeting water requirements for the year 2000. Legislation should be proposed to prohibit the purchase of land in order to convert its water rights to a non-agricultural purpose.

-- Develop an increased awareness and concern for conservation programs and practices and a consideration for the legal and moral rights of land owners.

-- The state's food system must be accorded a first-rank priority for the allotment of available energies.

A copy of the report is attached.

C. B. Christensen, Director of the Department of Food and Agriculture, chaired the committee. Membership consisted of:

Robert P. Hartzell, Deputy Director, Department of Food and Agriculture, Sacramento (Co-Chairman)

Gordon F. Snow, Assistant to the Secretary, Agriculture and Services Agency, Sacramento (Executive Secretary)

Jed A. Adams, Milk Marketing Administrator, Department of Food and Agriculture, Sacramento

James G. Bond, President, California State University, Sacramento

Bruno Filice, Vice President, California Canners and Growers, Sunnyvale

Don F. Flournoy, Cattleman, Likely

Richard Johnsen, Jr., Executive Vice President, Agricultural Council of California

Howard H. Leach, President, Tejon Ranch Company, Los Angeles

Lin V. Maxwell, Retired County Director and Farm Advisor, Davis

Don F. McMillen, Agricultural Consultant, Pasadena

Walter W. Minger, Senior Vice President, Bank of America, San Francisco

Edmund A. Mirassou, Mirassou Vineyards, San Jose

Randall G. Reiff, Farmer, Woodland

Jerome B. Siebert, Associate Director, Cooperative Extension, University of California, Berkeley

Jack Stone, Farmer, Stratford

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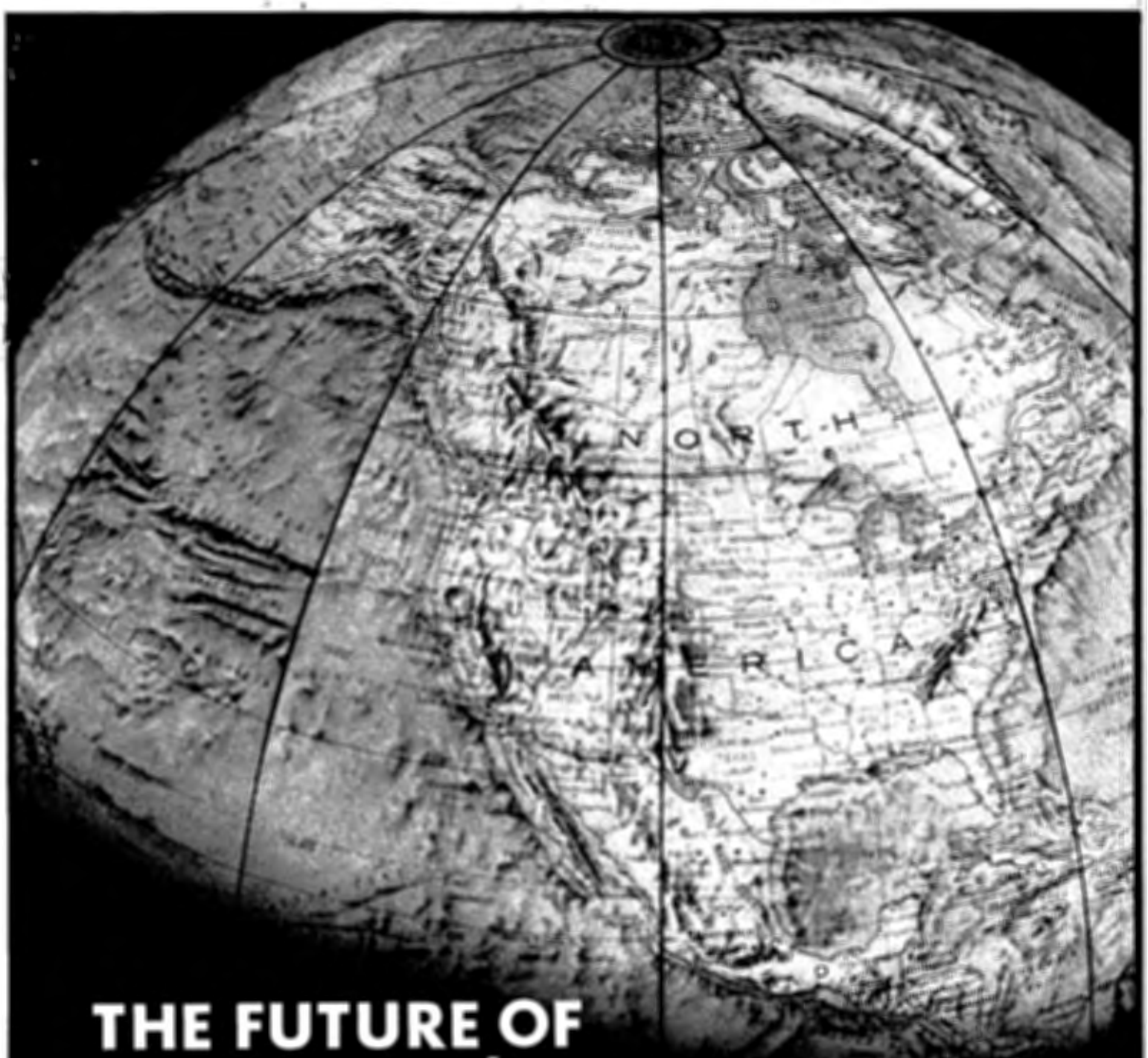

THE FUTURE OF CALIFORNIA'S AGRICULTURE 1974-2000

REPORT OF THE
AGRICULTURAL BLUE RIBBON COMMITTEE

COMMISSION FOR ECONOMIC DEVELOPMENT

TABLE OF CONTENTS

Page

Letter of Transmittal

Membership of the Blue Ribbon Committee..... 1

Introduction..... 2

Highlights of the Report..... 5

California Agriculture..... 9

I. Agricultural Land Policy..... 11

II. Agricultural Labor Policy..... 18

III. Marketing Policy..... 23

IV. Environmental Quality Policy..... 27

V. Research Policy..... 31

VI. Energy Policy..... 35

VII. Water Policy..... 38

Bibliography..... 42

STATE OF CALIFORNIA RONALD REAGAN, Governor

DEPARTMENT OF FOOD AND AGRICULTURE

1220 N Street
Sacramento
95814

September 27, 1974

Honorable Ed Reinecke
Lieutenant Governor
State Capitol
Sacramento, California 95814

Dear Governor Reinecke

In response to your request, the California Agricultural Blue Ribbon Committee has, for more than a year, diligently studied the position of agriculture in California so that a permanent future for this portion of the economy can be assured.

The Committee's goal has been to develop recommended procedures and policies which will continue agriculture's substantial contribution to the state economy; provide food and fiber for the citizens of this state and country at a reasonable price; and, at the same time, recognize the needs of an urbanizing and industrializing society for land, recreation, open space, and the other attributes of a desirable environment.

It is the Committee's belief that implementation of the policies and procedures proposed in this document is essential to the well being of the citizens of this State. It is the recommendation of the Committee that the legislative and executive bodies of government at every level seriously consider this report and take whatever action is necessary to fully implement its proposals.

The individual members of the Committee have asked that I relay to you their appreciation for the opportunity to participate in this work and offer their continuing services to the extent you may indicate.

Sincerely

C. B. Christensen
Chairman
Agricultural Blue Ribbon Committee

BLUE RIBBON COMMITTEE
ON THE FUTURE OF CALIFORNIA AGRICULTURE

C. B. Christensen, Chairman
Director of the Department of
Food and Agriculture
Sacramento

Robert P. Hartzell, Co-Chairman
Deputy Director
Department of Food and Agriculture
Sacramento

Gordon F. Snow, Executive Secretary
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Jack Stone
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Stratford

Lin V. Maxwell
Retired County Director and
Farm Advisor
Davis

INTRODUCTION

The Blue Ribbon Committee on Agriculture, appointed by Lieutenant Governor Ed Reinecke, has taken a year-long look at agriculture in California. This report, based on many hours of review, discussion, and study by the Committee reflects its opinion on the present status of agriculture in California, a projection of the future potential for agriculture, and recommendations for reaching that potential.

The Committee reaffirms the six guidelines contained in the initial charge to it by the Lt. Governor and views them as basic to sustained agricultural accomplishments in the state. These are:

1. The tried and proven concepts of supply and demand must be maintained in the food industry.

2. Steps must be taken to maintain the leadership role of this state's largest industry--agriculture.

3. The consumer's right to the best food products at a reasonable cost must be protected.

4. This Committee must serve the best interests of all the people of the state.

5. Agribusiness must be protected and allowed to operate with as few government controls and regulations as possible.

6. Recommendations should emphasize action by the state but not preclude recommendations to the federal government.

The California systems of land ownership and of intensive agriculture have evolved from a heritage dating back to the English legal system of private freehold of land. Throughout its history of development, changes in the system have been evolutionary, not revolutionary. A significant portion of California's economic base is in its agriculture and forests; the remainder is in the development and use of its other natural resources.

Increasing pressures from an urban and industrial society result in competition for available land and resources. In such an economic and social environment regulations restricting agricultural practices and procedures tend to be easily promulgated. In addition, the products of an unplanned and increasing urban growth are frequently detrimental to continued agricultural operations. The ability to increase the production of food and fiber for burgeoning populations, - state, national, and global - poses a great challenge to the rational, imaginative, innovative problem-solving talents of a sophisticated society. This challenge must be met with determination.

California's year-round agricultural production capacity makes it unique in the world. Not only does its wide variety of soil types and climate make it uniquely suitable for over 200 different crops, but the development and skillful management of its water resources through

a system of dams, rivers, and canals makes much of its agriculture virtually independent of the shortage of natural rainfall during critical periods of plant growth. Water is essential to the state's economy, and development of this resource must be continued.

