

In 1966, every county except one was so designated. With the construction of the Oahe unit farmers in the project area will no longer be subject to the whims of nature. The advent of large-scale irrigation will bring to the State an increased, stabilized, and diversified agricultural economy. The Bureau of Reclamation has estimated that as a result of the development of the initial stage of the Oahe unit gross farm income will increase over \$30 million annually.

Much of this increase will be the direct result of the elimination of the "boom or bust" type of economy which has traditionally been associated with agriculture in the State. These economic benefits would not only find their way into the pockets of our farmers, but would extend to the merchants up and down the main streets of our cities and towns and in general to citizens of the State and surrounding trade area.

This increased farm income would generate additional annual wholesale, retail and service trade in an amount exceeding \$71 million. The impact of this increase would be felt far beyond the State's boundaries in areas where farm supplies are manufactured and farm products are processed.

Each year that passes finds a decrease in the number of farms and an increase in the size of the farm unit. The construction of the first stage of the Oahe unit would add approximately 500 farms to the project area providing new opportunity. Farms in the State have decreased in number from 83,157 in 1930 to 49,703 in 1964 while the average size of the farm unit has been increasing from 439 to 917 acres.

In counties which are included either partially or wholly within the subdistrict farm numbers have declined from 20,538 to 11,933 during the same period and the average size farm unit has increased from 523 to 1,030 acres.

It is recognized that a small percent of this change is the result of a modification of the definition of a farm by the Bureau of the Census.

However, the effect this has had on South Dakota's farm statistics is relatively minor. An increase in farm units will cause a corresponding increase in population in the project area of about 14,000. This is a marked difference from the more or less static condition now prevailing in the State.

Speaking in round figures the State's population now stands at 680,500—1960 Census of Population—this has been an increase of only 37,500 over a period between 1940 and 1960. South Dakota's population has increased about 6 percent while the Nation's increased roughly 36 percent during this same 20-year period.

The increased prosperity which would come to the State as a result of this project would result in increased annual State and Federal tax revenues in an amount of \$6,133,000 yearly. According to the Bureau of Reclamation the annual Federal tax revenue, in excess of that estimated from dryland production without irrigation development, would total \$3,506,000 in 1 year and \$175 million in 50 years.

This \$175 million equals 85 percent of the total costs allocated to irrigation. This is slightly greater than the irrigation assistance estimated to be repaid from the power revenues of the Missouri River Basin project.

Perhaps one of the most important benefits that would accrue to the State as a result of the construction of the Oahe unit would be the new job opportunities it would make available to those within the State.