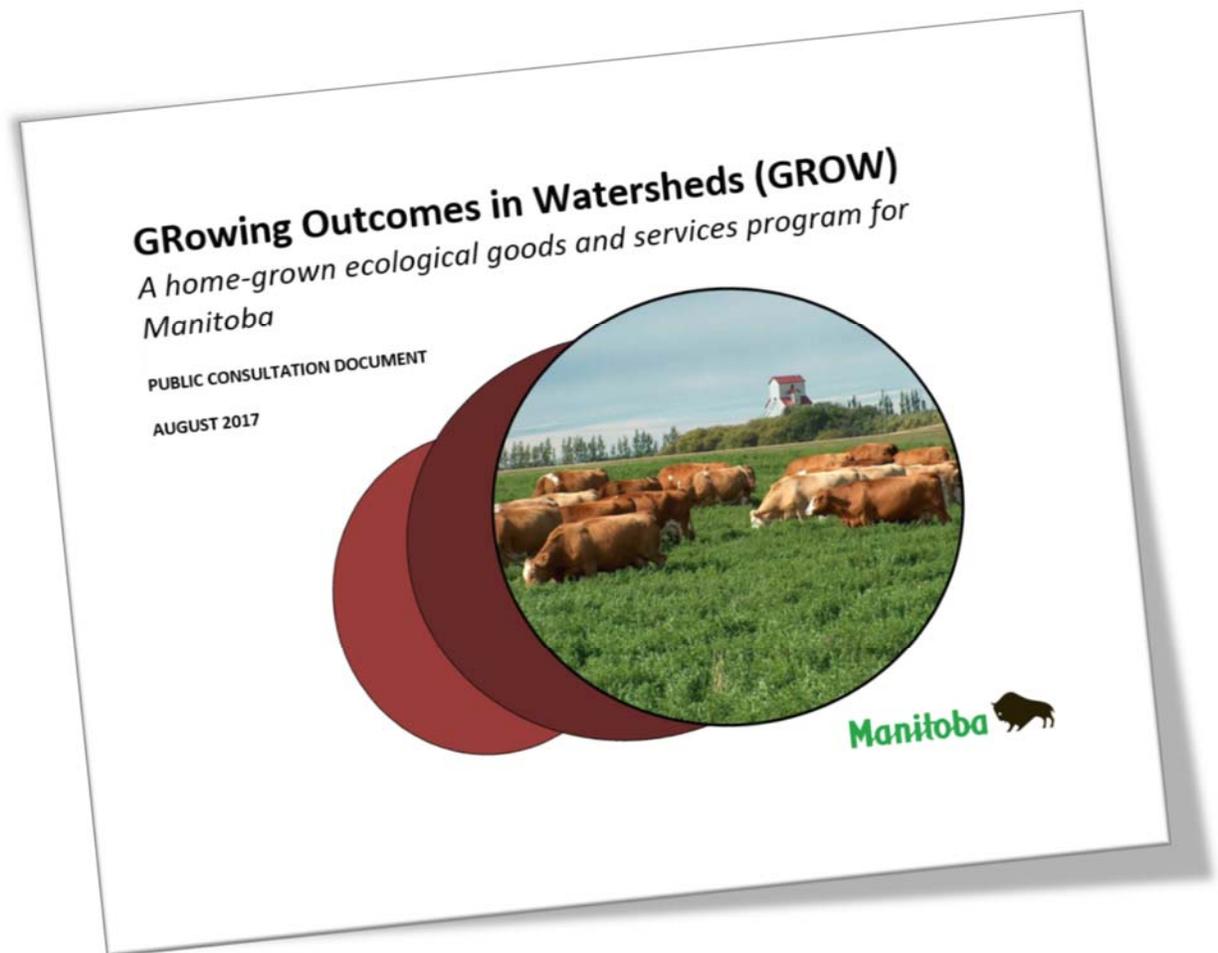


# What We Heard

## GROWING OUTCOMES IN WATERSHEDS (GROW)



## EXECUTIVE SUMMARY

On August 22, 2017, the Manitoba government released a public consultation document to solicit feedback on the proposed *Growing Outcomes in Watersheds (GROW)* program. We received 50 responses from Manitobans related to GROW during the formal consultation period.

All respondents were supportive of a voluntary, farmer-focused incentive program such as GROW, but a number of respondents said that policies and regulations are still necessary to ensure a minimum level of compliance for those not interested in a voluntary program.

Most respondents agreed with the proposed outcomes of GROW, with reduced flooding suggested most frequently as the highest priority and improved water quality as the next highest priority. It was suggested that a greater focus on ecological goods and services would strengthen the program. Many respondents felt strongly that the program should recognize landowners who have adopted beneficial management practices or protected vulnerable areas of their own volition. Adequate monitoring and evaluation of program impacts was also a priority.

