

Briefing Note: An Effective Canada Water Agency & Freshwater Action Plan

Summary

Canada faces major challenges in managing its water resources. Fresh water, including inland waters, are being degraded by pollution, overuse, and habitat loss. At the same time, the climate crisis poses new, complex challenges that are most acutely seen through water events. According to the IPCC, these impacts are now costing Canada an average of \$1.9 billion annually, as climate-exacerbated floods, wildfires, drought and heat domes cause displacement, trauma and personal tragedy. **The federal government can respond to these challenges and vastly improve cooperative water management by creating an effective Canada Water Agency (CWA) and a properly resourced Freshwater Action Plan.**

Background

- The current [Mandate Letter](#) for the Minister of Environment and Climate Change calls for the establishment of a Canada Water Agency and an historic investment in water through the Freshwater Action Plan.
- 75 days of public engagement on the CWA resulted in the government's [What We Heard](#) report emphasizing that a CWA should be “characterized by a whole-of-government approach” in support of eight major areas of convergence: reconciliation, regional considerations, climate change, watershed governance, coordination, water science, access to water data, and engaging Canadians.
- An effective CWA and Freshwater Action Plan will help achieve unified government priorities, including action on reconciliation, climate change, agricultural support through soil and water conservation, Canada-US water relations, and contributions to global water security.

Recommendation 1: An Effective Canada Water Agency

To be effective, the CWA must be created as **a separate Government of Canada Agency with an Agency Head reporting to a Minister like the Parks Canada Agency or the Public Health Agency of Canada.** The Agency must be a strong central coordinating body with the legitimacy to ensure collaboration across the more than 20 federal departments and agencies that currently have water responsibilities to achieve the following objectives:

- take meaningful steps towards reconciliation by fulfilling the Crown's commitment to government-to-government relationships with Indigenous peoples;
- establish a clear federal water lead that provides the whole-of-government approach needed to implement programs and policies to face modern water challenges;

- work with Indigenous, provincial/territorial and local governments to develop agreements for collaborative governance of water across jurisdictional lines; and
- advance and represent Canadian leadership on water internationally.

As a branch within ECCC, the Agency will not achieve the above objectives nor the government's stated commitment to "establish a CWA to work together with the provinces, territories, Indigenous communities, local communities, scientists and others to find the best ways to keep our water safe, clean and well-managed".

Recommended Action: The Minister of Environment and Climate Change create the Canada Water Agency as a separate Government of Canada Agency with an Agency Head reporting to a Minister like Parks Canada Agency or the Public Health Agency of Canada.

Recommendation 2: An Historic Investment in the Freshwater Action Plan

In addition to adequately funding a separate Canada Water Agency, while maintaining and improving existing programs, **a historic investment of \$1 billion over 5 years in the Freshwater Action Plan** is needed to fund watersheds and in water actions most likely to improve the state of the aquatic environment and that have been prioritized in collaboration with Indigenous Peoples and consultation with stakeholders. To this end, Budget 2023 needs to include a renewal and expansion of the Freshwater Action Plan that includes:

- **At least \$250 million over five years** in new investments to implement actions prioritized and costed in the Great Lakes St. Lawrence Collaborative's Action Plan 2020-2030. In conjunction with other federal initiatives, this would better enable Canada to partner with the recent U.S. Great Lakes Restoration Initiative investment of \$2.1 billion USD.
- **\$100 million over five years** to reduce nutrient loading from the Red River and South Saskatchewan River Basins to Lake Winnipeg.
- **\$30 million over five years** to continue efforts to protect and restore Lake Simcoe and its watershed.
- **\$620 million over five years** to address the funding gap in the rest of the country for projects that address, e.g. climate mitigation, reconciliation and partnerships with Indigenous Peoples, habitat restoration, water technology and innovation, community-based water monitoring, fish population recovery, planning, and natural infrastructure. This investment should leverage programs like the BC Watershed Security Fund by matching provincial government money, and be made available across the country to support watersheds such as the St. John River, Lake of the Woods, Ottawa River, Columbia Basin, and the Mackenzie River Basin amongst others.

Recommended Action: The Minister of Environment and Climate Change propose this historic investment in the Freshwater Action Plan, announced during the 2022 Fall Economic Statement and included in Budget 2023.