

EXCERPTS FROM REMARKS BY JOHN A. RICHARDSON, SUPERVISOR OF RECLAMATION,
DEPARTMENT OF CONSERVATION, AND SECRETARY, COLUMBIA BASIN COMMISSION, BEFORE
ANNUAL MEETING OF EAST BENTON SOIL AND WATER CONSERVATION DISTRICT, KENNEWICK,
JANUARY 26, 1963.

Mr. Chairman and Ladies and Gentlemen:

It's good to be with you here tonight. My boss, Director of Conservation, Earl Coe, always has had a great interest in this area. He served Benton and Franklin Counties as both a member of the House of Representatives and as a State Senator, and has told me much of the efforts to develop the agricultural economy here. Mr. Coe asked me to bring you his regards and wishes for a fine meeting here tonight.

When Mr. Bartanen suggested the topic "Development of the Tri-City Area and Its Agriculture," I said to myself: "That's great, I think I can talk on that subject. Reclamation is the key to agricultural development in the Tri-Cities."

And that's true. Irrigation and reclamation are the backbone of the agricultural economy here. The 6,753 acres of the Kennewick Highlands have been irrigated for more than 50 years. The other 12,413 acres of the Kennewick Division now have a full water supply.

The Kennewick Project tells one story that some times gets missed these days. This is that reclamation is a long-term program. Projects are built over many decades. Reclamation is not the kind of development that blooms over night.

This area was first designated as the Benton Division of the Yakima Project on March 31, 1909. A report signed by President William H. Taft on January 5, 1911, authorized the Benton, Kittitas and Wapato Divisions of the Yakima Project. Later, about 1919, the Benton Division was eliminated and portions were designated as the Roza and Kennewick Divisions.

More than 30 years later, the Kennewick Division was authorized for construction by Congress on June 12, 1948.

And now, we are talking about another 6,800 acres in the Kennewick Division which previously had been deferred. Before long, Congress will be asked to provide for completion of this new acreage of the division.

But do we want to go ahead?

Some strong voices have been raised against further reclamation development. There is a totally unfounded belief---even right here in the heart of the reclamation country---that irrigated lands produce surplus crops.

The argument is made that now is the time to stop developing new lands. Let's examine the true situation.

Irrigation farming tends to alleviate rather than add to our existing agricultural problems. The placing of water on land being used for non-irrigated grain crops, such as wheat, usually results in a shift to more diversified farming. This certainly has been true in the Columbia Basin.

Very little of the nation's crop surplus is attributable to the irrigated areas of the 17 Western reclamation states.

For example, in the Columbia Basin Project, thousands of acres of dryland wheat have been taken out of production in Grant, Adams and Franklin Counties. Water was available to 451,000 acres in the project in 1962. Some 115,000 acres that had been in wheat now is producing alfalfa hay, vegetables, sugar beets and other row crops.

Five crops comprise 95 per cent of the holdings under loan and inventory of the Commodity Credit Corporation---Wheat, Corn, Upland Cotton, Grain Sorghums and Tobacco.

Dollar amounts of these commodities grown on reclamation lands of the West are:

Wheat, 2.2 per cent.

Grain Sorghum, 34/100 of 1 per cent

Corn, 73/100 of 1 per cent

Tobacco, none

Upland Cotton, 4.1 per cent

Grain Sorghums represent about 10 per cent of the total Commodity Credit Corporation inventory, but the buildup of these stocks has not come from reclamation farms.

Assuming that reclamation farmers put the same proportion of their cotton crop in the price-support program as do other Western growers, the commitment would amount to only about $2\frac{1}{2}$ per cent of the total U.S. crop. Consequently, the production of cotton on reclamation farms is not the root of the surplus problem.

Corn grown on reclamation projects is utilized for livestock feed and we have seen this demonstrated on the various divisions of the Yakima project and in the Columbia Basin, as the cattle feeding industry expands.

But even if reclamation farmers were to put the same proportion of their corn under support as the rest of the farmers in the country, the quantity grown on reclamation lands would be less than one-tenth of one-per cent of the total amount of corn grown in the United States.

Wheat is the No. 1 surplus commodity. The existing over-production would have been even greater had not the introduction of irrigation in commercial one-crop wheat growing areas enabled farmers to shift from grain to diversified cropping and livestock.

About 2 per cent of the total U.S. wheat crop is grown on reclamation farms. If this is placed in the support program in the same proportion as the total wheat crop in the 17 Western reclamation states, the supported quantity would equal only two-thirds of one per cent of the U.S. crop. It is reasonably certain, however, that not even this small amount of irrigated wheat goes into surplus holdings.

One of the local voices crying out against further reclamation is that of Mr. Walt Reese of Kennewick, elected to the state legislature last fall.

The Tri-City Herald said of Mr. Reese: "...he believes the Columbia Basin Project should be halted."

Mr. Reese stated in a letter to the editor on November 28:

"I was attempting to show the foolishness of a paternalistic government that pays some farmers to idle their land and cut production while at the same time building projects to raise more crops."