With these attributes, California supplies not only 25 percent of the entire amount of table food consumed in the United States and 40 percent of its fresh vegetables and fruits; but also accounts for a significant 10 percent of the United States agricultural export. Through its exports agriculture has continually made a positive contribution to the U. S. foreign trade balance. California, therefore, not only has an obligation to its own people but to those of the United States and the world to protect and continue the agricultural industry which in 1973 generated about $7.2 billion worth of products.

Basic projections for California agriculture to the year 2000 have been made by University of California economists and are contained in the publication Projections of California Agriculture to 1980 and 2000, by G. W. Dean, G. A. King, H. O. Carter and C. R. Shumway. The projections contained in this study are based upon an expanding U. S. population, expanding employment, expanding gross national product, increasing per capita personal income, expanding exports, and shifting of consumption patterns to higher protein and more processed foods. Further, assuming that California will maintain its traditional share of the national market for farm products and that yields in farm production will maintain their pace of previous years, it is expected that harvested acreage will amount to nearly 9.2 million acres by 1985 and 9.7 million acres by the year 2000. Further, it is anticipated that the increased production of agricultural products in California, coupled with increasing prices, will boost the value of California agricultural production from slightly over 5 billion dollars in 1972 to 9 billion dollars by 1985, and 18 billion dollars by the year 2000. In terms of value at the retail level, the value of farm production is multiplied by a factor of 2-1/2. Therefore, an agricultural production of 18 billion dollars is translated into 45 billion dollars at the retail level. The effect of these levels of farm production on California's economy is such that every dollar in revenue at the retail level is multiplied by a factor of four in other segments of the California economy.

The people of California should capitalize on the great strengths of the state's agricultural industry. The variety of climates and broad dispersal of productive soils permit production of more specialty crops than any other geographic area of similar size in the world. California farmers and ranchers tend to be more innovative and sophisticated than those in any other part of the world. Our systems of marketing, processing, and financing of agriculture are harmoniously integrated to produce a wealth of agricultural products resulting in a dependable annual outpouring of food and fiber. In our own best interests as citizens, consumers, employers, and investors, programs must be undertaken that will aid and abet these productive capabilities.

To the extent that our farmers can assure continued increasing levels of production, California will benefit from increasing investment by processors and marketers. Such an economic environment will improve employment possibilities, the quantity and quality of foodstuffs, and the physical environment for the benefit of all consumers.

Preservation of prime agricultural land and increased unit production is the key for meeting future food and fiber demands. It is estimated that there will be a net loss to urbanization of some 20,000 to 25,000 acres of agricultural land per year. Many of these acres are classifiable as prime agricultural land. Not only is this loss to be measured in terms of food production, it may also be measured in terms of tax loss. Economic studies by the University of California indicate that agricultural land owners are net contributors to the property tax base in that they contribute more in the way of taxes than they use in services.

There are many laws, rules and regulations designed to meet the needs of the state to preserve lands for agricultural purposes. These laws are observed more in the breach than in the enforcement. Article XXVIII of the California State Constitution states, "It is in the best interest of the people of the State to maintain, preserve, conserve and develop lands for the production of food and fiber...." The Legislature is specifically empowered to enforceably restrict land to such use. Neither the Legislature nor local governments are diligently or vigorously complying with the dictate of the constitutional article. The Committee believes that land use planning which takes into account the effective preservation of land for agriculture will contribute significantly to economic growth, employment, and maintenance of environmental quality. Agriculture presents the most vital source of renewable wealth in the State.

The Agricultural Blue Ribbon Committee therefore recommends that the comprehensive agricultural policy proposed in this report be carefully reviewed by the State Legislature and the Administration and considered for adoption as the guiding state policy for the future development of agriculture in California.

HIGHLIGHTS

To successfully attain the objective of retaining in California an agricultural capability commensurate with food and fiber needs forecast for the year 2000 while simultaneously fulfilling agriculture's responsibility as an economic, social, and environmental force, the California Agricultural Blue Ribbon Committee recommends the following actions:

I. LAND USE

1. Ensure the full implementation of the provisions of Article XXVIII of the California State Constitution for the preservation of agricultural lands for agricultural purposes by requiring that property tax be based on actual land use rather than potential use.

2. Amend the Williamson Land Conservation Act so that its provisions are universally available to all agricultural landowners in the State who meet prescribed standards.

3. Change inheritance and estate tax assessment practices so that they are consistent with and limited to the lands' use limitations.

4. Establish State guidelines for the adoption and administration of agricultural zones by individual counties so that land planning or environmental control policies adopted will encourage economical agricultural production and discourage fragmentation of landownership.

5. Permit and protect agricultural production within agricultural zones.

6. Provide the State Department of Food and Agriculture with necessary resources and staff to render agricultural land use planning assistance to state and local government entities.

7. Improve coordination of the use of State and Federal lands.

II. AGRICULTURAL LABOR

1. Agricultural labor should be accorded the same rights, privileges, and prerogatives as other members of the work force and the work force should be required to assume the same responsibilities and obligations and abide by the same regulations as the industrial work force.

2. Youth employment laws and regulations should be thoroughly reviewed and revised as necessary to encourage greater employment of youth in agricultural pursuits.

3. Increased worker unit productivity should be encouraged through programs to train farm workers in the use of labor-saving equipment.

4. The Farm Labor Service provided by the State should be continued.

III. MARKETING POLICY

1. In those areas where industry is preempted by federal government, the State should, wherever possible, foster the removal of trade and other barriers that deny access to markets.

2. Institutions of higher education should provide increased training in the areas of practical agricultural international trade and agricultural marketing for commercial agricultural interests as well as campus-based students.

3. Marketing orders should be used to foster marketing opportunities rather than restrict production.

4. Export controls should be used only in the most extreme cases in which a national emergency determination has been made.

5. Imported food commodities should be required to meet United States standards for sanitation, additives, labeling, packaging, and residues equal to those applicable to domestic production.

6. A more efficient, rapid, comprehensive, and reliable system for reporting international supply and market statistics for agricultural goods should be developed.

7. The protection afforded to marketing cooperatives by the Capper-Volstead Act should be preserved.

IV. AGRICULTURAL ENVIRONMENT

1. Develop an increased public awareness and concern for conservation programs, and practices, and for consideration of the legal and moral rights and obligations of landowners.

2. Demonstrate the positive role of agricultural land as a watershed conserving and replenishment source.

3. Determine alternative uses for agricultural waste waters.

4. Relieve landowners of legal responsibilities for mishaps to visitors of their lands which could not reasonably be anticipated or were the result of conditions unknown to the landowner.

5. Assure the effective and efficient use of agricultural chemicals for the production of crops and the protection of the environment.

6. Assure that agricultural interests are represented on state government boards which have responsibilities for agriculturally related environmental problems.

V. AGRICULTURAL RESEARCH

1. Increasing unit production.

2. The control of pests and predators which compete with man for the available food supply.

3. Water and water use.

4. Air pollution effects on agriculture.

5. Energy.

6. Nutrition.

7. Management.

8. Marketing, distribution and storage.

VI. AGRICULTURAL ENERGY REQUIREMENTS

1. The State's food system should be accorded the highest priority for the allotment of available energies.

2. The State Energy Planning Commission mandated by the Warren-Alquist State Energy Conservation and Development Act should reflect the needs of agriculture for energy in forms and amounts required to increase production.

VII. AGRICULTURAL WATER NEEDS

1. The available waters of the State be fully developed.

2. Legislation be enacted to prohibit the purchase of land in order to convert its water rights to a nonagricultural purpose.

3. The California State Water Project be completed as rapidly as possible with particular emphasis on meeting water requirements of the State in the year 2000.

CALIFORNIA AGRICULTURE

The Situation

Agriculture in California operates in the most populous state in the nation. The number of individually owned farms has declined dramatically during the past fifteen years from approximately 99,000 to 63,000 in 1972, while the average size increased from 371 acres to 578 acres. Unlike many areas of the United States, California is greatly dependent on irrigation for continued production of over 200 different kinds of crops.

During the past 25 years, California farm output has increased greatly as a result of the adoption of technological advances in general farm operations. Increased mechanization has been accompanied by a decrease in the number of farms. Average farm size has almost doubled in response to the need to efficiently employ capital invested in machinery and equipment which have substituted for labor. Farm employment has decreased steadily to about 213,000 during the same period while agricultural wage rates have increased approximately two and one-half times.

As farms increased in size and efficiency, the need for more supplies for production and processing caused some manufacturers and suppliers to specialize exclusively in agricultural goods and services. At the same time, there was an increase in the vertical integration of farm production and the marketing system. While this has had the overall effect of more efficient production, distribution and marketing of farm products, it has nevertheless intensified problems of land use, labor and the environment.

Rapid urbanization and industrialization have resulted in the conversion of large amounts of cultivable land, much of which is prime agricultural land, to nonagricultural uses. Concurrently, this caused intense competition for water resources. Agricultural lands have suffered increased tax assessments based on potential use rather than actual use without concomitant increase in governmental service. Laws and regulations concerned with the pollution of air, water, odors, agricultural wastes, pesticides and many other environmentally oriented matters have placed an aggregate economic burden on agriculture in the state.

In those areas with growing populations and consequent pressures to convert agricultural land to other purposes, agriculture in California appears to be responding to short-term influences leading to less investment in agricultural enterprises, and slower technological adaptations. Some of the impermanence inherent in this situation can be corrected by establishing a more workable and permanent land reserve system under which agricultural production can be made profitable for farmers and agriculture can continue to contribute to the economic and social future of the state.

Population

The primary pervading and underlying cause for the changes required of agriculture in California is the increasing population.

With only one exception, since 1860 the state's population has doubled every 20 years. In 1860 only 20 percent of the inhabitants lived in towns or cities; today over 98 percent of the population lives in urban areas. In 1944 the population of the state was approximately nine million; it has increased in thirty years by some 13 million. Nearly one of every ten U. S. citizens lives in California, and almost two-thirds of those live south of the Tehachapi Mountains.

