

ing. This investigative report by the Bureau indicates that business activity could increase by more than \$71 million dollars, and this increased income is going to mean a bigger tax take for state and federal governments—a boost in tax revenue of some \$6 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 non-farm 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, sugarbeets 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 the 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 take whatever steps necessary and practical toward expediting the authorization and eventual completion of this project.

Thank you for giving me the opportunity to express these views.

STATEMENT OF ALBERT C. HAUFFE, PRESIDENT, SOUTH DAKOTA RURAL ELECTRIC ASSOCIATION

Mr. Chairman, my name is Albert C. Hauffe, I am a farmer from Leola, S.D. I am here as president of the South Dakota Rural Electric Association, a service organization serving our state's 33 rural electric distribution cooperatives and three power supply cooperatives.

The matter which concerns us here today, Senate Bill 6, a measure which would authorize the Secretary of the Interior to construct, operate and maintain the first stage of the Oahe Unit, is another in a series of steps taken by South Dakotans in seeking to realize the full development of our state's water resources.

The importance of such a development can not, in my opinion, be over emphasized. The full development of all our natural and human resources is a highly desirable goal for all South Dakotans.

For far too long South Dakota has been exporting at an alarming rate her greatest resource . . . people. A look at farm census figures for the years 1954, 1959 and 1964 dramatically underlines this fact. In my home county, McPherson County, the number of farms dropped from 1,104 in 1954 to 779 in 1964 and the rate of attrition continues to accelerate. In Spink County, where we are meeting today, farm numbers fell from 1,557 in 1954 to 1,127 in 1964. In adjacent Brown County there were 1,846 farms in 1954. In 1964 there were 1,447. The picture is equally dark in virtually all areas of our state.

We are deeply disturbed by these statistics. New opportunities in rural areas are the key to meeting this concern. And in the process they can prevent the multiplication of problems that beset our teeming urban centers which are occupying so much of the Nation's attention today.

Authorization of the first stage of the Oahe Unit could, in large measure, stem this exodus from South Dakota's farms to the urban centers, result in a more stabilized agriculture and the establishment of many agri-businesses, all of which