

The Oahe project could well be a step in the right direction toward rectifying both problems.

According to the Bureau of Reclamation supplemental report on this first stage of the Oahe unit, completion of this phase would add 500 more farms and 1,700 more farm people. In addition, another 12,300 people would find new opportunity in farm service businesses, new basic agricultural industries, and other services and activities.

It seems only logical to develop our rural areas to open the gates to new industries, higher income, and more employment opportunities to stem the present trend of migrating into our metropolitan centers.

According to the Bureau report, the Oahe unit will result in a total estimated population boost for South Dakota of 14,000 persons.

The Bureau report also estimates that development of this first stage alone will bring in nearly \$31.5 million in new wages, profits, and investment earnings. It estimates gross farm income will increase by \$30 million.

And certainly, to whatever extent irrigation strengthens the farm economy of South Dakota, the nonfarm economy will benefit from increased farm spending. This investigative report by the Bureau indicates that business activity could increase by more than \$71 million, and this increased income is going to mean a bigger tax take for State and Federal Governments—a boost in tax revenue of some \$7 million.

When the construction of this needed project gets underway there also will be some increase in job opportunities for construction workers, plus the workers that will no doubt be hired to aid in leveling land, helping prepare feeder canals and drainage ditches on individual farms. All of this activity will produce new jobs for nonfarm people in South Dakota.

It is our hope, given proper economic planning by our own South Dakota leaders, that these job opportunities can continue to grow after construction is completed. If farmers in the potential irrigation area should shift to vegetable crops, sugar beets, or products of that nature, the more perishable crops will require some processing in the communities where they are grown; thus, the shift in the agricultural economy brought about by irrigation could produce a variety of new jobs in the field of processing, storing, and transportation of new commodities.

Farmers Union, as well as other citizens, is also interested in the potential this project offers for developing our hunting and fishing in South Dakota, thus injecting new lifeblood into our tourist industry which brings about an increased local demand for farm produce as well as increasing the number of service jobs connected with tourism.

In summing up, just let me say that the potential gain for the South Dakota farmer would be on two fronts. First, the direct dollar boost to the agricultural producer and the secondary advantage to farmers which would accrue from increased industry and job prospects in our State, all of which will tend to upgrade our economy and enhance farm income.

In view of South Dakota Farmers Union members, the potential for economic and social benefits inherent in the Oahe unit far outweigh the estimated costs. We therefore sincerely urge your favorable consideration of Senate bill 6 and that the Senators on this committee