Projections of California population prepared by the demographers of the Department of Finance place California's population in the year 2000 at about 29.3 million. The effect of such an increase, if the prediction is realized, will be a demand for more food and fiber while, and at the same time, increased competition for land and water. The need to intensify production is obvious.

Problems and Issues

Although there are many ways to classify the contributions of agriculture to the state, and to identify requirements for its continued viability, the problems facing California's agriculture always include: (1) The need for land and taxation policies that encourage permanent agriculture; (2) Farm labor; (3) Marketing; (4) Environmental quality; (5) Research; (6) Energy; and (7) Water supplies.

Comment

While these classifications are not all inclusive, they do cover the wide variety of factors associated with or affected by agriculture as an economic and social force in the state. Housing, transportation, education, manufacturing, services, marketing, and all the other components of a complex society in this state are based on the land, its use, its products, and the protection of rights associated with its private ownership.

As California becomes increasingly urban, competition for land, water, and other resources becomes more critical to the continuation of agriculture in the state. Yet the burgeoning population demands more food, more land, and less agricultural wastes and odors. California produces over 40 percent of the nation's fresh vegetables and fruits and 25 percent of its total food supply. For some fruits and vegetables, California is the only source of supply. Although not generally recognized, agriculture does occupy a special relationship to all aspects of California life; and it has special problems. If California farm efficiency is to be maintained and agricultural competition with other countries in world markets is to continue to provide a favorable foreign trade balance, then those solutions to perceived problems which will accommodate agricultural production must be adopted.

I. AGRICULTURAL LAND POLICY

The preservation for agricultural use of a maximum amount of the limited supply of agricultural land is necessary to the welfare of the people of the State. It is necessary, not only to the maintenance of the economy of the State, but also to assure adequate supplies of fiber and healthful and nutritious food for future generations. The discouragement of premature, unnecessary or discontiguous conversion of agricultural land to other uses is a matter of public interest.

California is the most populous State in the nation and has a density of approximately 127 people per square mile. Although its major population centers are the San Francisco Bay Area, the Los Angeles Basin, and San Diego, there are other significant population centers in those portions of the State containing the major part of the agricultural area. Bakersfield, Fresno, Stockton and Sacramento are located in the Great Central Valley while Salinas in the north and Indio in the southeast service other large agricultural areas. Its location on the west coast, together with the two major ports of Los Angeles and San Francisco, make California a natural economic and shipping center for the Pacific area. Under these conditions, the incentive for economic growth and industrialization are enormous.

The 36.4 million acres of privately owned agricultural lands constitute about one-third of the State's land area. They provide, in addition to food and fiber, such natural benefits as wildlife and open space for a multitude of outdoor recreational activities. Whether the State can, or should, encourage expanded recreational use of agricultural lands through supplementary payments, tax benefits, changes in laws dealing with the liability of landowners, etc., needs to be reviewed. Such measures could help to provide an economic return to the landowner while assuring the general public of accessibility to certain types of recreational areas.

Land is obviously a primary resource in agricultural production and its preservation for agricultural purposes is essential to the continued viability of the agricultural industry in the State. A central issue in improving environmental quality is the efficient and effective use of land. Similarly, the central issue in improving the economic position of agriculture in keeping with the public interest in an adequate and wholesome supply of food and fiber involves permanence in land use. There is a need to develop a public land use policy which will be responsive to the needs of agriculture while promoting the simultaneous use of lands for agriculture and other purposes of public interest.

Sharply increased tax bills have accelerated the sale of agricultural land. Public concern about the dramatic loss of agricultural open space led to the adoption of the Williamson Land Act in 1965. Many questions have been raised concerning the program and its failure to permanently preserve agricultural land.

The application of the Williamson Land Act to farm acreages as a discretionary contractual arrangement between counties and individual landowners has been of some assistance to agriculture, but many prime

agricultural lands have not been able to acquire Williamson status because of local problems and county policies. At issue is whether the State should redirect its legislative protection of agricultural lands so that those identified by State established qualifying criteria receive appropriate consideration and benefits under the Williamson Act.

The increase in market value of agricultural lands over the past twenty-five years has generated a major problem in transferring farm estates at time of death. The transfer of valuable farm property from a decedent to his heirs frequently causes an asset liquidity problem. The result has been a reduction in the number of farms as the heirs, regardless of the desire of the family to continue the land in farm production, have sold the land, frequently to developers, in order to pay the inheritance taxes. The twin issues stemming from the assumption that agricultural production is the highest and best use of prime agricultural land are whether highest market value, or highest and best use, should be the basis for inheritance tax appraisal and whether the policy should be applied to agricultural lands.

Article XXVIII of the California State Constitution states "It is in the best interest of the people of the State to maintain, preserve, conserve, and develop lands for the production of food and fiber and to assure the use and enjoyment of natural resources and scenic beauty for the economic and social well being of the State and its citizens." It further specifies that the Legislature may, by law, define open space lands and provides that when such lands are subject to enforceable restriction, as specified by the Legislature, to the use thereof solely for recreation, for the enjoyment of scenic beauty, for the use of natural resources, or for production of food or fiber, such lands shall be valued for assessment purposes on such basis as the Legislature shall determine to be consistent with such restriction and use. Inasmuch as the tax benefit provisions of Article XXVIII of the State Constitution are not always employed to their full extent, the burden of taxes results in operations being less than optimum. As a result, people do not maximize the potential in farmland. Full implementation of the provisions of Article XXVIII should be pursued for the preservation of agricultural lands for agricultural purposes by requiring that property tax be based on actual land use rather than its potential use. The Williamson Land Conservation Act should be amended so that its provisions are universally available to all agricultural landowners in the State who meet the prescribed standards. In order to permit retention of farmlands in agricultural use beyond the life of the current landowner, inheritance and estate tax assessment bases must also be consistent with, and appraisals limited to, the lands' use limitations.

State guidelines should be developed for the establishment and administration of agricultural zones adopted by individual counties in their general plans. The agricultural zones should consist of the land normally used for the production of crops, animals, poultry, and timber, and those areas of the inland and ocean waters suitable for fishing and aquaculture. The land areas so classified should be of sufficient size to accommodate the operation of an economically efficient agricultural production complex.

Agriculture should be designated as the highest priority of land use within agricultural zones, and those activities and practices customary to agricultural production should be encouraged and protected. There should be established provisions for review and for public hearings, to be used whenever any public or private action threatens agricultural practices. Land in an agricultural zone should remain under private ownership and its use limited to agricultural production. Any land planning or environmental control policy adopted should encourage economic agricultural production. Undue fragmentation of landownership units should be avoided. The determination of the lands to be included in an agricultural zone should rest with local authorities consistent with guidelines established by the State. The standards for determining areas to be preserved, methods of compensating landowners for restrictions on land use, prerogatives, appeal procedures, etc., should be objectively determined. Landowners and others affected by the application of these policies must have access to review or appeal procedures and have ultimate recourse in the courts if necessary.

The authority of local municipalities with respect to planning and zoning should be recognized. Local government agencies should be required to initiate a review of their land use planning and to determine the extent of zoned agricultural preserves within their jurisdictions consistent with the objectives of agricultural production policies. In such decision-making processes, the State Department of Food and Agriculture should be responsible for supplying technical assistance and expertise as necessary for successful planning. The State Department of Food and Agriculture should be provided staff and facilities to render agricultural land use planning assistance to State and local government entities, in cooperation with the Office of Planning and Research. An advisory board should be established to assist the Department of Food and Agriculture staff in developing assistance plans. This local assistance program should be undertaken immediately.

Improved coordination of the use of State and Federal lands in the production of agricultural goods should be actively pursued.

Landowners whose properties are located in agricultural zones should be afforded land tax relief under Article XXVIII of the State Constitution on the basis of the restriction of their land to agricultural use. The constitutional rights of landowners must be protected. If their lands are included in agricultural zones, they must be protected from confiscation and the owners should be justly compensated for the value of property rights damaged or taken from the land.

Local agency planning must recognize time constraints on agricultural pursuits and accordingly provide advance planning of at least a ten-year minimum together with a system of guarantees against changes without suitable compensation for injuries incurred as a result.

A. Policy Implementation

The major objective of the land policy proposed in this report is to:

1. Ensure the full implementation of the provisions of Article XXVIII of the California State Constitution for the preservation of agricultural lands for agricultural purposes by requiring that property tax be based on actual land use rather than potential use.

   Preservation of farmlands owned and operated by private individuals will assure productive, tax paying, privately maintained open space with all its environmental benefits while providing job opportunities on the farm and in the area of goods and services. It will also enhance air and water quality as well as providing protective buffer areas around cities, industrial sites, highways, and commercial centers.

2. Amend the Williamson Land Conservation Act so that its provisions are universally available to all agricultural landowners in the State who meet prescribed standards.

   Each county presently has discretion to enter into Williamson Act contracts with agricultural landowners. This results in inequitable application of the provisions of the Act in different parts of the State. A reevaluation of criteria for inclusion of land under the Act, together with necessary changes in definitions of prime agricultural land, would result in increased retention of land in agriculture.

3. Change inheritance and estate tax assessment practices so that they are consistent with and limited to the lands' use limitations.

   Inheritance and estate tax assessments currently cause liquidity and economic problems for the families of decedent landowners. Such problems occur as a result of assessing land on the basis of its potential use rather than its actual use. Shortened tax reporting and payment times result in severe dislocation of the economic periodicity of agricultural enterprises. Such tax practices often result in forced sales of lands and their subsequent conversion to nonagricultural uses. The Committee recommends that the entire body of tax laws and regulations affecting agricultural lands be reviewed with the purpose of revision being to encourage the retention of agricultural lands in agricultural pursuits.

4. Establish State guidelines for the adoption and administration of agricultural zones by individual counties so that land planning or environmental control policies adopted will encourage economical agricultural production and discourage fragmentation of landownership.

   County general plans should recognize agriculture as the highest and best use of land within its jurisdiction. Plans should

discourage undue parcelization of land into units smaller than those needed to maintain an economically efficient agricultural unit. Local authorities should be guided by State criteria and guidelines in determining the lands to be included in agricultural zones.

