

develops, encompassing some 495,000 acres of land, many other communities will utilize the Missouri River water.

South Dakota's future development of industry, agriculture, rural life and municipal growth depends on the availability of an abundant, economical, and reliable water supply. Cities and towns are using more water every year. Not only is the population increasing but each person is using more water. Each year, boating, fishing, and other water-based recreation are becoming more in demand. Next to agriculture, tourism is South Dakota's biggest industry, bringing about \$150,000,000 a year to the state's economy.

Our common sense will lead us to the conclusion that, if the population of the world continues to grow at the present rate, some time in the near future we will have to greatly increase our capacity to produce food in order to feed not only the people of the United States but also the people of the under-developed countries throughout the world that depend on us.

In our endeavor to propagate our system of government "by the people" we must not forget that people listen first to their stomachs and, after their basic needs are solved, then they listen to politicians about government. Programs designed to increase the capacity of our agricultural production, such as the irrigation projects in the Missouri Basin, should have as high a priority as any other program before Congress. The construction of the Oahe project, as well as the benefits from the project, will provide opportunity for employment and an incentive to remain in the State for the young people of our society. In order to keep all the people from migrating to the cities, which already have enough problems, opportunity must be provided to the people of the agrarian communities, and it must be done soon.

The total project and assigned cost for the initial stage of the Oahe Unit as shown in the feasibility report would be reduced from \$246,230,000 to \$232,085,000 (January, 1964, prices).

The allocation of the cost of the project to the benefits that would result are as follows: Irrigation, \$205,790,000; municipal and industrial water supply, \$11,324,000; fish and wildlife, \$11,066,000; flood control, \$1,234,000, and recreation, \$2,624,000. With the elimination of the power benefits and the reduction of the estimated costs, the benefit-cost ratio of the Oahe Unit is 2.5 to 1 for total benefits. This ratio is very favorable when compared with other irrigation projects that have been authorized in recent years.

The Oahe Unit has the enthusiastic support of people in the project area, the Interior Department and the approval of the Bureau of the Budget. The federal investment for the construction of the Oahe Unit, estimated at \$192 million, will be repaid to the federal government in accordance with reclamation policy established throughout the West.

It is my understanding that with the power rate increase the Missouri River Project is now operating on a sound financial basis with the expectation that all the project reimbursable costs—both water and power—can be repaid within a 50-year period.

With the population explosion, the need for an increased production in farm products is essential to the well being of our economy and our position in international affairs. The economy of the state of South Dakota will be greatly enhanced and stabilized by the Oahe Unit. South Dakotans have been happy to support the over-all project, just as we supported the Garrison Project, because we know that wise water resources development benefits all Americans.

We now ask your support in our endeavors. South Dakotans have indicated their enthusiasm for the Oahe Unit by the work they are doing and the progress they have made in organizing for irrigation development.

Senator BURDICK. Thank you.

Are there any questions that committee members would like to ask of the South Dakota delegation?

Senator JORDAN. May I elaborate on one point which I think is very significant?

We have now heard the testimony of all members of the South Dakota delegation. They stress the fact that a half million acres of very productive bottom land were inundated in their State, thus removing these productive lands from the tax roll of the State and from