

THE ECONOMIC IMPORTANCE OF THE COLORADO RIVER TO THE BASIN REGION

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Overview and Limitations

- Study examines the economic importance of the Colorado River for the Upper and Lower Basin Regions for one calendar year (2012) –Arizona, Colorado, Nevada, New Mexico, Utah and Wyoming and also for seven contiguous Southern California counties (Imperial, LA, Orange, Riverside, San Bernardino, San Diego, and Ventura)
- Modified IMPLAN input-output models used – accounts for inter-related nature of the economy
- Economic values are estimated based on:
 - **Non-availability** of Colorado River water for one full year (2012)
 - **Non-substitutability** of the Colorado River water - that is, no other sources of water are available to compensate for the loss of Colorado River water
 - **Non-adaptability** of producers and consumers
- Three measures of economic impact are assessed for each geographical area studied:
 - Gross State Product (GSP)
 - Employment
 - Labor income

Estimated Total Water Consumption (2015)

GEOGRAPHY	AGRICULTURAL		MUNICIPAL & INDUSTRIAL	
	Total Requirement Million Acre Feet (MAF)	Percent Sourced from Colorado River	Total Requirement Million Acre Feet (MAF)	Percent Sourced from Colorado River
Arizona	2.20	49%	1.98	41%
Colorado	6.13	31%	1.25	41%
Nevada	0	0%	0.37	79%
New Mexico	0.72	15%	0.30	60%
Southern Cal. 7 Counties	3.52	92%	4.17	37%
Utah	2.04	22%	0.84	34%
Wyoming	1.95	20%	0.15	70%
Entire Basin Region	16.56	43%	9.05	41%

Estimated Impact of Colorado River Water Loss for the Entire Basin Region Economy

ECONOMIC IMPACT TYPE	GROSS STATE PRODUCT Billions 2014 \$	EMPLOYMENT Job Years	LABOR INCOME Billions 2014 \$
Direct Losses	694.78	7,859,245	434.29
Indirect Losses	231.12	2,361,250	139.35
Induced Losses	508.22	5,780,501	297.81
Total Estimated Economic Losses	1,434.12	16,000,996	871.45

