



OUR LIVING WATERS

All waters in Canada in good health by 2030

FEDERAL WATER FUNDING IN CANADA

December 2020

Suggested citation:

Shapiro, A. (2020). Federal Water Funding in Canada. Canada: Our Living Waters

OLW Water Stimulus Project List

- In April 2020, Our Living Waters (OLW) launched a campaign to identify 'shovel-ready', 'shovel-worthy' projects that would advance climate resiliency and water security across Canada.
- Through a call put out to the Canadian freshwater community, OLW compiled a list of more than 300 water-related projects in less than three weeks, with a combined budget of \$225 million and the potential to support 3,638 jobs.
- Based on these findings, a [letter](#) was submitted to the Prime Minister making the case for immediate and sustained investment in water-focused projects.
 - Highlights from this letter are on the next two slides

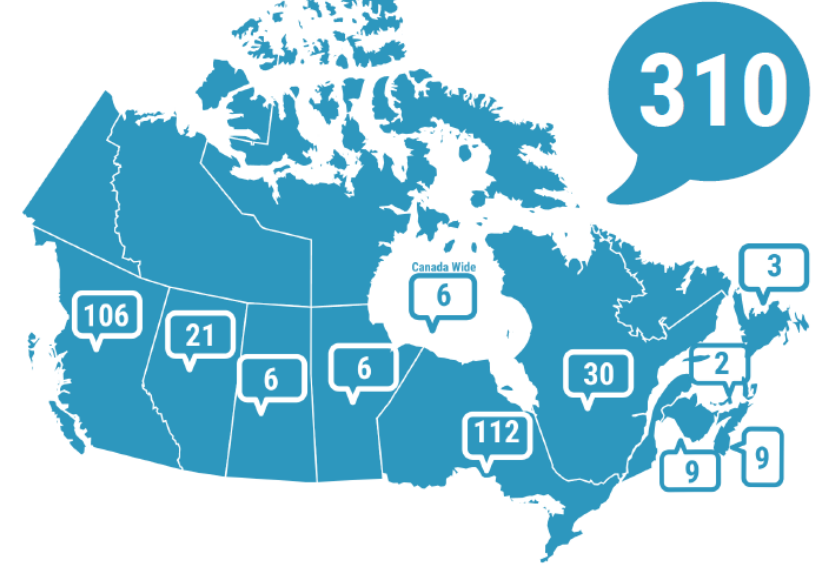


Total Budget
\$225 million



3,638
Jobs Supported

Blue Stimulus Project Distribution



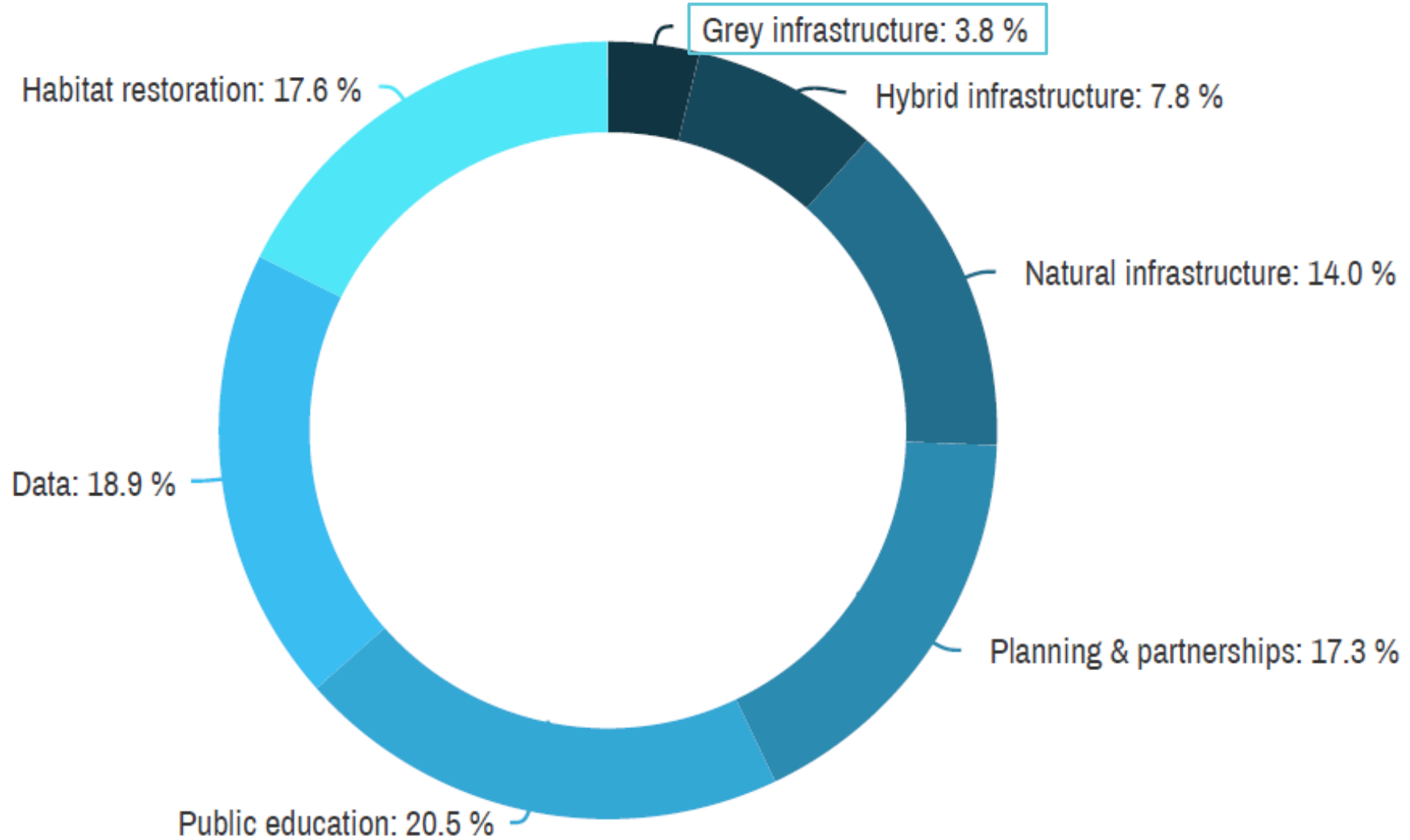
The Right Honourable Justin Trudeau, PC, MP
Office of the Prime Minister
80 Wellington Street
Ottawa, ON K1A 02A

RE: Growing the Economy and Building a Climate Resilient, Water Secure Future

Dear Prime Minister:

All across Canada, community organizations, Indigenous communities and local governments are ready to implement hundreds of freshwater projects. Our Living Waters*, in partnership with multiple organizations, has compiled a Canada-wide list of over 300 shovel worthy projects. These projects span the country, from Lower Kootenay Band Reserve, BC and Mountain View County, AB to Collingwood, ON and Bedford, QC. The projects have a combined budget of \$225 million and the potential to support approximately 3,638 jobs and 1,381,815 job hours, helping to grow our economy while ensuring lasting benefits for water security, climate resilience and the overall quality of life for all Canadians (see appendix for more details).

Project Types



Further quotes from the letter to the PM regarding the water stimulus project list

- “These local, mostly rural, on-the-ground projects generally fall through the cracks of federal funding programs.”
- “There is a gap of available funds to support smaller community-level projects with budgets between **\$10,000 to \$500,000**. Additional investment is needed to support these projects, and this investment must be delivered at the right size to support community-level projects.”
- “We recommend the government:
 - Allocate **\$100 million in this fiscal year** to support the shovel-ready and shovel-worthy projects on our list.
 - Commit an additional **\$100 million annually for five-years**, beginning in 2021, to ensure long-term recovery.”

