

REPORT ON

FLOODING AND WET CONDITIONS IN MANITOBA

August 12, 2005 Hamiota

August 12, 2005 Deloraine

August 18, 2005 Lockport

August 22, 2005 Elie

August 22, 2005 Letellier

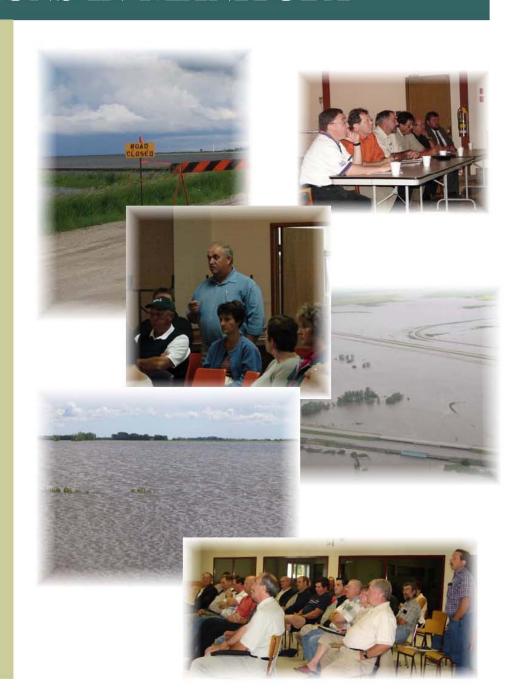


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ad weather is nothing new to Manitobans, however this year's summer flooding was unique. The extent of the damage is still being assessed and the possibility of further damage occurring is still imminent.

In response to this reality, the Association of Manitoba Municipalities (AMM) made the decision to hold a series of regional meetings across the province to help gauge the extent of the damages from this year's extraordinary spring and summer flooding. These wet conditions have had a very real and serious impact on many communities in the province and the AMM felt it was necessary to hear first hand from community leaders what was needed to help.

There are a number of existing provincial and federal programs in place to deal with wet conditions, and the AMM wanted to hear how well these were working and if gaps existed between what these programs were willing to cover and what was really needed this year.

WHO WE MET WITH

The AMM held meetings in 5 different areas of the province, all of which were greatly impacted by the wet conditions. The meetings took place:

Hamiota

Friday, August 12th, 2005

Deloraine

Friday, August 12th, 2005

Lockport

Thursday, August 18th, 2005

Elie

Monday, August 22nd, 2005

Letellier

Monday, August 22nd, 2005

The AMM also held a conference call with the Council of the RM of Kelsey in Northern Manitoba to hear the concerns in that region.

The AMM appreciated the willingness of the many people that took the time to come and discuss these issues with us, especially as many of those in attendance were agricultural producers who were extremely busy trying to salvage something from this year's growing season. A special thanks to Keystone Agricultural Producers for finding time during this difficult year to attend each of these meetings to hear about the needs of Manitobans. The AMM also appreciated the willingness of those MLAs that took time to come out and hear what was happening in Manitoba's communities. The AMM would also like to thank the communities that hosted and helped organize the meetings.



WHAT WE HEARD

A) On the topic of DISASTER FINANCIAL ASSISTANCE

i) Concerns Specific to the Emergency Measures Organization

- Not enough adjusters to visit all sites in a timely manner. When EMO has been available the level of service has been good, but the waiting time is too long.
- Need to look at staffing for widespread disaster response in exceptional years to get funding to municipalities and individuals faster.
- EMO should be collecting information and doing more physical inspections, not asking municipal staff to assess the extent of "non-insurable damages," and perform impact assessments.
- Indications are few residents have heard from EMO on the status of their claims.
- It takes too long to finalize settlements, and some municipalities are still awaiting final settlements from last year.

ii) Concerns specific to the current programs

- The program needs to recognize significant damage, even if it only affects a single municipality.
- The Province should recognize localized disasters and indications of disasters. The definition of a disaster should not be based on population because there can be extensive damage in a rural municipality without affecting a large population.
- Some areas were hit several times in the same location. These events should be considered as one disaster so that municipalities do not have to declare a disaster and pay deductibles each time.
- Concern that DFA payments will be prorated if province-wide cost of damage is too high. This would mean compensation that is well below actual costs.
- The current program does not allow for proactive measures by municipalities prior to the disaster.
- It would make more sense to repair damages properly to ensure the same infrastructure is not damaged again, instead of just returning it back to the way it was.
- In the long run, funding for prevention at the time of clean up and repair will save money by preventing further damage.