5. Permit and protect agricultural production within agricultural zones.

Within an agricultural zone, those activities and practices customary to agricultural production should not only be permitted but protected. Certain activities associated with agricultural production are offensive to an urban or nonagriculturally related portion of the population. Smoke from burning stubble fields, dust from land leveling operations, odors and dusts from confined animal feeding installations, and other similar waste products are necessary side effects of agricultural production. They must be recognized as such, and permitted, if a viable agriculture is to continue in the State.

6. Provide the State Department of Food and Agriculture with necessary resources and staff to render agricultural land use planning assistance to State and local government entities.

A comprehensive and coordinated agricultural land use plan is basic to full realization of agriculture's potential for the year 2000. Duplication of effort at the local level should be avoided in the interest of economy. Centralization of expertise in the State Department of Food and Agriculture would avoid redundancy and provide high levels of assistance to local planning entities. In undertaking the task, the Department should have the assistance of an advisory board composed of agricultural interests, State and local government and planning agencies to help determine the type of assistance required and parenthetically the facilities, expertise, and service necessary to carry out the Department's function.

7. Improve coordination of the use of State and Federal lands.

Of California's approximately 100 million acres of land, 43 million are owned by the United States government, 37 million are in farms, and the remainder is owned by the state and counties or are in urban areas. However, less than 1/3 of the farmland is under cultivation while the remainder is open range. It is particularly in the use of Federal and State lands as grazing areas that the need arises for the resolution of conflicting desires and requirements. The desire of urban dwellers for recreational areas on public lands often conflicts with the need to use such lands for livestock production. A similar conflict can develop when adjacent parcels of land are used for different purposes without buffer zones. A liaison committee of State, Federal and local government representatives should be established in the State to resolve such conflicts.

SELECTED AGRICULTURAL DATA
1939-1969, STATE OF CALIFORNIA

Item	Unit	1939	1944	1949	1954	1959	1964	1969	Percent Change 1939-49	Percent Change 1949-59	Percent Change 1959-69
Land Area	Acres	100,353,920	100,353,920	100,313,600	100,313,600	100,206,720	100,206,720	100,069,184	0	-0.1	-0.1
Area in Farms	Acres	30,524,324	35,054,379	36,613,291	37,794,780	36,887,948	37,010,925	35,722,348	+19.9	+0.8	-3.2
Total Cropland	Acres	12,894,974	11,362,817	13,765,110	13,229,708	12,965,640	11,815,368	11,245,140	+6.7	-5.8	-13.3
Cropland Harvested	Acres	6,524,562	7,535,523	7,956,671	8,326,331	8,021,836	7,845,816	7,649,021	+21.8	+0.8	-4.6
Cropland Used for Pasture	Acres	4,242,598	2,196,312	3,530,589	3,018,010	3,033,050	2,052,678	1,844,016	-16.8	-14.1	-77.0
Other Cropland	Acres	2,117,814	1,630,982	2,277,850	1,885,367	1,910,754	1,916,874	1,752,103	+7.6	-16.1	-8.3
Other Pasture	Acres	NA	18,210,722	13,543,763	16,871,060	17,181,200	20,449,545	20,442,955	NA	+26.9	+19.0
Other Land in Farms	Acres	17,629,350	5,480,840	9,304,418	7,694,012	6,741,108	4,696,012	4,034,253	-47.2	-27.5	-40.2
Number of Farms (All Types)	Number	132,658	138,917	137,168	123,075	99,274	80,852	77,875	+3.4	-27.6	-21.6
Average Size of Farms	Acres	230.1	252.3	266.9	307.1	371.6	457.8	458.7	+16.0	+39.2	+23.4
Farms 500 Acres or More	Number	9,816	10,491	10,934	10,771	10,463	9,832	9,212	+11.4	-4.3	-12.0
Value of Farms (Land and Buildings)	$1,000	2,166,453	3,484,549	5,556,539	7,400,131	10,214,302	17,354,882	16,955,726	+156.5	+83.8	+66.0
Average Value per Farm	$	16,331	25,084	40,509	60,127	102,890	214,650	217,730	+148.0	+154.0	+111.7
Average Value per Acre	$	70.97	99.40	162.41	235.73	379.25	468.40	474.65	+128.8	+133.5	+25.2
Commercial Farms											
Number of All Commercial Farms	Number	108,613	125,452	99,133	89,418	66,927	57,289	54,040	-8.7	-32.5	-19.3
Commercial Farms as % of Total	%	81.9	90.3	72.3	72.6	67.4	70.9	69.4			
Land in Commercial Farms	Acres	NA	NA	34,344,628	35,839,564	34,884,221	34,807,381	34,054,741	NA	+1.6	-2.4
Average Size of Commercial Farms	Acres	NA	NA	346.4	400.8	521.2	607.6	630.1	NA	+50.5	+20.9
Value of Land and Buildings	$1,000	NA	NA	NA	NA	NA	NA	15,599,462	NA	NA	NA
Average Value per Farm	$	NA	NA	50,043	75,953	140,330	279,707	283,665	NA	+180.4	+105.7
Average Value per Acre	$	NA	NA	154.19	226.04	360.91	458.14	458.07	NA	+134.1	+26.9
Irrigation											
Number of Irrigated Farms	Number	84,310	87,205	90,755	84,502	74,138	59,429	51,050	+7.6	-18.3	-31.1
Irrigated Farms as % of Total	%	63.6	62.8	66.2	68.6	74.7	73.5	65.6			
Acres Irrigated	Acres	4,276,554	4,952,819	6,438,324	7,048,049	7,395,570	7,598,698	7,240,131	+50.5	+14.9	-2.1
Irrigated Cropland Harvested	Acres	3,732,215	NA	5,309,653	5,948,068	6,216,950	6,436,789	6,194,689	+42.3	+17.1	-0.4
Irrigated Pasture or Grazing Land	Acres	544,339	NA	977,702	1,099,981	1,178,620	1,022,912	762,543	+79.6	+20.6	-35.3
Average Acres Irrigated per Farm	Acres	50.7	56.8	70.9	83.4	99.8	127.9	141.8	+39.8	+40.8	+42.1

NA - Not available.
Source: U. S. Census of Agriculture - California.

Department of Water Resources
A profile of agriculture (California)
June 1973

NUMBER OF FARMS, LAND IN FARMS,
AND SIZE OF FARM - CALIFORNIA

1949-1971

Year	Number of Farms	Land in Farms (1,000 acres)	Average Size of Farm (acres)
1949	148,000	37,300	252
1950	144,000	37,500	260
1951	140,000	37,800	270
1952	136,000	38,200	281
1953	132,000	38,600	292
1954	128,000	39,100	305
1955	124,000	39,200	316
1956	121,000	39,200	324
1957	118,000	39,200	332
1958	115,000	39,100	340
1959	112,000	39,000	348
1960	108,000	38,800	359
1961	104,000	38,600	371
1962	98,000	38,400	392
1963	93,000	38,200	411
1964	88,000	38,000	432
1965	82,000	37,800	461
1966	76,000	37,600	495
1967	70,000	37,400	534
1968	64,000	37,200	581
1969	60,000	37,000	617
1970	58,000	36,800	634
1971	56,000	36,600	654

Source: California State Crop and Livestock Reporting Service, November 1971.

Dept. of Water Resources
A profile of agriculture (California)
June 1973

II. AGRICULTURAL LABOR POLICY

California agriculture is dependent on a constant and stable supply of labor of varying degrees of skill. Despite the higher wages paid agricultural labor in California, the state has usually been able to compete successfully with agricultural production of other states. However, the social, as well as economic, disadvantages and standards resulting from the lack of nationwide labor laws and standards for agricultural workers result in inequities of treatment for not only farm workers, but growers and consumers as well. It should be state policy that farm workers be entitled to the same rights, privileges and prerogatives as other members of the work force. Agricultural and industrial labor historically have received different treatments because of the relatively unskilled nature of farm work. This, together with changes in societal attitudes and views of labor rights, forecasts changes in the agricultural labor future.

Although California is a four season agricultural producer, it is nevertheless, because of its extensive involvement in the raising of fruits and vegetables, heavily dependent on seasonal labor. The seasonality, long hours, and physical demands of farm work, labor organizing efforts, and relatively low farm income, have all contributed to the difficulty of maintaining an adequate labor force on a continuing basis.

The total number of hired domestic farm workers in California has remained fairly constant at about 210,000 employees (see table 1). Increasing mechanization of agricultural production has tended to cause a shift from the intermittent seasonal type of employment to year-round regular farm work. The need to retain employees skilled in maintaining and operating more complex mechanical equipment requires a stable farm worker population with the skills needed for continued and increasing high levels of agricultural production.

Over the years and particularly during the past ten years, a major effort has been made to improve working conditions for the seasonal farm worker. Significant legislation in the areas of field work sanitation, worker protection, etc., were adopted well before the advent of OSHA (The Federal Occupational Safety and Health Act).

While the farm community has demonstrated a willingness to continually improve the conditions of farm work, the lack of nationwide farm labor working standards place California farmers at a significant competitive disadvantage with other states whose work standards are less stringent. However, California cannot afford to await the adoption of national farm labor standards because farm labor problems can destroy agricultural harvests, resulting in higher food prices and a reduction of job opportunities.

