

IISD's Response to Manitoba's Proposed New Water Rights Regulations to Protect Wetlands and Make Drainage More Sustainable in the Province

The Government of Manitoba has proposed drainage regulations to ensure no net loss of wetland benefits while streamlining the drainage permitting process. The overarching goal of maintaining wetland benefits in the province is enshrined in the Sustainable Watersheds Act (2018), while the government's Climate and Green Plan reinforces the need to "enhance protection of seasonal, permanent and semi-permanent wetlands from drainage activities."

IISD's following responses to these drainage regulations focus on protecting Manitoba's wetlands—an integral part of our landscape. Our wetlands support water filtration to improve overall water quality, sequester carbon, and store water to reduce flood peaks and recharge rivers and lakes during the summer. They are important habitats for wildlife and provide economic and recreation activities for Manitobans. Currently, all wetlands (Classes 1, 2, 3, 4 and 5) are protected under Section 3(1) of the Water Rights Act, which states that no person shall divert water without a licence. A 2009 policy directive provides further clarity, indicating that a licence will not be issued for the drainage of permanent and semi-permanent wetlands.

The proposed drainage regulations under the revised Water Rights Act intend to roll back protection of wetland Classes 1 and 2 (temporary wetlands) through a simpler registration process. However, proposed regulations will now also enable drainage of permanent wetlands (Classes 3, 4 and 5) through ability to pay, purchase or perform options. Including higher value wetlands in this process will make it impossible to meet no net loss of wetland benefits.

Given the essential benefits that wetlands bring to our province, IISD considers the *no net loss of wetland benefits* goal to be critical.

Therefore, as a response to the proposed drainage regulations, IISD recommends that the Government of Manitoba:

1. Enhance protection of Class 3 wetlands

- Compensation should not allow drainage of one wetland in exchange for "permanent legal protection" of an existing wetland (page 12). **This will clearly result in a net loss of wetland benefits.**
- Clear criteria must be given for what is an "approved organization" and "approved service provider" on pages 14 and 15 in the pay and purchase options.
- Payments to approved organizations and approved service providers should not be considered charitable donations for tax purposes (page 14), as they will be performing a service as opposed to a charitable act.



2. Enhance protection of Class 4 and Class 5 wetlands

• Legislate current protection for Class 4 and Class 5 wetlands, with no licences issued to drain these valuable and highly beneficial areas. Currently proposed compensation ratios will never replace the benefits provided by these wetlands.

3. Remove the inclusion of subsurface tile drainage (Class B) as an easily registerable project

- All new subsurface tile drainage should be subjected to a drainage licence and should not be included under registerable projects.
- In addition to the requirement that subsurface drains be equipped with control devices (page 8), regulations must stipulate closure dates for these control structures to prevent downstream spring flooding and negative water quality impacts.
- · We must evaluate currently licensed tile drains (including water quality and flooding implications) to understand the implications of tile drainage in Manitoba ecoregions and watersheds.

4. Revise Class D (minor culvert changes) so that ANY culvert change resulting in increased flow includes associated landowner approvals

Successive increases along a channel can drastically increase peak flow. For example, according to IISD estimates, 10 successive culvert replacements of 15 per cent would result in a quadrupling of peak flow. Therefore:

Any culvert change resulting in increased flow must require downstream landowner approvals.

5. Make all drainage permits applications accessible online to the public

This follows the principles of open government and (i) allows drainage proponents and their consultants to better model the impact of their proposed works by seeing how others may affect their drainage proposal in that watershed and (ii) allows downstream stakeholders and water rights holders to better understand the cumulative impact of multiple proposals on their interests.

6. The recommendations above, along with the proposed drainage regulations, cannot be successfully implemented without monitoring and evaluation mechanisms. Therefore, the Government of Manitoba should:

- Prioritize completion of a provincial wetland inventory to identify and classify all existing wetlands.
- Conduct and publicly report on the evaluation of cumulative impacts of drainage and net wetland benefits (such as water quality, potential for flood mitigation, greenhouse gas sequestration) every five years.