- Rather than municipalities paying 10 per cent of DFA, it was suggested that they pay 15 per cent and the money be allowed to be used for preventative work.
- The issue of prevention is particularly true when dealing with bridge repairs. DFA will pay to restore a bridge but will not assist in funding a new bridge that would be able to withstand future wet conditions.
- Provincial and Federal programs need to be proactive instead of reactive. This will save money in the long run.
- Homeowners are having claims denied for overland flooding if they previously had sewer backups caused by pressure on sewer system. (i.e. 5-6 inches of water seepage through walls then overland flooding of 5-6 feet). Hoping for right to appeal these claims.
- Not everybody is covered by insurance and this is problem, particularly for cottages and second residences. These policies were decided in times when cottages had less value.
- The wet conditions have an impact on all sectors of the economy, and there should be help for them as well.
- Businesses such as golf courses can claim damages but not the loss of business. Quarries have lost operating time, yet no assistance is provided. The tourism industry has been hit hard, especially in areas around Lake Winnipeg, yet there is currently no program for these industries.
- There is also no mechanism for the long-term impacts this year will cause. The door should be left open for this.
- The railways and Manitoba Transportation have to take responsibility for their drainage projects and work with municipalities to ensure the best possible system is constructed and maintained.
- A ring dyke program was suggested, similar to the program that was enacted after the 1997 flood. This type of program is needed in Northern Manitoba as well.
- Many residents have build dykes around their homes to prevent flooding, but now have to tear these down to get compensation.

iii) Concerns specific to inadequate compensation for municipalities

- Current compensation rates do not cover the costs of providing assistance in disaster situations. The current funding model of 16 per cent compensation for the use of municipal equipment is not adequate.
- The program covers 100 per cent of outside contractors but only 16 per cent when municipalities undertake the work on their own.



- If the Province continues to pay more for contractors, then municipalities will contract out the work. However this is not always possible as contractors are not always available, which means the municipality is forced to do the work and cannot recover the actual costs.
- Many of these programs have been developed without municipal input and involvement and this may be part of the reason why they fail to meet municipal needs.

B) On the topic of THE DEPARTMENT OF FISHERIES AND OCEANS

- There have been significant problems with DFO delays when rebuilding washed out bridges to provide even temporary access, which is when timely decisions are needed.
- Definitions of fish habitat are based on 50-year old information that is no longer accurate.
- Engineering review costs are too high.
- The current DFO requirements for appropriate drainage practices are unclear and force municipalities to guess what rules are.
- Extensive regulations unnecessarily delay projects and increase costs.
- Local knowledge should inform the process since DFO does not have local experience.
- DFO does not enable best options to be used.



C) On the topic of WATER RELATED ISSUES

- The wet conditions are showing the inadequacies of Manitoba's infrastructure.
- The Province has not put enough funding into the Water Stewardship budget, especially in the maintenance of the provincial drainage system.
- Municipalities have been saying all along that the provincial drainage system needs work, and this just shows it.
- Because of the huge tracts of unseeded land, siltation in municipal and provincial drains is an issue.
- Without a provincial plan and immediate action, people are undertaking drainage work without permits, which will have serious repercussions for those downstream.
- Models have been developed to improve the drainage system, such as the Whitemud Watershed Conservation District's pilot project, however there has been no push to extend this program province-wide.
- Provincial highways and railways need to be part of the plan, and efforts need to be made to ensure they are meeting their responsibilities.
- Provincial roads are in danger of being washed out, including major access routes in Northern Manitoba. Many roads have already been closed, some for long periods of time.
- Very few preventative measures are taken, which would save money in the long run. Conservation Districts could do much of this work, but they need adequate funding.
- The Province lacks a coherent, encompassing province-wide water management plan.
- Too much responsibility is being downloaded to municipal budgets. Many municipalities indicated that they have been told that projects would move up the provincial priority list if they were willing to help cost share projects on provincial infrastructure.
- One municipality indicated that they had a consultant give them a cost on a bridge replacement and now, after the flooding it has been reviewed and the cost has increased.
- Environmental regulations need to be stricter for Manitoba Hydro as its quest for profits is impacting the environment and Manitobans.