There was strong support for targeting GROW funding to high priority regions and landscapes where the greatest benefit would be achieved. Others believed that all Manitobans should have access to the program.

The provincial and federal governments were seen as being the primary sources of funding for GROW, with conservation districts seeking additional non-government funding. Many commented that sufficient funding was crucial for the program to achieve measurable results on the landscape. It was stated that program funding must be fair to farmers as they are being asked to change farming practices that could affect their income.

A number of organizational structures were suggested with some common elements emerging, particularly the importance of local knowledge and engagement of landowners and producer organizations in directing the program and decision-making. It was considered essential to build bridges between the various interested parties, including federal, provincial and municipal governments, conservation districts, environmental non-governmental organizations, industry, producer groups and landowners.

Many agreed that conservation districts are the logical choice for local delivery of GROW programs. However, there was concern regarding access to the program in municipalities not involved in the Conservation District Program. All agreed that the program should be primarily farmer-focused and remain as simple and easily accessible as possible. It was also suggested that GROW could be expanded to allow participation by non-farmers.

## PRINCIPLES OF GROW

### WHAT WE SAID:

Proposed principles of GROW:

- sustainable
- targeted, watershed-based approach
- locally-delivered, farmer-focused
- voluntary
- measurable
- evidence-based evaluation

### WHAT WE HEARD:

**All respondents were supportive of the proposed principles. Additional principles suggested included:**

- shared governance
- partnership-focused
- efficient and transparent
- flexible
- outcomes-focused
- permanence
- science-based and driven by on-farm research

**A number of respondents commented that a voluntary, farmer-focused, incentive-based program is essential, but policies and regulations are necessary to ensure a minimum level of protection on the landscape.**

- The importance of a voluntary, farmer-focused incentive program was heard a number of times. However, it was also stressed that in addition to this program, it would be necessary to develop policies and regulations to ensure that vulnerable lands, such as wetlands, are not lost or degraded and ensure that drainage is appropriately managed.
- It was cautioned that landowners should not be eligible for GROW payments to fund mitigation requirements under the proposed new drainage licensing regime. It was further suggested that GROW dollars not go to landscapes proposed to be protected by regulation, such as Class 3, 4 and 5 wetlands.
- Respondents also cautioned that incentive-based programs can inadvertently create incentives for landowners to intentionally degrade land to become eligible for landscape improvement programs.

**Many were concerned that the program be adequately monitored and evaluated and the results be made available to the public to ensure transparency and accountability.**

- It was suggested that a monitoring program be developed that includes existing environmental monitoring led by government agencies, and also incorporates community-led initiatives and local and Indigenous knowledge. The program should be designed specifically to measure the ecological impacts of GROW projects on the landscape at different scales.
- A number of respondents commented on the necessity of on-farm research to evaluate best management practices and their impact on the landscape to ensure continuous program improvements.
- Education was considered an essential component of the program.
- Comprehensive evaluation of the program benefits is necessary to establish the link between conservation on private lands and public benefits and demonstrate that the program is worthy of significant investment.

**The program needs to be flexible and sensitive to the needs of farmers.**

- Programming and tools must be flexible to take into account changes in the agricultural sector and advances in science and technology.
- At the outset of GROW implementation, all landscapes and beneficial management practices should be considered. Over time, the program may evolve in response to feedback from producers, local priorities identified in watershed plans, and provincial priorities.

## OUTCOMES OF GROW

### WHAT WE SAID:

Expected outcomes of GROW:

- reduced flooding
- improved water quality, including drinking water
- improved on-farm management of nutrients
- improved resiliency to the impacts of a changing climate
- improved biodiversity and habitat
- enhanced carbon storage
- enhanced sustainable food production
- improved groundwater quality and recharge

**WHAT WE HEARD:**

**Respondents agreed with the proposed outcomes of GROW, with reduced flooding suggested most frequently as the highest priority and improved water quality as the next highest priority.**

Additional outcomes suggested included:

- improved soil health
- improved forage and grasslands
- enhanced protection of municipal infrastructure
- increased protection for rivers, lakes, wetlands and forests
- improved drought management and preparedness
- increased farm profitability

**It was suggested that a greater focus on ecological goods and services would strengthen delivery of GROW.**

- An emphasis on the non-market goods and services provided by healthy, functioning ecosystems, such as wetlands, forests and forage land would help shift the paradigm to recognize the importance of incorporating these natural areas as a productive part of the agricultural landscape.