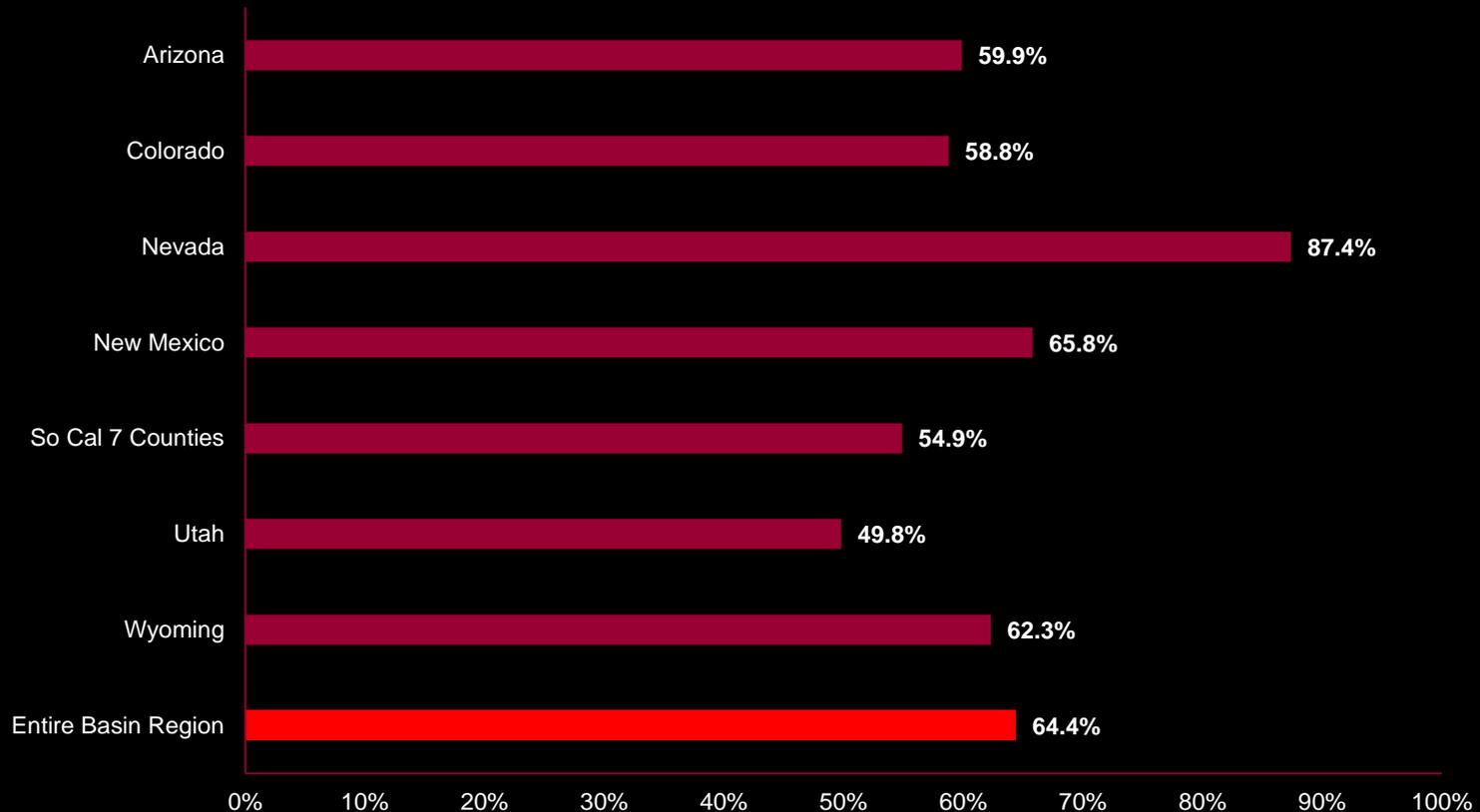
Top 5 Affected GSP Loss Sectors

- Real Estate and Rental - \$174.3 billion
- Healthcare and Social Services - \$148.6 billion
- Finance and Insurance - \$137.1 billion
- Professional, Scientific and Technical Services - \$130.6 billion
- Retail Trades - \$96.2 billion

Estimated Total Economic Impacts of Colorado River Water Loss by Basin Region

GEOGRAPHY	GROSS STATE PRODUCT Billions 2014 \$	EMPLOYMENT Job Years	LABOR INCOME Billions 2014 \$
Arizona	185.01	2,147,770	107.80
Colorado	188.95	2,147,141	115.97
Nevada	115.39	1,417,283	70.57
New Mexico	59.76	771,618	34.17
Southern Cal. 7 Counties	657.45	7,046,110	406.58
Utah	69.79	969,735	43.30
Wyoming	21.67	284,276	13.18