Farm labor concepts and practices in California are in a transitional state. They are affected by several interrelated factors. Mechanization of farming procedures has considerably altered the employment patterns of farm labor. There has been a detectable shift in the type

of employment from the itinerant, seasonal type to the year-round semi-skilled worker on larger farms. This has resulted inevitably in changes in cultural patterns in farm communities and in the state. Farm machine maintenance and operation generally require a degree of skill not necessary for hand labor and harvesting, consequently there are advantages to both the employer and the employee in farm mechanization. The worker commands a higher wage because of his increased skill, and it is advantageous to the employer to retain the worker year-round because of his investment in training, machinery, and increased efficiency. Farm labor in California receives approximately 30 percent above the U.S. average wage for farm labor. However, farm labor strife in the state stems not from wages but from jurisdictional disputes and organizing attempts by competing unions. The changing character of farm labor skills tends to emphasize the disappearing differences between industrial and rural work forces. The lack of difference between the two work forces increases the justification for according farm labor benefits and prerogatives similar to those of industrial workers as contained in the National Labor Relations Act. Pending Congressional action in this area, the state's agricultural industry would benefit from action by the state to establish secret balloting, freedom of organizational choice, unemployment benefits, and the prohibition of secondary boycotts and product boycotts.

Farm workers in California deserve, and should have, the same rights of collective bargaining and unemployment insurance as their urban counterparts. The fact that the Congress has not enacted national law establishing these minimum farm labor rights places California agriculture at a competitive disadvantage. However, California can no longer await federal leadership in this area. For the sake of worker equity in the labor field and in fairness to the state's agricultural producers and consumers, standards and procedures must be established to provide orderly systems for resolving conflicting views and promoting the efficient production and harvesting of agricultural goods.

California should continue to emphasize through its congressional delegation the need for a national response to the agricultural labor need for coverage by the National Labor Relations Act. If necessary, California must lead in adopting legislation that would assure farm labor collective bargaining rights and unemployment benefits. Four fundamental concepts must be incorporated into such a program.

Farm employees must have the right of self-organization under conditions of secret balloting and the right to bargain collectively through their chosen representatives. Although they must also have the right to refrain from such activities, they may be required to participate as a condition of employment.

Unfair labor practices harm not only employers and employees, but the consumer as well. Therefore, unfair labor practices by any individual or group must be prohibited. The employer must not interfere with the free exercise by workers in their right to organize and bargain collectively. On the other hand, labor organizations must not coerce employees exercising their rights of self-organization. Labor organizations must not be allowed to induce workers, through intimidation, to refuse their services in order to force an employer to give preferential treatment to a particular union.

An agricultural labor relations board should be established. This board should give full-time attention to agricultural labor problems of representation, elections, grievances, arbitration, and the prevention of unfair labor practices.

Employees, employers, and labor organizations must be afforded recourse to the judicial system for resolution of disputes and grievances and a system of penalties for violations of laws and regulations must be established.

Unemployment insurance rights must be accorded all farm workers in the state who meet criteria established for eligibility.

The committee is concerned that the exploitation of any labor group, and particularly youth, be prohibited. With this in mind, a thorough review of youth employment practices in agricultural pursuits should be undertaken. It should be recognized that employment of youth in agricultural pursuits is effective in building self-confidence, developing skills, establishing work habits and ethics and provides meaningful occupation for summer leisure time. Cities and communities should be encouraged to develop cooperative employment programs with farm associations and individuals. A thorough review of existing regulations in the youth employment field should compose a significant part of the study.

Increased worker unit productivity should be encouraged through programs to train farm workers in the use of labor saving equipment and devices. This could increase worker self-esteem and contribute to the stability of the work force as well as increasing worker productivity.

The Farm Labor Service provided by the state should be continued because the seasonality of California agriculture and the widely separated agricultural production areas of the state will always require some mobility of the work force. This mobility should be accommodated.

A. Agricultural Labor Policy Implementation

Agriculture, more than industrial production, is dependent on a stable work force because once the productive cycle is started, a failure to perform at any stage of the cycle results in complete failure of production. Therefore, in order to develop and maintain a stable work force with varying degrees of skill, the Committee recommends that:

1. Agricultural labor should be accorded the same rights, privileges, and prerogatives as other members of the work force and the work force should be required to assume the same responsibilities and obligations and abide by the same regulations as the industrial work force.

   The California congressional delegation should be encouraged to promote as rapidly as possible, the extension of the provisions of the National Labor Relations Act to all farm labor. Pending national action, California farm labor should be legislatively

authorized to form representative organizations, organize by secret ballot, accorded unemployment insurance rights, and prohibited secondary boycotts, product boycotts, and unfair labor practices.

2. Youth employment laws and regulations should be thoroughly reviewed and revised as necessary to encourage greater employment of youth in agricultural pursuits.

Existing laws and regulations governing the employment of minors in farm situations place the prospective employer of minors in a position of jeopardy for any infraction of a complex collection of rules, regulations, guidelines, and, in some cases, opinion concerning such employment. A revision of laws and regulations which effectively constrain or prohibit the employment of minors in agricultural situations should be initiated by the State. The State should encourage cities and communities to develop cooperative employment programs with farm associations and individuals. The State, through its employment agencies, should provide leadership in developing such cooperative employment programs.

3. Increased worker unit productivity should be encouraged through programs to train farm workers in the use of labor-saving equipment.

The use of labor-saving equipment presupposes a degree of skill higher than that required for hand cultivation or harvesting of crops. The development of skill is ordinarily accompanied by a pride of mastery and by employment. Skill in using and maintaining specialized agricultural production and harvesting equipment contribute to worker self-esteem and to a greater stability of the work force. Employers are more reluctant to release skilled workers.

As farm operations become more mechanized, the need for training will grow. The state through its community colleges, university extension service, and employment agencies should undertake a program of training in the local communities since approximately 3/4 of the farm labor work force resides in the county in which it works.

4. The Farm Labor Service provided by the State should be continued.

Although there is a discernible shift in farm employment from the seasonal toward year-round employment, there is nevertheless a critical need for large numbers of seasonal agricultural workers at given times in various areas of the state. The ability of California to muster the required numbers of workers in the areas of need has been aided by the ability of the Farm Labor Service to disseminate information on jobs and establish contact between worker and employer. The need for such service will continue in the foreseeable future and must be accommodated.

TABLE 1

Estimated Average Farm Employment by Type of Worker
California 1963-1973 1/

Year	Total	Farmers & unpaid family	Hired Domestic			Contract foreign	Total Seasonal
			Total	Regular	Seasonal		
			Number of Workers				
1963	318,400	93,900	196,500	93,500	103,000	28,000	131,000
1964	316,100	92,500	195,600	90,900	104,700	28,000	132,700
1965	302,600	90,600	209,200	90,300	118,900	2,800	121,700
1966	302,100	88,800	212,100	90,800	121,300	1,200	122,500
1967	292,400	84,900	207,000	92,200	114,800	500	115,300
1968	294,400	82,500	211,900	92,200	118,700	0	118,700
1969	291,100	80,600	210,500	94,400	116,100	0	116,100
1970	289,100	78,600	210,500	96,800	113,700	0	113,700
1971	287,100	76,700	210,400	96,100	114,300	0	114,300
1972	279,300	74,500	204,800	95,600	109,200	0	109,200
1973	282,058	72,266	209,791	96,158	113,633	0	113,633
Percent change 1963-73	-12.9	-23.0	+6.7	+2.8	+10.3		-13.3

1/ Averages are based on midmonth estimates.

Source: State of California Department of Human Resources Development Report 881M, Agricultural Employment by Type of Worker, Mid-month Estimates, various years.

III. MARKETING POLICY

California's agriculture produces 25% of the nation's food and approximately 40% of its fresh table foods. It accounts for $7.2 billion in gross agricultural income to the State and it contributes approximately 10% of the nation's agricultural exports. With increased worldwide demand for food and fiber, California's production would appear to stand in an enviable, competitive position. The west side of the San Joaquin Valley has been made available for agricultural production by completion of the California Aqueduct; ports are readily accessible for export; and markets in Asia and Europe are anxious, and financially able, to establish a purchase relationship with California's agricultural interests.

A strong marketing complex must be fostered and maintained to assure adequate marketing outlets for California's agricultural products in a highly competitive field. Many structural changes which have taken place in California agribusiness will have an impact on the marketing of California's agricultural commodities in the future. To fully realize the benefits of California's tremendously diversified agriculture, it is necessary to expand markets for its products both nationally and internationally. This will require realistic appraisals of existing conditions and foresighted actions to adopt grading, sizing, and standardization regulations to not only retain high quality but meet market requirements as well.

California agriculture has, since its earliest history, relied on distant markets as outlets for its goods. From the days when the Spanish land grantees ran cattle and sold tallow and hides to European markets, California's specialized agriculture has been serving and searching for markets thousands of miles from its borders. The producers of dried and fresh fruits, nuts and vegetables have relied upon international demand in order to succeed. In addition to the development of sophisticated marketing, handling and packaging techniques, California shippers have required advanced services for the transportation and preservation of their products.

International marketing requires the cooperation of local, state, national, and foreign governments, all working together. In the past, foreign markets have sometimes been used for the disposal of excess production. Now foreign trade has come of age and all of agriculture must maintain foreign demand on a long-term commercially acceptable basis or suffer serious reverses. The State must play a role in working with agricultural organizations and the federal government to make sure that open access to foreign markets is attained.

The State Department of Food and Agriculture should act as a catalyst to bring buyers and sellers together, but not to intervene in the negotiations.

The State also should gather information on problem areas. One of these is non-tariff trade barriers. The State should use its influence

at the national level to reduce or eliminate trade barriers. For this, it is essential that the State maintain close liaison with importers and exporters as well as federal agencies.

The State should continue to assist international trade by furnishing third party inspection and quality control programs to attest to the grades and sizes of products, and by working with agencies that provide transportation and protective services so as to ensure a high level and quality of service.

California agricultural producers are, for the most part, interested in maintaining open markets in both interstate and international trade. Impediments to trade such as quotas, embargoes and licenses must be eliminated. Passage of laws such as the Foreign Trade Bill of 1973, with appropriate amendments to delete those aspects unfavorable to agriculture, should be encouraged. Similarly, anti-discrimination measures which promote the free flow of California's commodities into and between various states must be supported.