Federal Water Funding Research

- Through further consultation with OLV Network members and partners, OLV identified a need to conduct research into available federal funding programs for the projects on the list, as well as similar types of projects in the future.
- The following slides outline the findings of that research, conducted by Alan Shapiro on behalf of Our Living Waters. Any questions about this research can be directed to Alan by email at alanyshapiro@gmail.com.

Research Questions

1. What federal programs exist to fund water-related projects in Canada?
2. Is there enough funding available for the shovel-worthy projects that currently exist?
3. How well are existing programs matched to projects on our list in terms of scope, scale, and location?
4. What gaps and opportunities exist in the federal funding landscape?

Federal Water Funding Overview

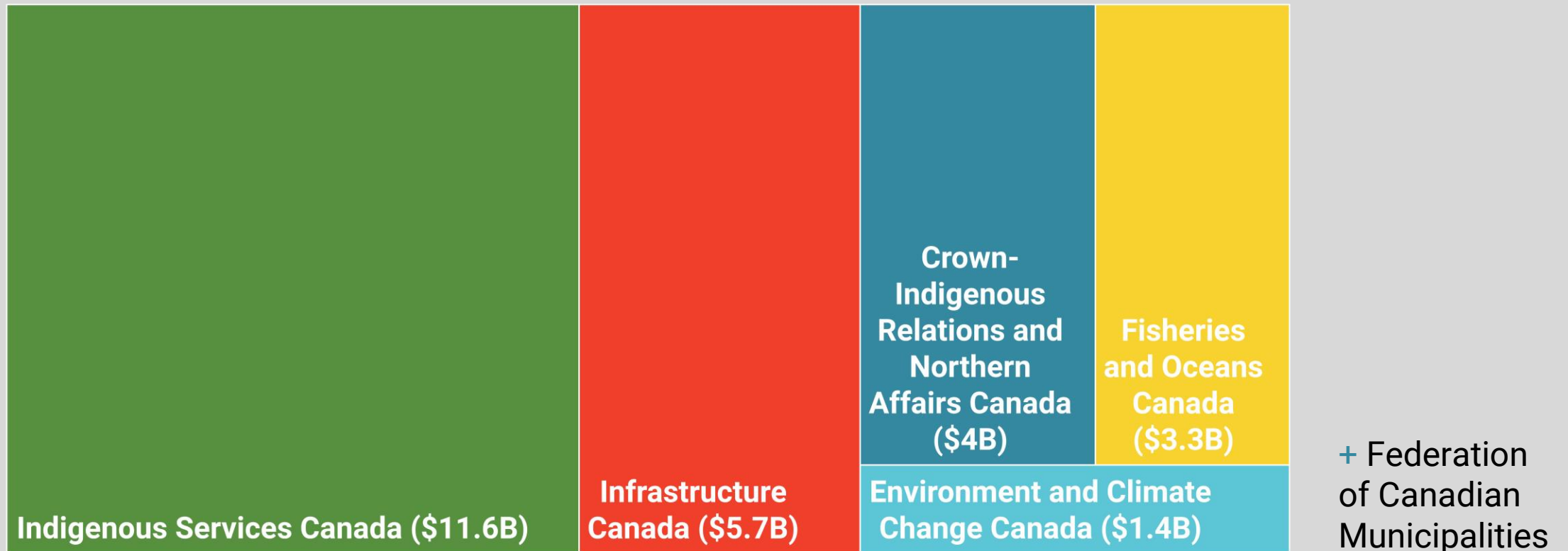
- While several federal agencies and programs fund water directly or indirectly, there is no single federal agency with a dedicated water mandate.
- Water is typically funded as a sub-stream of a larger funding focus, such as infrastructure, fisheries, or community development.
- There is no central resource or access point for federal water funding programs, and the majority of relevant programs do not provide data on how much funding is available or how past funding has been allocated.