Percent GSP Losses in the Absence of Colorado River Water for One Year



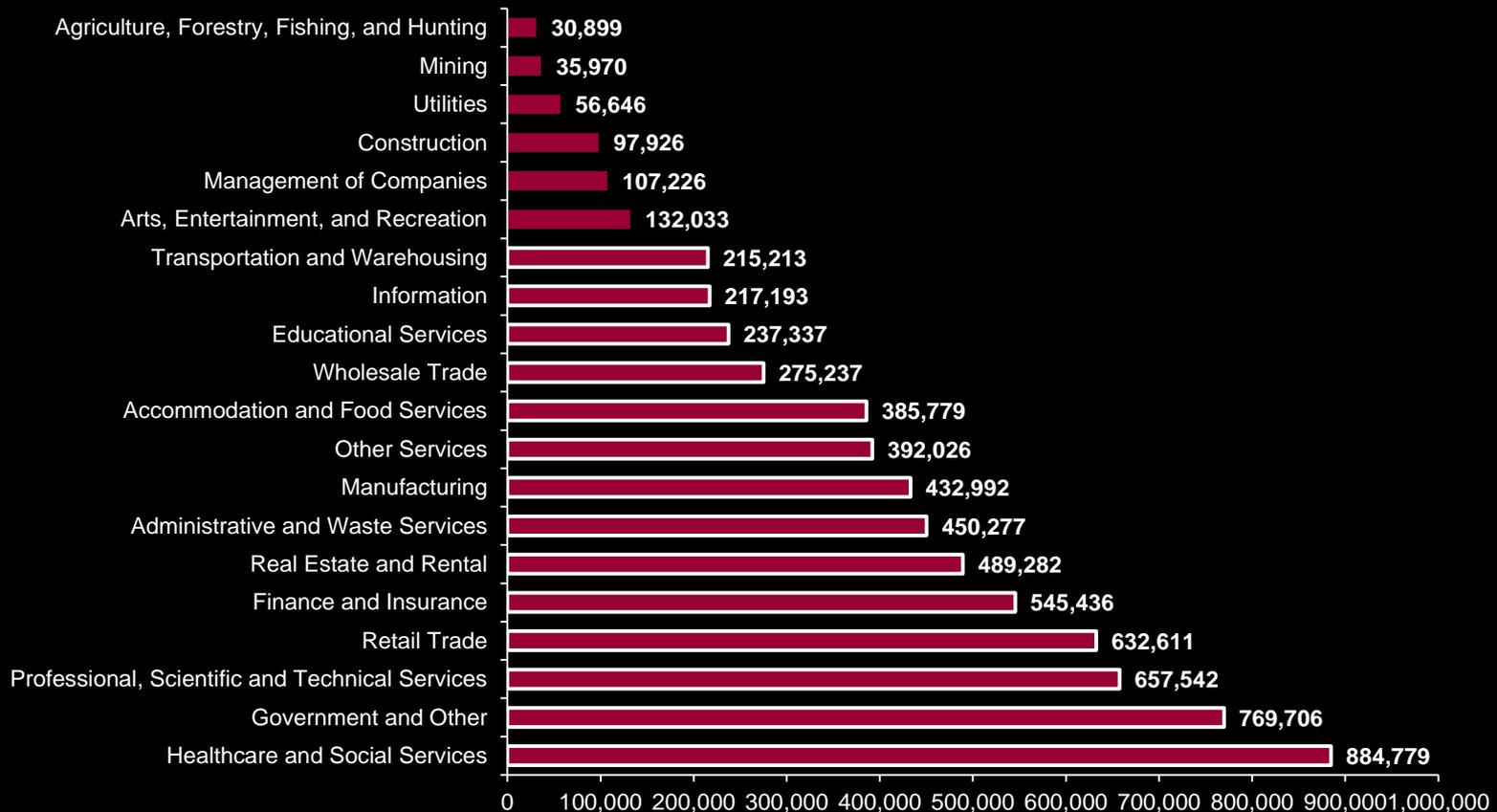
Percent GSP Losses in the Absence of Colorado River Water for One Year

PERCENT DECLINE IN AVAILABILITY OF COLORADO RIVER WATER	GROSS STATE PRODUCT Billions 2014 \$	EMPLOYMENT Millions Job Years	LABOR INCOME Billions 2014 \$
10%	143.4	1.6	87.1
15%	215.1	2.4	130.7
25%	358.5	4.0	217.9
50%	717.1	8.0	435.7

Estimated GSP Sector Losses - Southern California Seven Counties

SECTOR	GROSS STATE PRODUCT Billions 2014 \$
Real Estate and Rental	78.45
Public Administration and Other	77.71
Healthcare and Social Services	69.14
Finance and Insurance	63.26
Professional, Scientific and Technical Services	61.08
Manufacturing	52.75
Retail Trade	44.19
Wholesale Trade	31.18
Information	29.45
Administrative and Waste Services	27.04
Accommodation and Food Services	22.47
Other Services	22.23
Transportation and Warehousing	17.42
Educational Services	14.64
Management of Companies	11.57
Arts, Entertainment, and Recreation	10.63
Utilities	9.57
Construction	8.03
Mining	4.02
Agriculture, Forestry, Fishing, and Hunting	2.62
Estimated Total GSP Losses	657.45

Estimated Job Losses by Sector for One Year for the Entire Southern California Seven Counties



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