While freer trade is desirable, powers must be retained to protect agricultural commodities from unfair competition from abroad. Imports should be required to meet the same standards of sanitation and quality as are imposed domestically. Industries must be protected from subsidized dumping of foreign products on our traditional markets. Power to take reciprocal action against foreign nations who violate international compacts must be retained. A stronger and more effective working relationship with domestic enforcement agencies, including the Tariff Commission and the State Department, needs to be developed.

The importance of California's "specialty crops" must not be minimized. California is the sole commercial producer in the United States of many crops including almonds, artichokes, apricots, persimmons, figs, dates, olives and nectarines, and is the primary producer of many other crops. Specialized marketing and handling is required for many of these. It is, therefore, important that California producers have available the legal tools, including marketing orders and agreements, cooperative enabling statutes, and standardization laws to enable them to cope with the many problems of market promotion, quality regulation, research, and direct marketing.

A key to keeping California preeminent in the marketing of specialty crops and the vast majority of its crops, is the availability of market research and research in the handling and processing of these commodities. Special problems due to distance to market, perishability, shelf life, and best methods of handling and processing require a continuing source of expertise in marketing and associated problems. State laws which permit industrywide sponsorship and funding of market research are essential, because the volume of many of these commodities is so small as to preclude individual action or funding.

Market conditions and requirements can only be ascertained by informational systems. These systems must be improved if agricultural

production and harvesting activities are to be responsive to market demands. An informational system should be implemented as part of the State government's program to promote the production of adequate and wholesome quantities of food at reasonable prices.

The relationship of marketing orders to long-term stability of production, credit and marketing should be thoroughly reviewed. Their role of each in the marketing of agricultural products should be evaluated in terms of optimal benefits to farmers, processors, consumers and the national interest.

The appropriate role for State government in furthering the marketing of agricultural goods is regulation. Participation in the marketing process should be considered only when the exercise of the powers or prestige of the State is necessary and then, only upon request of competent authority or interested parties.

A. Marketing Policy Implementation

Marketing is an integral part of agricultural production and should be viewed as a contributor to the entire process rather than as an end in itself. To further apply marketing concepts and procedures to agricultural needs, the Committee recommends that:

1. In those areas where industry is preempted by federal government, the State should, wherever possible, foster the removal of trade and other barriers that deny access to markets.

   Both national and international export opportunities would be improved by the removal of existing barriers. In many instances, governmental action has had the effect of prohibiting marketing activity by industry. Such barriers should be removed if possible, and the State should provide the leadership to accomplish this.

2. Institutions of higher education should provide increased training in the areas of practical agricultural international trade and agricultural marketing for commercial agricultural interests as well as campus-based students.

   Integration of members of the commercial marketing community into campus marketing courses would effect an exchange of practical and theoretical considerations beneficial to both students and practitioners.

3. Marketing orders should be used to foster marketing opportunities rather than restrict production.

   In establishing policies, advisory committees on marketing orders should recognize the requirements of satisfying both domestic and export needs. In addition, marketing orders should be used for quality control and to provide funds for research and promotion in domestic and export markets.

4. Export controls should be used only in the most extreme cases in which a national emergency determination has been made.

The state should urge the Federal government to not impose export controls except under emergency conditions and then only pursuant to rules established under international trade agreements negotiated by the federal government.

Reciprocal import controls, imposed by foreign governments on U.S. goods, can have a disastrous effect on segments of agriculture and result in a net loss to the entire export trade.

5. Imported food commodities should be required to meet United States standards for sanitation, additives, labeling, packaging, and residues equal to those applicable to domestic production.

U.S. standards of quality and other performance requirements are established to safeguard the health and welfare of the nation's citizens. There is no legal, moral, or biological reason to allow foreign imports to be sold in our markets that are of lower quality than that required for domestically-produced goods. Our products are required by law to be produced with greater care and hence at higher cost, yet they must compete with cheaper foreign goods.

6. A more efficient, rapid, comprehensive, and reliable system for reporting international supply and market statistics for agricultural goods should be developed.

The state's agriculture is responsible for about 10% of the nation's production for export, yet it has no adequate way of accurately gauging market demands. Market conditions tend to be unstable and, without precise information concerning them, production is apt to be out of phase with demand. The State should urge the U.S. Department of Agriculture to utilize its agricultural attaches to develop information on supply and demand conditions in the foreign countries which they serve.

7. The protection afforded to marketing cooperatives by the Capper-Volstead Act should be preserved.

Many commodity crops are too small in their production to afford competition and still remain viable. Therefore, in the interest of continued production, the combination of producer interests in joint production and marketing results in greater efficiency. The Capper-Volstead Act provides that cooperatives which handle products produced by their members are exempt from the provisions of the Sherman Anti-trust laws. Although cooperatives may technically come within the jurisdiction of the Anti-trust Act, they do not in fact constitute a trust as ordinarily recognized by the public. It is in the public interest to support the continued exemption afforded by the Capper-Volstead Act.

IV. AGRICULTURAL ENVIRONMENTAL POLICY

Examination of the various factors affecting, and affected by, California's agriculture indicates that the use of agricultural land will intensify during the next 25 years. Accompanying a demand for greater agricultural production will be an increasing concern for the effects of this greater activity not only on the basic agricultural resource, land, but also on the air, water and scenic cultural constituents of the environment.

Restrictions on California's agricultural production have already resulted from controls on land use, solid waste disposal, use of crop protection chemicals, air quality and water quality. Of particular concern are the environmental impacts associated with food production in the State, such as:

1. The effects on the environment from potentially polluting agricultural materials such as crop protection chemicals, fertilizers and solid waste;

2. The effect on agriculture of environmental degradation caused by population growth and industrialization, and crop damage resulting from urban generated air pollution;

3. The limitations that may be imposed on agricultural production as a result of environmental monitoring, management and regulation.

Smoke from burning stubble fields constitutes the major source of agriculturally caused air pollution although it represents less than one percent of the total air pollution problem of the State. Odors, noise, and dust associated with agricultural activities pose potential environmental problems but are of minor importance.

California agriculture is dependent on land and water for continued production. Irrigation water in appropriate quantity, quality, and at a reasonable cost must be provided and be immediately available for use upon demand. Diversion of water from agricultural purposes to meet industrial or commercial needs should be undertaken only after exhaustive evaluation of the consequences as compared with projected benefits.

Water quality concerns for agricultural pollution center principally on water oxygen deficiencies caused by the biological and chemical breakdown of organic agricultural wastes in streams and rivers. Agriculture must be assured adequate supplies of high quality water in order to produce the food. The disposal of large volumes of liquid and solid waste from metropolitan areas on farmland must be approached very carefully and with full knowledge of the consequences of such procedures. Of lesser importance and concern is the contamination of subsurface waters by chemicals originating from agricultural activities.

Agriculture is a contributor to air pollution, but production capabilities are affected by pollution from other sources. Oxidants are currently responsible for most crop damage in California. They have

been shown to significantly reduce the yields of cotton, citrus, and grapes. Their effects on individual crops of leafy vegetables have at times been disastrous.

Although organic agricultural wastes represent over half of the total State waste production, they are, for all practical purposes, biodegradable products presenting little environmental problem. It is only in localized areas that agricultural wastes may present environmental, aesthetic, or social problems. These problems are solvable through research on conversion of such wastes into desirable by-products.

Large concentrated livestock and poultry production units have created waste disposal problems. Large amounts of manure concentrated in small areas are problems both because of bulk and because of the nitrogen, salt, and organic matter content. The disposal or reuse of agricultural wastes constitutes one of the most challenging problems. There are many existing schemes and systems for converting agricultural wastes to useful products. At issue is whether the State should actively initiate research investigation and demonstration programs to promote the disposal or reuse of such materials.

In recent years, crop protection chemicals have become far more numerous and diverse and have been used in far larger amounts that in the past. Specific environmental side effects from the use of pesticides include possible residues in foods, effects on agricultural workers, elimination of nontarget organisms, residues in soil and water, as well as the dangers of decreasing the effectiveness of pest control through the destruction of beneficial organisms and the development of resistance in target species. Greater research is needed to resolve the conflicting points of view concerning the effects of the increased use of pesticides. Also needed is a determination of the acceptable tolerance levels that are commensurate with the need to provide greater food supplies. It is important that the efforts of local, State, and Federal agencies responsible for various aspects of environmental concern, be coordinated.

Concern for the environment should be balanced with concern for the recognized need for increased food supplies.

Because many positive contributions are made by agricultural land management which enhance environmental quality, California should immediately undertake a program to demonstrate the positive economic and environmental contributions of agriculture to the well being of the State. Particular emphasis should be placed on those aspects of agriculture related to food and fiber production and the conservation of natural resources.

The need to accommodate nonfood benefits such as timber, wildlife, watershed and outdoor recreational activities becomes greater with increasing population. Not only will agricultural lands be in demand to produce the basic food and fiber necessities, but there will be an

opportunity for enhanced economic return to the landowner willing to undertake multipurpose activities compatible with his basic farm requirements. To accommodate the demands on agricultural land and to ensure the maintenance of a reasonable social, economic and environmental quality, an increased awareness and concern for conservation programs and practices must be fostered. In doing so, the rights attending private ownership of land must be given paramount recognition.

A. Environmental Policy Implementation

To more nearly integrate the use of agricultural lands into the multi-use concept, it will be necessary to:

1. Develop an increased public awareness and concern for conservation programs, and practices, and for consideration of the legal and moral rights and obligations of landowners.

   The State should encourage and support the Soil Conservation Service in its programs to develop environmentally protective installations on private lands. The SCS should also be supported in expanding technical and resource conservation services vital to agriculture and other land users.

2. Demonstrate the positive role of agricultural land as a watershed conserving and replenishment source.

   Research institutions in the State, should be encouraged to undertake studies to characterize the role of agricultural lands in the collection, storage, and release of waters in the State. The purpose of these studies would be to fully document the role of agricultural land as a producer as well as a consumer of water. The State should promote the increased use of private lands as ground water recharge components through appropriate programs of assistance and incentives.