Federal Water Funding Overview

- Based on this review, the following federal government departments/organizations were identified as funding water-related projects through open application programs: Infrastructure Canada, Indigenous Services Canada, Crown-Indigenous Relations and Northern Affairs Canada, Fisheries and Oceans Canada, Environmental and Climate Change Canada, and Federation of Canadian Municipalities.
- Government departments/organizations that have priorities or policies relevant to water but do not directly fund water-related projects include Agriculture Canada; Health Canada; Innovation, Science and Economic Development Canada; Natural Resources Canada; Transport Canada; and others.

Federal Water Funding Overview

Total organization spending in 2018-19 (includes non-water-related spending)



Federal Water Funding Overview

- Funding programs vary widely in size, scope, and target region, with funding pools ranging widely from several million to billions of dollars. Data on many programs is very limited, making it challenging to assess funding allocations.
- The largest water-related funding programs are for infrastructure projects and managed by Infrastructure Canada. For non-infrastructure projects, primarily funded through Fisheries and Oceans Canada (DFO) and Environment and Climate Change Canada (ECCC), most funding streams for which data is available have annual allocations of less than \$10 million.
- Relevant DFO and ECCC funding streams are summarized on the next slide.

ECCC

- Aboriginal Fund for Species at Risk (~\$4.5M/year with DFO)
- Atlantic Ecosystems Initiatives (\$?)
- Canada Nature Fund (\$?)
- Climate Action and Awareness Fund (\$206M)
- Community Interaction Program (\$?, St. Lawrence)
- Community Nominated Priority Places for Species at Risk (\$15.6M)
- EcoAction Community Funding Program (~\$2-5M/year)
- Environmental Damages Fund (\$ varies widely)
- Great Lakes Protection Initiative (~\$1-2M/year)
- Habitat Stewardship Program for Aquatic Species at Risk (~\$4M/year with DFO)
- Increasing Knowledge on Plastic Pollution Initiative (\$2.2M)
- Indigenous Guardians Pilot Program (\$25M)
- Lake Winnipeg Basin Program (\$8M)
- Low Carbon Economy Fund (\$2B)
- Zero Plastic Waste Initiative (\$?)

DFO

- Aboriginal Aquatic Resource and Oceans Management (\$?)
- Aboriginal Fisheries Strategy (\$35M/year)
- Aboriginal Fund for Species at Risk (~\$4.5M/year with ECCC)
- British Columbia Salmon Restoration and Innovation Fund (\$142.85M)
- Canada Nature Fund for Aquatic Species at Risk (\$55M, a stream of the Canada Nature Fund)
- Coastal Restoration Fund (\$75M)
- Habitat Stewardship Program for Aquatic Species at Risk (~\$4M/year with ECCC)
- Science Partnership Fund (\$5M/year)

Case Study 1: Investing in Canada Plan

- Through the [Investing in Canada Plan](#), over **\$180 billion** is being delivered over 12 years to provide predictable and sustainable funding for projects to build modern, resilient, and green communities for Canadians.
- These investments are being delivered by [Infrastructure Canada \(INFC\)](#) and 20 other federal departments and agencies.
- INFC manages over **\$99 billion** in federal funding flowing to provincial, territorial, and municipal partners through Investing in Canada Infrastructure Program (ICIP) bilateral agreements and other programs.

Case Study 1: Investing in Canada Plan

- The map and analysis on the following slides reviews water-related projects on the Government of Canada's [Investing in Canada Plan Project List](#), current as of August 2020.
- While the water-related projects on the Investing in Canada Plan Project List fall under two departments, Infrastructure Canada and Indigenous Services Canada, financial information is only available for the former. As a result, only INFC projects have been included in this map and analysis.

Investing in Canada Plan (INFC)

\$2 billion fund, active 2016-2020, targeted primarily at **grey infrastructure** projects around water treatment, distribution, wastewater, and storm water treatment.