Mr. Reese and those like him miss the point entirely. If more wheat land was going in to compete against him it would be one thing. However, irrigation is taking wheat land out of production and so Mr. Reese is better off than he was before.

It is my hope that those who raise this false cry of reclamation and surplus crops will re-examine their position and support the Kennewick Extension Project, the Lower Horse Heaven Project, the Eureka Flats Project and the Columbia Basin lands that will be brought in over the years to come.

Grand Coulee Dam was started 30 years ago. Less than half the job is done in bringing water to the 1,029,000-acre project. Some time within the next 25 to 40 years, the Basin will be completed. This is no time to call a halt.

A reconnaissance report has been completed on the feasibility of irrigating 129,000 acres in the Lower Horse Heaven area. Water would be pumped by relift systems from the Columbia. This is in the future and it may be 10 years before the plan is approved by Congress.

Over on the Snake River, a similar pumping project is planned for 12,600 acres on Eureka Flat. Most of the remaining irrigation projects to be developed along the Columbia and Snake Rivers are high-cost, pressure-pipe systems.

Power revenues from the adjoining hydro-electric projects of the Bureau of Reclamation and the Army Corps of Engineers are needed to pay the irrigation costs beyond the ability of the farmers to meet them.

This week, Director of Conservation Coe and Governor Rosellini approved for the State of Washington the Secretary of the Interior's proposed report on the Whitestone Coulee Unit of the Chief Joseph Dam Project.

This is typical of the remaining projects to be built in the region. A 40-year old system of the Whitestone Reclamation District will be rehabilitated. It serves 1,830 acres, and new construction would provide water for an additional 705 acres.

Cost of the project is \$5,229,600. The water users can repay only about \$850,000 over 50 years. But power revenues from Chief Joseph Dam, \$4,303,000 will make up the difference.

Is this a good project? Not only is it a good project, but it has one of the highest benefit-to-cost ratios of any reclamation project ever to be presented to Congress.

For every dollar spent on its construction, \$6.61 will be returned. Here we have irrigation and power going hand in hand. And projects such as this one emphasize the need for the proposed Pacific Northwest-Pacific Southwest power intertie to market dump surplus power produced in this region.

Also emphasized in this regard is the need for regional power preference legislation for the Northwest, and enactment of the bill sponsored by Senators Jackson and Magnuson and Congresswoman Julia Butler Hansen to cover this subject.

Power is the paying partner with irrigation. And it is the great multiple-purpose projects of the region, starting with Bonneville and Grand Coulee, which form the keystone of this water resource development to benefit all of the people of the region.

Those who have fought for this development should take notice, however, of statements being made by such groups as the Association of Washington Industries and the Farm Bureau.

In Ephrata last month, James Rondeau, who is one of the members of the touring road show of the Association of Washington Industries, which has been criss-crossing the state painting a black image of the state's industrial development future, had a number of things to say.

One was that the State of Washington, and particularly the Columbia Basin, has leaned heavily on federal expenditures. He said this was not sound economy.

He said that private industry is the hope for profit and the free enterprise system is the only way to create this hope.

No one can quarrel with most of the things Mr. Rondeau said. But to criticize the Columbia Basin and indicate that federal expenditures are being leaned upon too heavily and are a threat is sheer nonsense.

In the first place, all irrigation and power construction costs are returned to the government 100 per cent. In addition, the power features of reclamation projects pay interest at 3 per cent.

And what has done more for private, competitive enterprise in Ephrata, Moses Lake, Warden, Othello, Connell, Pasco, Quincy and the other project cities than the Columbia Basin Project.

There are now homes, farms and cities where before there was sagebrush and jackrabbits. The population gains alone are astounding. Pasco had 3,914 people in 1940. That went to 10,228 in 1950 and 14,377 in 1960.

For comparable periods, Quincy had 318, 804 and 3,263 people. Othello, a railroad division point in 1940 with 332 people, went to 526 in 1940 before project development and zoomed to 2,661 in 1960.

Moses Lake, or Neppel as many of the old timers remember it, had 326 people in 1940, 2,670 in 1950 and 11,232 in 1960.

Crops values in the Basin now net more than \$42 million annually, ten times the net from the former dryland farms. Twenty farms have been created for each one that existed before. Property taxes for the irrigated farms are ten times those of the dryland farms.

Grand Coulee produces 40 per cent of the electrical energy used in the Pacific Northwest. The region produces one-half of the aluminum in the nation, using this low-cost power.

Our public utility districts furnish more power at a cheaper rate than anywhere in the country. Benton County Public Utility District is a leader in its field.

Benton REA serves a sparsely populated area for most of its system, as an electric rate much lower than other REA's in the state. One of the principles of the REA program has been to bring electric service to areas which could not be served by other utilities.

Only the fact that financing could be obtained through the federal Rural Electrification Administration at a 2 per cent interest rate has REA service been made possible in many sections of the country.