3. Determine alternative uses for agricultural waste waters.

   Irrigation water in California becomes useless for agricultural purposes once the salt concentration exceeds the crop tolerance, yet it may be perfectly useful for other purposes such as thermal electric generator cooling, recreation, fish cultivation, etc. A thorough exploration of the potential uses for agriculturally unuseable water should be undertaken.

4. Relieve landowners of legal responsibilities for mishaps to visitors of their lands which could not reasonably be anticipated or were the result of conditions unknown to the landowner.

   Much of the reluctance of landowners to allow visitors on their land stems from the laws of liability placing full responsibility for accidents and mishaps to visitors and trespassers directly on the landowner. These severe penalties to the landowner must be alleviated if the multiple use of agricultural land is to be encouraged. A corollary,

of course, is that the public using such lands must be imbued with a respect for the land and knowledge of the procedures that must be followed and of the actions permitted while on the land.

5. Assure the effective and efficient use of agricultural chemicals for the production of crops and the protection of the environment.

Despite the adverse criticism of pesticide use and fertilizer applications for crop production, the continued use of such materials is essential to an adequate food supply and the protection of natural resources. Numerous examples exist where pesticides are the only alternative to epidemic disease, complete devastation of forests, rangelands, and other natural systems as well as crops. The State should continually review its policies and procedures for regulating the use of agricultural chemicals.

6. Assure that agricultural interests are represented on state government boards which have responsibilities for agriculturally related environmental problems.

Environmental considerations by State government in California are separated among various agencies established for the single purpose of protecting the quality of an environmental constituent. The State Air Resources Board, the State Water Resources Control Board, the State Solid Waste Management Board have legally imposed responsibilities, authority and regulatory powers which substantially affect agricultural operations. However, little agricultural expertise or orientation is currently represented on some of the boards. The Committee, therefore, proposes that agriculturally-oriented input be mandatorily included. Whether by "meet and confer" or by formal representation of agriculture in the board membership, consideration of agricultural needs in these environmental areas is essential to agricultural production.

V. RESEARCH POLICY

California's agriculture is currently operating at a high technical level. The continued ability of California's agro-industrial complex to meet goals for increased food supplies, from fewer prime acres and at reasonable prices, is largely dependent on a continued high level of research activity.

California's ability to produce agricultural goods represents its greatest potential for contributing to the overall good of the country's economy and the world's supply of badly needed food. The development of machines, new seed varieties, fertilizers and better agricultural practices have all contributed to the preeminent position of California's agriculture and are all the result of intensive agricultural research. California's farmers have successfully transferred the results of research from the laboratory to the field and production in the State is at a high level of technological sophistication. In the near future, world food production will fall significantly short of meeting demand while increasing populations and individual affluence throughout the world increase the competition for available food. However, the adverse effects of a food and fiber shortage can be reduced by aggressive research. The highest research priority should be assigned to developing and adapting new commodities and varieties, cropping systems, and other production factors suitable for the state conditions. Attention must also be given to developing transportation, storage and handling facilities and practices which promote rapid and effective delivery of commodities to the ultimate consumer if the full benefits of improved production research are to be realized.

Traditionally, agricultural research has been carried out in Land Grant Institutions such as the University of California and various USDA agencies. This has included research in both the basic and applied fields. To further increase unit productivity, whether measured in terms of acres, time, manpower, or any other measurement standard, continued and increased research will be required, and support of it is in the highest public interest.

The evolution of agriculture is a slow process under the best conditions, but its progress can be expedited by the availability of a wide variety of new techniques, procedures, machines or other inputs from which can be selected the best combination for optimal production. Such items are necessarily the products of research and their continued availability is directly dependent on an adequate and continuous research effort.

There has been a slackening of research support by government during the past few years. This has depressed the volume of new information available. There is a need to maintain a reservoir of new knowledge on which to draw if agriculture is to continue to meet the demands placed upon it.

The need for such bolstering of the agricultural research effort is indicated by the increasing competition between agricultural, urban, and industrial requirements for land which will necessitate producing more food on fewer acres. There must be immediate attention given to rejuvenating and reorganizing research goals and programs to establish priorities, evaluate research units, and secure proper support for the work.

Public and private support of both basic and applied agricultural research has been a significant factor in providing California agriculture with the tools necessary to attain its preeminent position in world agriculture. This support has been largely responsible for the techniques which have resulted in the improved agricultural and forest production and marketing efficiencies, the generation and dissemination of information on new and improved physical quality of the environment that is enjoyed by our population today. Continued public financial support is essential if the State's agricultural complex is to meet the challenge of providing the food and other essential requirements of a growing population.

A. Research Policy Implementation

It is in the public interest to maintain a continuing base of State supported agricultural research in order that food and fiber of the highest quality and at the lowest cost to all people of the State may be produced. Such research should be conducted by the institution or individual most capable of performing it; whether a private corporation, the USDA, a State university, or the University of California's Agricultural Experiment Station - Cooperative Extension Complex. For the State to meet its agricultural production potential it is essential that sufficient and continuing public funds be appropriated to the University of California for long-term agricultural research. It is appropriate to balance public and private funding of applied research.

It is of equal importance that a judicious balance between basic and applied research be maintained. Furthermore, in broadening the role of the University of California, the State Universities, and other research organizations in the State, it is imperative that the problems of agriculture in their total complexity continue to be the primary focus and that the level of professional specialization not be diluted. It is the Committee's judgment that research emphasis during the next 25 years should be devoted to:

1. Increasing unit production.

   Efforts to develop new varieties to meet changing environmental conditions and social needs should be accelerated and the required basic research supported. New methods of disease control for both

plants and animals should be pursued; with emphasis being placed on the development of new techniques rather than refinement of existing technology.

Methods of realizing higher production in terms of animal units and acres such as development of new or exotic plant and animal types should be continued and intensified. New and increased research efforts on reproduction are required in the areas of genetics and disease control in order that the biological potential of both plants and animals be attained.

2. The control of pests and predators which compete with man for the available food supply.

Estimates of individual crop loss due to pests and predators in the United States vary up to 30% of the annual product. In other portions of the world, the percentage ranges as high as 50% to 100% crop loss. New and improved chemical and biological pest control methods and materials, particularly for specialty crops unique to the State, are vital if the existing production balance is to be maintained. The control of wild predators attacking domestic livestock and nuisance bird pests, such as the European starling, requires a substantial and immediate research investment of substantial proportions.

3. Water and water use.

Since water is essential to successful agricultural production in California, research into additional sources of irrigation water required for future development of potential prime agricultural land must be undertaken. Increased production will require the development of more efficient water use techniques and definitive determinations of water quality effects on specific crops. Efforts to develop agricultural waste water management and reclamation systems should be accelerated and correlated.

4. Air pollution effects on agriculture.

The increased consumption of fossil fuels with the attendant chemical recombinations of constituents to form air pollutants toxic to plants, as well as animals, requires research focused in two areas: sources of energy alternative to fossil fuels, and/or the development of plant and animal varieties relatively resistant to air pollution. The latter is considered a short-term expedient response to an existing condition while the former represents a goal of somewhat longer term.

5. Energy.

Agricultural products and by-products represent a very large reservoir of usable and storable energy. Agricultural crops

provide a way to trap and store the virtually unlimited, ever-renewable, essentially non-polluting solar energy. If green plants can be made more efficient in the conversion of solar energy, then agriculture in the future may be able to make significant contributions to the total energy needs of society.

6. Nutrition

Optimization of nutritional input/output balances has long been the goal of the animal producers in agriculture. Human consumption of food is not ordinarily based on this concept even though our schools traditionally teach nutrition as a part of the elementary educational program. As the food/population balance becomes more critical, greater attention to nutritional needs of individuals will be required. Those educational institutions responsible for such information should be encouraged to undertake accelerated programs in this area.

7. Management

Improved agricultural management capabilities and techniques must be developed in order for agriculture to meet the complex and sophisticated problems and challenges offered by future agricultural production systems.

8. Marketing, Distribution, and Storage

Food production and marketing will be worldwide in context and will require increased knowledge about trade opportunities and methods. There is an increasing need for knowledge of the structure and of methods for appraisal of commodity markets, as well as for improvements in marketing methods. Improvements in transportation, distribution, and storage systems are essential.

VI. ENERGY POLICY

California's agricultural production is highly dependent on adequate supplies of energy in usable forms and available on demand. In addressing the future energy requirements of California's agriculture, it is necessary to recognize not only the requirements of basic agricultural production, but those of the entire food system as well. The food system is an annual sequence of interdependent energy-using activities, starting with fertilizer manufacture and application, crop cultivation, processing, packaging, and delivery to the consumer. Curtailed energy supplies during certain portions of the year, or in specific segments of the overall system, would likely cause serious reductions in food supplies with only minor statewide energy savings.

In 1972, the energy requirements to produce, process, package and transport California produced food to the point it enters wholesale distribution represented only 5.1% of the total energy consumed in California; yet the food system is the largest employer of people and largest generator of dollars in the State's economy. Therefore, any curtailment of energy supplies to the State's food system has the effect of not only reducing the quantity of food available to the consuming public, but also has a significantly adverse effect on employment and on the State's total economy. The continuous nature of the growing cycle, critical timing of the harvest and its high perishability, together with the essentiality of food for the population, requires that there be no interruption or curtailment of the supply of energy available for agricultural production.

Historically, agricultural production has used increasing amounts of fuel and fertilizer to obtain more production of food and fiber from the same amount of land with less labor. While farm production has doubled in the past 35 years, fuel consumption has quadrupled. This trend will continue, with the probability that shifts in energy sources will occur when supplies and costs so dictate. The trends in production and shifts in energy sources must be accommodated by governmental agencies responsible for energy allocation programs which may affect agricultural production.

Natural gas is the main source of energy for California's agriculture and provides approximately 53 percent of its total energy requirements. Natural gas is principally used for the production of nitrate fertilizers and in processing agricultural products. Diesel fuel is the next most important in terms of total consumption and is used by tractors in the field and trucks in transportation. It is also used in large amounts for crop protection from frost. Electricity accounts for about 11 percent of all the energy used in agriculture with about two-thirds of it used for crop irrigation.