## ELIGIBLE BENEFICIAL MANAGEMENT PRACTICES

**WHAT WE SAID:**

Proposed beneficial management practices were selected for their ability to provide environmental benefits and meet program objectives.

Priority beneficial management practices:

- small water retention projects
- grassland restoration, enhancement and reclamation
- wetland restoration and enhancement
- riparian area management

Additional beneficial management practices for consideration:

- soil health improvements
- natural area management
- shelterbelts/eco-buffers
- woodlot restoration, enhancement and rejuvenation

- aquifer recharge protection

#### **WHAT WE HEARD:**

**All respondents supported the proposed beneficial management practices. The list was considered a good starting point and many had additional suggestions.**

- Restoration and enhancement for all classes of wetlands were frequently cited as a high priorities.
- Soil health improvements and shelterbelts were frequently cited as priority beneficial management practices.
- It was suggested that beneficial management practices for improved grazing management, biosecurity, cattle management and exclusion fencing, nutrient management, tile drainage, drought mitigation and beaver management should be considered for the GROW program.
- The program should focus on introducing new and innovative agricultural practices and provide opportunities for on-farm trials of newly developed technology and equipment.
- Provide support for developing recreational opportunities such as hunting, birdwatching and hiking in natural areas.
- Some supported buy-out options for problematic areas, such as flood-prone areas. Others were opposed to any programming that would take agricultural land out of production and suggested beneficial management practices for flood-prone areas as a better solution.

## **FUNDING CRITERIA**

#### **WHAT WE SAID:**

We are proposing an evidence-based project evaluation framework to prioritize funding toward provincial outcomes.

Proposed eligibility requirements:

- provide an incremental benefit to the environment
- consistent with watershed management plans
- targeted to local and provincial priorities
- cross-compliance with environmental farm planning

#### **WHAT WE HEARD:**

**While there was strong support for targeting the program to optimize environmental benefits consistent with watershed management plans, there was mixed reaction to the requirement to provide incremental benefit to the environment and cross-compliance with environmental farm planning.**

**While some supported the requirement to provide an incremental benefit to the environment as important to ensure maximum environmental benefits across the landscape, many others were strongly opposed to this idea as landowners who had already adopted beneficial management practices or protected vulnerable areas would not be recognized through the program.**

- Landowners who have independently protected and enhanced natural areas without the assistance of a government program are not recognized or compensated for the acres that could have been put under production.
- Some voiced even stronger concern that to compensate only the landowners who have degraded the environment for their own benefit is offensive and insulting to those who have chosen to do the right thing. It could also encourage landowners to degrade natural areas to be eligible for the program.
- GROW must also reward landowners who have already implemented beneficial management practices.
- The principle of providing incremental benefit to the environment to enhance environmental goods and services is critical to the success of GROW. It is the only way to make improvements on the landscape and otherwise, the program will just maintain the status quo.

**There was very strong support for targeting GROW funding to high priority outcomes and landscapes. Others believed that all Manitobans should have equal access to the program.**

- Most respondents agreed that targeted funding is necessary to ensure wise use of public resources and ensure the greatest return on investment.
- Some suggested that distribution of benefits need not be universal, equivalent or fair, but that GROW should focus on identifying problematic areas. Focusing on these areas will lead to long-term benefits across the entire landscape.
- Some respondents suggested that all Manitobans should have equal access to funding and were concerned that certain types of farms and certain areas of the province would have little opportunity to participate in the program.
- Some suggested targeting beneficial management practices in high production agricultural areas should focus on water retention capacity, erosion control, nutrient runoff, chemical input reduction and flood mitigation.
- Others considered the protection and maintenance of natural areas, such as wetlands, riparian areas, grasslands and forests, as a high priority.
- Watershed management plans were frequently recognized as current documents completed locally in co-operation with landowners, municipalities and the provincial

government. These could identify best locations by watershed for cost-effective implementation of ecological goods and services programming.

- There was concern that the program should be made available for rented land as well as Crown land under agricultural lease.
- It was noted that GROW should focus, not only on farmers, but should also include rural residential, parks, Crown lands, wildlife management areas, industry, Crown corporations, villages, towns, cities, resort communities and First Nations.
- Another suggestion was that GROW could be delivered in areas with high drainage requests, to provide an incentive-based alternative to drainage.

**Opinion regarding cross-compliance with environmental farm planning was mixed, with some thinking this was a good idea, while others were strongly opposed to it.**

- Some thought that cross-compliance between environmental farm planning and GROW should be a key element in this program.
- Others felt that environmental farm planning is too time-consuming and has been a barrier to involvement in other programs where they were required.
- It was also suggested that projects on farms with an environmental farm plan should be given higher priority but they should not be required to be eligible for the program.