Now we have the American Farm Bureau Federation joining the private power industry's attack on rural electrification. In a resolution adopted at its annual meeting in Atlanta last month, the Farm Bureau called for an increase in the REA interest rate. Also opposed by the Farm Bureau was rural electric financial participation in the Department of Agriculture Rural Areas Development Program.

The Farm Bureau attack on these two programs can thus be understood only by recalling what many observers have been noting for some time now. Namely, that the Farm Bureau's national leadership has been taken over by corporation farms and big food processing firms, whose interests are closer to the world of big business, including private power, than to individual farmers.

In mentioning the Rural Area Development Program of the U.S. Department of Agriculture, I want to emphasize that the Congress, in adopting the 1962 farm bill provided programs for bringing new vigor and economic health to rural America.

You hear mostly about price supports and commodity programs whenever a farm bill is before the Congress. The Food and Agricultural Act of 1962, as it is known also provides a blending of all resources and programs, local, state and national, for the creation under local leadership of new economic opportunities in farming areas.

Your Soil and Water Conservation District is in an important leadership position. Federal and state government can provide incentives and technical services, but government cannot and should not do the conservation and development job for local people on privately owned lands.

The Soil Conservation Service has been assigned the primary responsibility to cooperate with and assist local sponsors in developing and carrying out project plans.

Also in the 1962 act, the Farmers Home Administration's lending program was strengthened. More credit has been made available and reasonable rates for family farms, where the operators cannot get this credit through regular commercial channels. Authority to make soil and water conservation financing available has been expanded.

An Area Redevelopment Program has been established by the Department of Commerce to assist farm communities in attracting small industrial payrolls.

Recreation in rural areas, fishing lakes, private campgrounds, duck ponds and game and fish farms to utilize poorer croplands all can be developed with long-term financing. These activities are designed to upgrade the economy of rural areas, and are administered by the Department of Agriculture.

As you may know, the Small Watershed Program of the SCS has been expanded. Federal cost-sharing is provided for the first time for public recreational development. Municipal and industrial water supply can be included in the reservoir cost allocation.

New jobs in rural areas are being created by the Accelerated Public Works Act. Projects are now being developed in soil and water conservation districts, in connection with the small watershed program and for improvement of research facilities.

Under the Manpower Development Act, members of farm families with less than \$1,200 annual net income are eligible for training in skills needed in the labor market area where they live, or in other sections of their state.

Your district can play an important part in these programs as a coordinating force, and in participating in the county technical panel of the U.S.D.A. agencies.

Many soil and water conservation districts are updating their long-range programs and are executing modernized memorandums of understanding with the Secretary of Agriculture. This could be a first step in evaluating participation in watershed and other new water resources development work for the area.

Reclamation is having a difficult time in Congress these days. Projects, such as the Kennewick Deferred Area, are meeting with stiff opposition, because of the misinformation in the minds of many over the so-called crop surplus problem.

Folks such as Jay Perry, Lampson, C.S. Fletcher and J.C. Pratt—who fought the battles in Washington, D.C. before—will not have as easy going on the Deferred Area Project.

In the past session of the Congress, a most significant vote was taken on future reclamation authorizations. This was in the bill to authorize the Secretary of the Interior to enter into amendatory repayment contracts with the three Columbia Basin irrigation districts.

A strong effort was made to prohibit water delivery to any of the some 580,000 acres remaining to be developed on any lands where crops in surplus might be grown. This would have been a severe blow to project development and in effect would have set up a great discrimination against future farm operators.

Through the efforts of Senators Magnuson and Jackson, this amendment was defeated by a wide margin of 62 to 13 in the Senate. However, Senator Jackson was subjected to extreme personal attack by three Midwestern sponsors of the amendment, and there was a virtual filibuster inside the Senate Interior Committee to force the amendment to the floor for a vote.

In short, we must revive the forward-looking spirit which brought the Kennewick Project into being.

This spirit in resource development was demonstrated in the now successful fight---against great odds---of this area's great achievement of obtaining the utilization of waste steam at Hanford for power production.

This project arose four times from almost certain extinction and finally was put across. We are proud that the Department of Conservation was able to negotiate directly with the Bonneville Power Administration and the Atomic Energy Commission to advance the proposition of non-federal construction of the Hanford power facilities.

After our director, Earl Coe, had kept this avenue open, we were pleased to step aside from any program of state construction of the facilities and turn the plan over to the Washington Public Power Supply System and its able manager, Owen Hurd.

With the revival of the type of spirit that saw Grand Coulee Dam become a reality and the dreams of Jim O'Sullivan, Judge B.B. Horrigan, Ivan Merrick and many others come true for the Columbia Basin, we can continue to develop the water resources of this area, state and region.

This is no time to let down in the successful efforts pioneered by Jay Perry, Frank Lampson, C.S. Fletcher and J.C. Pratt and the legion of others who set the goals for the Kennewick Project.

It's been a pleasure to be with you. Thank you very much for this opportunity to get some thoughts off my chest here tonight.

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