

Senator McGOVERN. Thank you very much for an excellent statement.

Mr. BRIGGS. Thank you.

Senator McGOVERN. Is Mr. Carl Bronn, executive director, National Reclamation Association present?

Mr. BRONN. Yes, Mr. Chairman.

Senator McGOVERN. We will be happy to hear from you.

STATEMENT OF CARL BRONN, EXECUTIVE DIRECTOR, NATIONAL RECLAMATION ASSOCIATION

Mr. BRONN. I am Carl Bronn, executive director of the National Reclamation Association, and I appear in favor of S. 6 to reauthorize the first stage of the Oahe unit.

The National Reclamation Association endorses this bill and endorses it strongly.

It happens, Mr. Chairman, that many of the points I had wished to emphasize today have been stated, emphasized and reemphasized by very competent witnesses preceding me.

With your permission, I will omit the first page of my testimony, but I would like to discuss the second page.

The reasons for this are that I see Oahe's biggest hurdle of the future being the obtaining of money at an economical rate. We are going to have some problem convincing people who advance the funds but don't get any water that they have an interest in Oahe.

To show them this, I will go through a study of an old irrigation project, one which is comparable in many ways to Oahe, to show how the benefits do spread out far beyond the immediate area.

The old project I refer to is in Canada, in the Province of Alberta.

In Canada, local and National Governments made a study to determine whether the Province and the National Government should contribute to the costs for rehabilitating the irrigation works.

A committee of experts examined the influence of that project on local business, on the rest of the Province, and also outside of the Province. The experts found this: That the national benefits were 47 percent of the total; Provincial benefits, 31 percent; total local benefits, excluding that of the irrigator, 16 percent. The benefits to the irrigator, this is his net accrual out of the total, were but 6 percent.

Were we to spread the benefits as they were found in Canada to Oahe, we could make a summary like this: In return for 6 percent of the total benefits, direct and indirect, the irrigators will pledge partial repayment of the capital investment and they will also mortgage themselves for \$55 million of on-farm improvements.

In return for 47 percent of the benefits, the region will pledge its resource of water, including part of its capability to produce power, to repay all of the remaining direct costs, those not paid for by the irrigators.

For the remaining 47 percent of the total benefits, the nation advances the money, which is secured by the works constructed. In the total budget today, defense and nondefense, there is very little money secured by any tangible works.

Further, when repayment is completed, the Nation still retains title to the works.