## PROPOSED FUNDING ADMINISTRATION

### WHAT WE SAID:

The GROW program will integrate funding from multiple sources to meet program objectives. There are several different ways that funding can flow to watershed authorities and farmers.

### WHAT WE HEARD:

**The provincial and federal governments were seen as being the primary sources of funding for GROW, with watershed authorities seeking additional non-government funding partners. Many commented that sufficient funding was crucial for the program.**

- It was suggested that targets and goals for GROW that address our most pressing ecological issues should be prioritized. An assessment of the costs for reaching those goals needs to be completed and then, funding should be found to meet those targets and goals.
- The federal and provincial governments were cited most frequently as the primary source of funding for GROW. In addition to money designated through the government budget process, suggestions for sources of additional provincial and federal funding included a carbon tax, drainage licensing fees, green infrastructure funds, Canadian

Agricultural Partnership, Growing Actions, Biomass Energy Support Program and ALUS Canada.

- It was also suggested that conservation districts could pursue additional funding through government programs as well as non-government sources, such as local partnerships with non-government organizations, producer organizations, private industry and foundations and local project-specific fundraising.
- It was suggested that the program could leverage revenues from emerging markets such as carbon or nutrient trading.
- It was also suggested that municipalities could provide top-ups for GROW projects.
- It was suggested that funding for GROW could be co-ordinated at the basin level which would allow the program to rotate funding in a way that would allow larger multi-year programs to be developed.
- A number of respondents felt that if conservation districts are expected to take on the responsibility of delivering a provincial GROW program, significant additional funding must be provided by the province for administration costs, so that these costs are not downloaded to municipalities.

**It was stated that program funding needs to be fair to farmers as we are asking them to change farming practices that could affect their income.**

- It was suggested, a number of times, that the program should require farmers to contribute a share of project costs.
- Funding needs to be fair and equitable for farmers and much more detail is required regarding payments for beneficial management practices.
- It was also suggested that funding be provided to farmers prior to project construction. Asking farmers to pay for project costs up front and then, be reimbursed can cause cash flow issues.
- Tax rebates, such as the RM of Dufferin wetland program, were identified as a good means of compensation.
- It was frequently cited that the program must include annual payments to farmers based on contracts ranging from three to 20 years.
- Some respondents indicated that project contracts should not be in perpetuity.
- It was suggested that the annual payments could be based on average rental rates. The value of the public benefits provided by the BMP (spell out?), and the opportunity cost borne by the producer, were also suggested as a basis for setting payment levels.

## GOVERNANCE

### WHAT WE SAID:

We see opportunities for conservation districts, non-government organizations, industry, Crown corporations and all levels of government to partner on the program.

### WHAT WE HEARD:

**A number of organizational structures were suggested with some common elements emerging, including the importance of local knowledge and engagement of landowners and producer organizations in directing the program and decision-making. A number of stakeholders were identified and it was considered essential that bridges be built between the various interested parties, including federal, provincial and municipal governments, conservation districts, environmental non-governmental organizations, industry, producer groups and landowners.**

- Many felt the province should play a high level, co-ordinating role in the program working closely with municipalities, producer associations, stakeholders, conservation districts and other supporting organizations to create partnerships and advisory committees and panels to determine the principles of the program, secure funding and develop administrative processes and monitoring programs.
- Many respondents felt very strongly that program delivery and decision-making regarding project development and selection be done at the local level by conservation districts, municipalities, local stakeholders and landowners.
- Third party audits were not seen as a particularly high priority, but where mentioned, conservation districts, Manitoba Agricultural Services Corporation, Manitoba Habitat Heritage Corporation, Manitoba Agriculture, and Keystone Agricultural Producers were suggested as options to act as auditors.

**Most agreed that conservation districts are the logical choice for local delivery of GROW. However, there was concern about the program eligibility of areas of the province that are not currently part of a conservation district.**

- It was suggested that producers should have the option to independently access funding through GROW without being required to go through conservation districts. It was also suggested that the program provide lower levels of funding for more projects involving more landowners rather than providing high levels of funding for relatively few projects.

**All agreed that the program should be farmer-focused and remain as simple and easily-accessible -as possible.**

- Many respondents felt the program should be easy to access, with one point of information and application for the farmer, with minimal administrative burden. Discussions and agreements between different organizations for administration, funding and logistics should have minimal impact on producers.
- It was mentioned that the program timelines and deadlines should take into account livestock and crop production cycles and ensure project and funding approval is done in a timely way that allows farmers to plan for, and implement, approved projects.

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