

STATEMENT OF DAVID KELLER, ASHTON, S. DAK.

Honorable members of the Senate subcommittee: my name is David Keller and I own and operate a livestock and grain farm in Spink County.

I am one-hundred percent behind the James Valley irrigation project. Prior to its formation I had tried to locate underground water but with no success.

I have been of the opinion that if we just had the water the James Valley would not have to take a back seat to any project or area in the country.

While visiting in the Columbia River Basin Project this winter, I was told that our summer temperature and season between frost dates compared very favorably with theirs and also that many of the seed and processing companies are watching the development of the local project and are ready to move in as soon as the time is right.

In my own opinion our land topography, soil class and adaptability, climate and humidity would make this project one worthy of the investment of water.

STATEMENT OF E. H. FIERKE, AGRICULTURAL AGENT, CHICAGO, MILWAUKEE, ST. PAUL & PACIFIC RAILROAD CO.

I am representing the Chicago, Milwaukee, St. Paul and Pacific Railroad Company. It is hoped that the expressed views of the company will be given careful consideration by members of this subcommittee.

The railroad has a tremendous stake in the agriculture of this state. Over the years, the railroad has supported Bureau of Reclamation projects in which studies have demonstrated practicability and economic feasibility. The Oahe project is no exception. A potential development of this magnitude will have a far-reaching effect on the total economy of South Dakota and subsequently on the economy of the railroad.

The Oahe Irrigation Project is based on multi-purpose development of which irrigation is of paramount importance. Historically, South Dakota's agriculture economy has experienced something less than accomplishment due to the re-occurring droughts. The most serious of these drought periods in the 1930's brought about widespread farm foreclosures and depleted the resources of the State's general economy. A reduction in the normal traffic from farm products during that period made necessary economies of drastic character to preserve the solvency of railroad property in South Dakota.

Farmers also suffered due to loss of income and property during that period. In fact, during most years, the states of the Northern Plains suffered from inadequate moisture supplies. For more than three decades the rural population of South Dakota has decreased and the population growth of the state has been much less than the national average. The instability of the economy and the lack of opportunity makes it very difficult for this state to retain its greatest asset—its young people.

Modern economic society is based upon the exchange of goods and services. A community which itself produces little can have little to trade, except temporarily from borrowing money or establishing relief funds which may be used in lieu of produce. But a stabilized agriculture within the community insures a plentiful supply of goods to be marketed and an active consumer demand for commodities produced elsewhere.

In regions where agriculture production is limited by low and uncertain rainfall, the problem of maintaining economic stability can be solved by irrigation. Irrigation makes intensive agriculture possible; assures consistency of good yields which have a steadying effect on prices and enables the farmer to make long-range plans for cropping and livestock. Irrigation, as proposed in the Oahe Irrigation Project, will not lend itself to the production of surplus crops, but rather permit the production of specialized crops that are in demand. Irrigation will enable project farmer to produce sufficient livestock feed not only for their own use, but for adjacent ranching areas during times of distress. Irrigation development will stimulate the population growth in the project area. It will increase the number of farm families in the state and attract thousands of other families due to the opportunities in industry which will develop as a result of irrigation. It is projected that as each additional family is brought into the project that one additional job is created. The increase in population both to the rural and urban areas will reverse the trend of a declining or static population that has been experienced in the state for a number of years.