- Lake levels in Manitoba are too high and some areas are beyond the point of restoration.
- The high levels are causing serious issues with erosion, which is costly to reverse. The effects of erosion just make it easier for damage to occur the next time.
- Water testing is an issue, as the provincial free testing program is coming to an end but tests are showing the water quality is getting worse.

D) On the topic of AGRICULTURE

i) Concerns in General

- There is a very real and lasting problem in agriculture as a result of the wet conditions this year.
- Keystone Agriculture Producers (KAP) indicated that there is a six to one spin-off from agricultural production. Therefore, if losses due to unseeded land and land that cannot be harvested is estimated between \$300 and \$500 million, the provincial economy stands to lose between \$1.8 billion and \$3 billion because of this year's wet conditions.
- The five per cent deductible on crop insurance for unseeded acres is unreasonable and overly burdensome to producers during this difficult year.
- The current compensation rate of \$50 per acre needs to be increased to at least \$75 per acre. Estimates indicate that the \$50 payment falls at least \$16 short of the producers' minimum costs.
- Something needs to be done about the effects of erosion due to so much unseeded cropland. There will also be an increase in the levels of phosphate in Lake Winnipeg.
- Unfortunately it may be too late for a cover program this year and the subsequent damage will be felt for years to come.
- Many areas of the province will need feed for livestock because of shortages due to a missed growing season.
- New program development and/or adjustment of existing programs should occur quicker. These programs need to be responsive to Manitobans' needs.



ii) Concerns specific to the CAIS Program

- Many concerns were raised with the program, as it seems to be falling short of meeting the needs of producers.
- The inadequacy of the program is highlighted by the fact that at every meeting the comment was made that producers that did not seed anything were better off than those that did seed a crop and cannot harvest it.
- The CAIS program does not work, is too expensive for farmers, and is too confusing.
- CAIS is not reflective of the actual costs of farming. For example the costs of inputs have gone up roughly 30 per cent, yet prices have dropped.
- The program is too slow and producers will not see money anytime soon.
- There is no predictability in the program. It is impossible to predict the level of support even when an accountant does the application.

iii) Concerns specific to Crop Insurance

- The current crop insurance system is ineffective for dealing with this year's wet conditions.
- Farmers are paying higher premiums for crop insurance without higher benefits.
- There was concern that the crop insurance coverage is calculated for all insured acres, meaning it is difficult to trigger a claim when only some acres are damaged.
- Under the current system lost inputs are not calculated in crop insurance payments.
- Crop insurance should cover all of the costs incurred for both seeded and unseeded acres, and should be extended to include native pastures. It was suggested this could be done as an optional premium.
- Producers need a support program to cover the costs of inputs that will be used in the fall of 2005 to repair the damage caused by this year's flooding and to prepare soil for the 2006 crop year.
- The lack of compensation for lost inputs needs to be recognized and addressed.
- A program like the Jobs and Economic Recovery Initiative (JERI) that was implemented in 1997 is needed again.



