layed for at least a score of years as the reclamation program in the Upper Missouri Basin has not kept pace with the developments of water projects in the

remaining Basin.

I am hopeful that you will see it possible to file this letter as an endorsement and as a part of the testimony presented to your Committee at the Oahe hearing. I am looking forward to appearing at some future hearing held by Congressional committees relative to the Oahe project.

With kind personal regards, I am

Sincerely yours.

MILO W. HOISVEEN, Engineer-Secretary.

Senator Burdick. We will be in recess until 2 o'clock.

(Whereupon, at 12:10 p.m. the subcommittee recessed, to reconvene at 2 p.m. the same day.)

AFTER RECESS

(The subcommittee reconvened at 2 p.m., Senator George McGovern presiding.)

Senator McGovern. The subcommittee will be in order. We will

resume our hearings.

As you folks know, the Senate is in session this afternoon, so we will not have very many members of the committee here. They may be dropping in from time to time. Rather than delay the hearings, I think we will go ahead at this time.

Our first witness this afternoon will be Mr. Henry J. Schmitt, editor and publisher, Aberdeen American-News, and chairman, South

Dakota Industrial Development Expansion Agency.

STATEMENT OF HENRY J. SCHMITT, EDITOR AND PUBLISHER, ABERDEEN AMERICAN-NEWS; CHAIRMAN, SOUTH DAKOTA IN-DUSTRIAL DEVELOPMENT EXPANSION AGENCY

Mr. Schmitt. Thank you, Mr. Chairman. My name is Henry J. Schmitt. I am the editor and publisher of the Aberdeen American-News, a daily newspaper published in Aberdeen, S. Dak.

I am also chairman of the South Dakota Industrial Development Expansion Agency, the official State agency charged with the responsibility of stimulating the State's economy through expansion of industry.

I am appearing today to urge the authorization of the Oahe irriga-

tion project.

Annual per capita income in South Dakota varies with the amount of rainfall received. Construction of the irrigation project would help to stabilize this income and provide for industrial expansion.

In my opinion, in addition to the obvious benefits from the con-

struction phase, the Oahe project would:

1. Stabilize feed and feed grain production, resulting in expanded livestock feeding which, in turn, would increase the meat processing industry in the State.

2. Expand the fertilizer industry in the State.

3. Permit greater crop diversification, including production of vegetables which would result in the processing, wholesaling and warehousing of these crops.