The demand by the food system for diesel fuel, electricity and natural gas will continue to grow at a faster rate than will the need for other forms of energy.

Supply projections by the Federal Power Commission state that "the imbalance between natural gas supply and demand have steadily widened

at an alarming rate and there will be no slowing or reversal of this trend within the next few years." Furthermore, basic objectives of the Federal Power Commission's current policy relating to curtailments are (1) the protection of deliveries for residential and small volume consumers, and (2) reduction in deliveries for large volume interruptible customers. This will result in major energy source shifts in certain segments of agriculture.

Due to the dependency of California's agriculture on natural gas both as a basic ingredient in the manufacture of ammonia for fertilizer and as an energy source for processing and preserving food and fiber, the California Public Utilities Commission must be encouraged to afford the highest priority of natural gas supplies to the producers and processors of food and fiber when regulating available supplies.

At issue is whether the existing systems of priorities for public utilities should be reassigned to provide agriculture and agriculturally-related industries higher priorities for use. Under the present system fertilizer manufacturers, canneries, and similar operations have been assigned low priorities because of their classification as an interruptible customer. Recent developments in energy shortages have imposed critical conditions on agricultural production and processing which must be addressed.

Those segments of the food system that have alternative energy capabilities should be encouraged to increase their use of other energy sources in order that those without an alternative can continue to function.

Because the production of food and other agricultural products is our most essential need, the assurance of an energy supply sufficient to meet agricultural production requirements is of paramount importance to the people of this State. State systems of energy planning should, therefore, explicitly be required to consider and provide for agriculture's energy needs in forms appropriate to promote increased production.

A. Energy Policy Implementation

The ability of California agriculture to increase its productive capability under the competitive conditions of a relatively free market society without exceeding manpower, land and water resource limitations will require ever greater quantities of electricity and fossil fuels. Shortages of various energy forms will persist in varying degrees for at least the next ten years. Such shortages will inevitably require the evaluation of energy consumption and the assignment of preferential priorities for available energy. California agriculture uses about five percent of the total energy available in the State; yet it produces more energy than it consumes in terms of BTU's. Not only is it a net producer of energy, but the products of agriculture are absolutely essential for survival. In the Committee's opinion:

1. The State's food system should be accorded the highest priority for the allotment of available energies.

The Federal Fuel Allocation System currently recognizes agriculture as an essential industry to be provided its full requirements of fuel. Although this recognition extended only to petroleum derived fuels, the need to preserve agricultural capacity was fully recognized. However, other energy sources vital to California agriculture are natural gas, especially for fertilizer manufacture and processing of food products, and electricity for irrigation water pumping. A concerted effort by all concerned will be required to fully acquaint the appropriate agencies with the need for reassigning priorities of energy use to reflect the essential character of agricultural needs for energy.

2. The State Energy Planning Commission mandated by the Warren-Alquist State Energy Conservation and Development Act should reflect the needs of agriculture for energy in forms and amounts required to increase production.

The form taken by regulations established to implement the laws of the State is to a degree discretionary with the adopting agency. To the degree that such discretion is available, administrative procedures and direction can materially influence the form and impact of regulations. With appropriate exercise of discretionary powers a differential rate structure based on energy use and consumption could be adopted so that on a graduated rate scale agricultural use would receive the lowest rate. The fact that agriculture uses only about five percent of the available energy in the State would make the effect of a lower rate for agriculture negligible on the rest of the energy consumers.

VII. AGRICULTURAL WATER POLICY

Conservation, management, and distribution of water is basic to continuation at the present level of California's industrial, agricultural, recreational, and environmental status. The control and distribution of available water supplies has transformed many areas of the State from desert or semidesert to highly productive valuable agricultural regions as well as providing water necessary for an unprecedented industrial expansion in urban areas of the State.

Tree, fruit, and vegetable production in California is almost entirely dependent on irrigation for its survival. Since irrigation water is supplied from both surface and subsurface reservoirs, it is essential that demand and use be balanced with supply in quantities and qualities suitable for the acreages and crops to be irrigated.

The existing water storage and delivery systems in California are the result of long-range plans developed with great foresight and determination by past legislatures, administrations, and local governments. The existence of this water system is an outstanding demonstration of the benefits to be derived from long-range planning. In balancing water supply with demand, the current practices of pumping subsurface waters result in severe overdrafts in some areas and contribute to the long-range problem of future water shortages. Research toward more effective and efficient use of water by industry and agriculture should be made an integral part of the overall effort of planning and developing California's water resources.

In planning for future agricultural water systems, augmentations and changes, attention should be given to developing complete agricultural water systems comparable to the systems afforded urban and industrial areas. These systems should include not only facilities for collecting, storing, and distributing water but should also include provisions for water reuse, reclamation, or disposal. It should be the policy of the State that water in adequate quantity, as well as quality, be available to meet the future needs of the State and that the use of the supply or quality of water as methods of social or economic control be avoided.

There will be an increase in irrigated acreage. Unlike other sections of the country, California's most productive farmlands receive less than 15 inches of rainfall per year and are entirely dependent on irrigation for the continued production of crops with high water requirements. Without irrigation, the land would return to the semiarid condition existing in the Spanish Mission days. The present irrigated acreage of over 8.5 million is expected to reach 9.1 million by 1980 and 9.7 million acres by the year 2000.

Of the 71 million acre feet of water available as runoff in California, approximately two-thirds originates in the mountains of northern California as a result of rainfall and snow. Almost 85 percent of the state's crops require water for irrigation. Approximately two-thirds of the need for water is in the area south of Sacramento. The counties of the San Joaquin Valley are the greatest users of irrigation water with Fresno, Kern, Tulare, San Joaquin, and Kings counties leading the list in order of consumption.

Although faced with local or short-term shortages of water, California agriculture is not currently subject to chronic water shortages or placed in a serious competitive position with other industries for the available water. However, with the continued industrialization and urbanization of the State, coupled with increasing environmental concerns and demands, agriculture is faced with unusual problems which it is ill-equipped to have any substantial effect upon or to solve.

Thermal electric generating facilities being considered for construction in the interior of the State will consume hundreds of thousands of acre feet of water for cooling. The cooling water is evaporated, and therefore becomes unavailable for further use by agriculture or industry. Because many of the water sources available for development in the state are already being used, agriculture is being placed in an increasingly disadvantageous competitive position by higher water prices and tactics of more industrial oriented segments of the economy. For example, the San Diego Gas and Electric Company recently purchased over 7,000 acres of agricultural land and has options on 2,000 more in eastern Riverside County for the express purpose of acquiring the water rights available with the land. Much of the water associated with the land will be used for a thermal electric generating facility.

Historically, little consideration was given to the disposal of waste waters from agricultural production. The present concern of many in the population for environmental quality has resulted in laws and regulations establishing standards of water quality and use. While most of these standards are directed toward controlling industrial effluent, federal and state regulations have been adopted governing agricultural practices and water quality - notably, dairies and other confined animal feeding installations. Federal regulations have also been proposed governing the quality of water running off of agricultural fields. In California this would apply to irrigated agriculture, although the intent of the regulation was principally concerned with spring runoff from snow covered and frozen fields of the northern tier of states. Care must be taken that regulations are based on a thorough analysis of the problem and consideration of physical, social, economic, as well as environmental conditions. This must be done at all levels of government, whether local, state, or federal.

At issue is whether water quality standards and regulations of the state should reflect the federal concern with water quality and arbitrarily set standards, or whether the state regulations should reflect a con-

cern for water usability, availability, and as a basic resource in the economic and social life of the state.

A. Agricultural Water Policy Implementation

The availability of water in adequate amounts and of suitable quality is essential to the continued production of many California crops. The continuing expansion of industrial technology in California has been accompanied by a concomitant need for increased amounts of water to service both industry and the urban communities. With increasing acreage being brought under cultivation, the industrial use of water together with commitments of water to other states and countries portends a competition for water which, because of economic conditions, can only place California agriculture at a distinct competitive disadvantage with other producing areas. The fact that subsurface water tables have been continually lowering over the past many years serves to emphasize the fact that the water balance in the State may well be operating at a deficit. This emphasizes the need for effective and progressive water conservation, management, and control if the interests of the people of the State are to be fully protected. The committee, therefore, recommends that:

1. The available waters of the State be fully developed.

   The State's position concerning the four principal rivers of the northwest coast, the Eel, Van Duzen, Mad, and the Klammath, should be re-examined and, if possible, changed to make the waters of these rivers available to the rest of the State for useful purposes. Not only would such waters substantially reduce the cost of water in the rest of the State, but control of these rivers would result in enormous savings of property and lives in their vicinity.

   The use of ocean waters for thermal electric generation plant cooling and other purposes could free fresh waters for other uses. A thorough investigation of potential replacement roles for ocean waters should be undertaken. This also applies to saline waters, agricultural drainage waters, and the waters of the Salton Sea.

2. Legislation be enacted to prohibit the purchase of land in order to convert its water rights to a nonagricultural purpose.

   The result of purchasing agricultural land for the sole purpose of acquiring rights to water for nonagricultural use and its effect on the agriculture of an area is well-documented in California. Since agricultural production cannot succesfully compete on a price bid basis with industrial and urban water use, protection of this essential resource for agricultural purposes should be provided. Once such water rights are transferred from agricultural land, economic considerations preclude their return.

3. The California State Water Project be completed as rapidly as possible with particular emphasis on meeting water requirements of the State in the year 2000.

Between 1990 and the year 2000, existing contractual water demand will exceed existing water supplies. The consequence will be increased competition for available water. It is expected that agricultural requirements will rise from the current 31 million acre feet per year to approximately 35 million acre feet per year during this period.

At the same time, there will be an increased need to develop systems for managing agricultural waste waters. The development of reclamation, recycling, alternate uses, and disposal systems will be necessary to handle increasing amounts of waste water.

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