RECOMMENDATIONS

ON THE TOPIC OF DISASTER FINANCIAL ASSISTANCE

- 1. The Provincial Government should make sure EMO has the resources needed for disaster situations, such as this year's flooding.
- 2. Compensation must be based on actual damages, and not prorated to a level the Provincial and Federal Government is willing to spend.
- 3. The Disaster Financial Assistance Program should allow for preventative work to be done in the reconstruction and rehabilitation stages as this will undoubtedly save money in the long run and would only improve Manitoba's infrastructure.
- 4. Basing eligibility on population numbers or the number of municipalities affected is unfair to those low population communities that have experienced very real disasters, or when only a single municipality is affected. Extensive damage can occur without big population numbers and all disasters should trigger funding.
- 5. Funding needs to flow quicker from the Province. Money needs to get into the hands of those that need it.
- 6. Cottages and second residencies should be entitled to some sort of compensation, preferably to the same level as primary residencies.
- 7. There needs to be a program similar to 1997's Jobs and Economic Recovery Initiative (JERI) in place for loss of business, as many businesses, such as golf courses, have lost substantial income because of the wet conditions.
- 8. The program needs a mechanism to revisit the longer-term impacts of these disasters, as this may take several years to sort out and become evident.
- 9. The rate of compensation for the use of municipal equipment of 16 per cent does not cover the actual costs. The program is willing to compensate 100 per cent of the costs of hiring outside contractors, creating a disincentive for municipalities to use their own equipment, even when it is often cheaper and faster than hiring outside contractors. As well, in many cases contractors are not readily available and municipalities are forced to do the work at a loss.
- 10. Municipalities need to be at the table in the discussion of DFA programs, as they are the level of government most closely involved in providing disaster assistance to citizens.



ON THE TOPIC OF THE DEPARTMENT OF FISHERIES AND OCEANS

- 11. DFO needs to allow municipalities to do work in an expedient manner in times of disaster.
- 12. DFO needs to update its definitions of fish habitat and apply common sense to the approvals process, as current requirements slow down work and increase costs.
- 13. DFO requirements must be made clear so municipalities can meet the requirements.
- 14. DFO must understand the importance of erosion control measures and balance this with its mandate for fish habitat preservation.

ON THE TOPIC OF WATER RELATED ISSUES

- 15. Greater provincial funding needs to be allocated to the Department of Water Stewardship.
- 16. Greater efforts need to be made toward prevention, rather than continually reacting to damage caused by extreme weather.
- 17. Manitoba's infrastructure needs to be improved, as its inadequacy has been demonstrated by this year's wet conditions.
- 18. The Provincial Government must address the funding gap for provincial infrastructure and stop looking to municipalities to cost-share projects.
- 19. The Provincial Government should continue with its water testing program, as many in attendance indicated that these test results are getting worse with time and require continued monitoring.
- 20. The Provincial Government must develop and implement a province-wide, encompassing water management policy to deal with both wet and dry conditions.
- 21. The Provincial Government must speed up the drainage approval process as the delays are creating problems. The Provincial Government should also build on the successes of pilot projects such as the Whitemud Watershed Conservation District Drainage Pilot Project.
- 22. All stakeholders, including other provincial departments, need to work together on water management issues, not just drainage but water retention programs as well.
- 23. Funding should be allocated specifically to the restoration of riverbanks in Manitoba.
- 24. Manitoba Transportation and the railway companies need to address their responsibilities when it comes to the drainage system in Manitoba. As well, the Provincial Government needs to meet its responsibilities in the area of enforcement.

ON THE TOPIC OF AGRICULTURE:

- 25. The five per cent deductible for crop insurance needs to be eliminated for this year due to the unusual conditions.
- 26. The \$50 per acre compensation is not sufficient and should be raised to a suggested \$75 per acre to reflect the actual costs.
- 27. The Provincial Government should implement a Feed Assistance Program to help those areas where feed is not available due to wet conditions.
- 28. The Provincial Government should make greater efforts to promote land and water stewardship and maintenance programs, such as the Alternative Land Use System (ALUS).
- 29. The CAIS program needs to be more responsive and predictable.



CONCLUSIONS

Manitoba has seen its share of weather extremes, as spring flooding and summer droughts are not uncommon in this province. However the summer flooding much of Manitoba faced this year is anything but common. This year's wet conditions have impacted many people, from homeowners with water in their basements to farmers who were unable to seed a crop.

All communities in this province have been impacted in some way. It was for this reason the AMM held these meetings and generated this report.

These 29 recommendations are the result of the input the AMM received at its five regional meetings. It was clear from the comments of those in attendance that not only is immediate action needed, but greater attention needs to be paid to prevention. The AMM has long been advocating this very principle, as measures should be put in place now to prevent future damage. While most in attendance agreed that everyone was doing their best within the current system, there need to be changes to the system itself in order to meet the needs of Manitobans.

The AMM encourages both the Federal and Provincial Governments to review these recommendations and to take action now so that Manitoba is better prepared when the next disaster arrives.