Investing in Canada Plan Programs (INFC)	Number of Water-Related Projects
Clean Water and Wastewater Fund (CWWF)	2389
Provincial-Territorial Infrastructure Component - Small Communities Fund	264
Investing in Canada Infrastructure Program (ICIP)	182
Municipalities for Climate Innovation Program (MCIP)	98
Provincial-Territorial Infrastructure Component - National and Regional Projects	72
Disaster Mitigation and Adaptation Fund (DMAF)	59
Municipal Asset Management Program (MAMP)	30
Other	3
Total	3097

Of the programs listed, **only DMAF and MCIP** directly fund green infrastructure. Both programs almost exclusively fund municipalities and government agencies.

Investing in Canada Plan (INFC)

Note: definitions of green infrastructure are not always consistently applied

Investing in Canada plan funding stream: **Green infrastructure**



To ensure that Canada's communities are healthy and productive places to live, Budget 2016 included investments of \$5 billion over five years towards infrastructure projects that protect communities and support Canada's ongoing transition to a clean growth economy. Of this, \$2 billion will flow through Infrastructure Canada's [Clean Water and Wastewater Fund](#) (CWWF) to provide communities with more reliable water and wastewater systems.



Recipient Organization	Number of Water-Related Projects
Local Government	2708
Indigenous Organization	273
Province or Territory	52
Private Non-Profit	21
Private For-Profit	7
Other	36

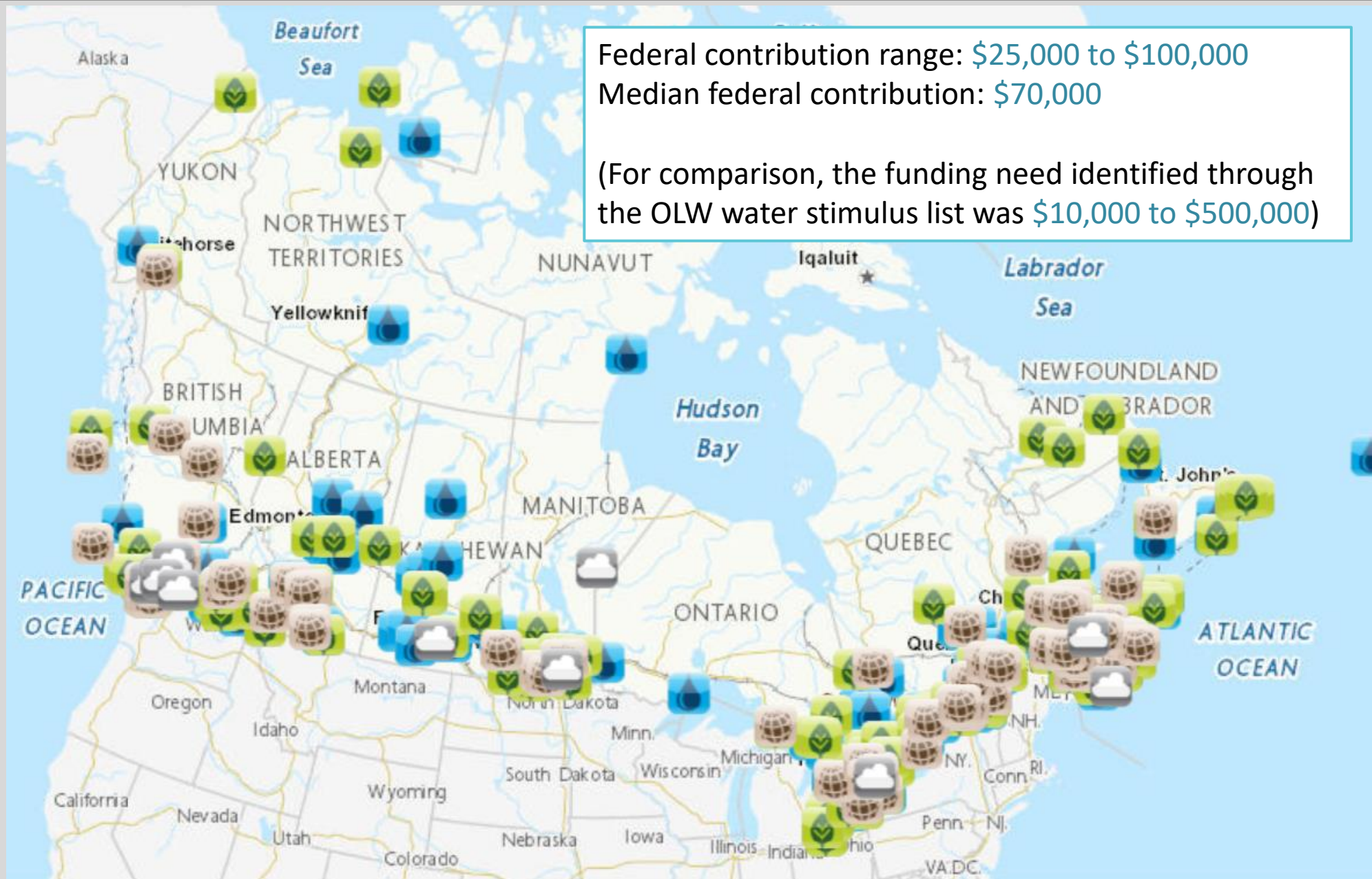
Federal contribution range: \$1,000 to \$400,000,000
Median federal contribution: \$225,000

Case Study 2: EcoAction (ECCC)

- The [EcoAction Community Funding Program](#) is a national program, administered by ECCC, that funds local action-based projects that positively impact the environment.
- The program allocates **\$2-5 million per year** and is largely aligned with the organizations and project types on the OLW water stimulus project list.
- Non-profit and non-governmental groups and organizations are eligible for funding, including environmental groups, community groups, and Indigenous organizations.

Case Study 2: EcoAction (ECCC)

- The analysis on the following slides reviews water-related projects from ECCC's EcoAction [map of funded projects](#) (2018 and prior) and [list of funded projects beginning 2019](#), cross-referenced against the Government of Canada's [Proactive Disclosure database](#) for financial information. This analysis includes only projects that could be directly matched between the two databases, which is therefore only a subset of EcoAction-funded water-related projects.
- The map image is pulled directly from ECCC's map of funded projects and does not include any projects after 2018.
- In the time since this analysis was conducted in October 2020, ECCC released its [list of funded project beginning 2020](#).



Federal contribution range: \$25,000 to \$100,000
Median federal contribution: \$70,000
(For comparison, the funding need identified through the OLV water stimulus list was \$10,000 to \$500,000)

Key Findings

1. While funding exists for water-related projects, the majority is focused on grey infrastructure. There are few funding streams that prioritize green infrastructure or environmental stewardship.
2. Data on how and where money is being spent on water-related projects and investments is very limited. There is also limited guidance for applicants around which funding streams may be appropriate for them.
3. Current federal funding programs:
 - a. are not easily accessible to non-profit organizations and community groups;
 - b. do not match the funding range and scale identified through the OLW project list; and
 - c. do not align with the project types and needs identified through the OLW project list.

Research Summary

- What federal programs exist to fund water-related projects in Canada? Many federal programs fund water projects, but largely through a grey infrastructure lens.
- Is there enough funding available for the shovel-worthy projects that currently exist? There is enough funding overall, but much of it is not available in the right form.
- How well are existing programs matched to projects in terms of scope, scale, and location? The EcoAction program is a good match in terms of scope and location but does not provide the necessary scale of funding.
- What gaps and opportunities exist in the federal funding landscape? Right-sized support for community-level projects led by non-profit organizations and community groups and focused on green infrastructure and environmental stewardship.



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