

Provincial Water Availability Engagement

The Provincial government has recently launched an engagement on provincial water availability. The government is requesting all Albertans share their thoughts on ways to increase water availability and improve the water management system in Alberta. Outcomes of this consultation may include amendments to the Water Act as well as changes to the current water licencing system.

The [provincial water availability engagement webpage](#) has specific information on the engagement including 'issue sheets' on a number of topics. Several of the issue sheets and the considerations within them, would have a material impact on irrigation districts and their irrigators.

The AIDA and its member districts have been engaging with government officials since we were first informed of the extent of the engagement. We have communicated concerns and the risk of potential amendment considerations on districts and their irrigators. We have also provided a list of sector-endorsed suggestions to improve water management in Alberta. The sector's areas of concern along with suggestions to improve access to water are detailed in an AIDA white paper titled [Provincial Water Availability Engagement: Identified concerns of possible amendments and suggestions to improve water access in Alberta](#) available for download from the AIDA website or from your irrigation district. We strongly encourage all irrigators to review this document.

AIDA and districts will have additional meetings over the coming months with the government. However, we need your help to reinforce our concerns and our suggestions and to share any thoughts and opinions you have. Not only is the engagement period very short, ending on January 10, 2025, but it also falls over the Christmas holiday season.

There are several ways to assist including

- attending one of the in-person or virtual engagement open houses taking place over the next week.
 - **December 9, 5:30 p.m. - Fort Macleod & District Community Hall Society**
 - December 3, 5:30pm – In-person open house in Red Deer at the Alberta Sports Hall of Fame
- providing written feedback to epa.water@gov.ab.ca.
- providing feedback to your local MLA via email or in-person.

We've attached a key messaging document that provides some important economic information on the irrigation sector and summarizes the most significant concerns and the top suggestions to improve the water management system in Alberta.

Irrigation Sector Key Messaging on Provincial Water Availability Engagement

Key Takeaways:

Irrigation Provides Significant Economic and Social Benefits - Irrigation in Alberta is highly efficient and provides sustainable production of food to supply the nation and the globe. Additionally, the irrigation distribution system supports water access for municipalities, industry and to support wildlife, wetlands, and recreational opportunities.

The System is not Broken – The South Saskatchewan River Basin just faced two difficult years (more so in 2023 than in 2024), yet water users, specifically large senior license holders, worked together to mitigate drought with the result being two successful water management years.

Mitigation Steps for Droughts and Floods - Proactively planning for droughts and floods is essential in Alberta and can be achieved through increased water storage and retention. Investments in reservoirs would eclipse any new water efficiency efforts in stabilizing water supplies for Alberta.

Sharing Water Allocation - Stripping large license holders of allocation would restrict Alberta's economy. What might be seen as unused allocation is actually an essential buffer for large license holders to deal with inclement weather. Stripping the licenses would effectively shrink Alberta's agriculture sector, which has proven to be the bedrock of Alberta's economy. To make water go further, added storage is the key rather than stripping allocation from efficient, productive, large license holders.

The following section provides information on irrigation's influence on the provincial economy and summarizes some key messages of the [AIDAs white paper](#) on increasing water access in Alberta.

1. Irrigation district water licence allocation significantly supports the Alberta economy.

Irrigation practiced in Alberta's 11 irrigation districts represents only 4.4% of Alberta's cultivated land base but has significant contributions to the regional and provincial economy. The *Economic Value of Alberta's Irrigation Districts* shows that irrigation related activities in Alberta irrigation districts contribute:

- \$5.4 billion annually to provincial GDP. 80% accrues to the region and province and 20% to irrigation producers.
- \$3.2 billion annually in labour income and supporting almost 50,000 full-time equivalent positions.
- 27% of the province's total primary agricultural sales.
- 38% of Alberta's total livestock sales.

Irrigated crop production generates about 4.5 times more revenue per hectare than dryland crop production. 48% of the total feeder cattle in the province are associated with irrigation districts.

2. Reducing water licence allocations to irrigation districts and shifting allocation to other users does not make more water available and will increase water availability shortages to irrigators and other district users in average water supply years.

- Current Irrigation district allocations were set several years ago through a process that was based on the infrastructure and operational needs of districts. Those allocation limits considered future efficiency gains and irrigation expansion within districts.
- The large allocation volumes of irrigation district licences guarantees water availability to irrigation districts in low precipitation, high temperature years when projected water supply is sufficient. This is essential to not just to grow food, but also to justify the tremendous investment we have seen in the value-added food processing industry in our province.
- When water supply is projected to be lower than average or when instream river flow thresholds may not be met, irrigation districts and other large licence holders voluntarily reduce their diversion to ensure all users (including the river environment) have water, irrespective of whether such users have large or small water licence allocations, or senior or junior priority. This is authentic water sharing.

3. Unnecessary restrictions on irrigation district licences to provide water for other purposes should be removed.

- Within irrigation district service areas, irrigation infrastructure is often the only practical way for many potential non-irrigation water users to access water.
- Many districts have received amendments to their water licenses to allow them to provide water within their areas for other uses such as municipal, commercial, industrial, and agricultural use. However, the conditions for amending licenses to provide water for these purposes force restrictive or precise quantities of water to be stated. These conditions are unnecessarily restrictive and can limit opportunities for economic development within the areas served by irrigation districts if the amended quantities fall short of the water needed in the future.

4. Mandatory volumetric pricing schemes are simply a tax on water similar to the federal carbon tax.

- Such schemes would remove funds that irrigation districts use for water infrastructure rehabilitation/modernization investment required to increase sector water efficiencies. Increased costs from volumetric pricing would be passed onto irrigators and other district water users, decreasing affordability.
- As irrigators are already incentivized to maximize irrigation efficiencies due to the variable power cost of running irrigation, any additional tax would actually result in less funds being available for on-farm investment in sustainable irrigation practices including precision irrigation opportunities. The result is a negative impact on future water efficiency gains.

5. Mandatory setting of sector water conservation, efficiency and productivity targets by the provincial government is comparable to targets set by the federal government to reduce greenhouse gas emissions. Such schemes will force a pace of rehabilitation on districts

which may be financially unattainable.

- Irrigation districts and irrigators have been voluntarily increasing water efficiencies for over 50 years by investing in infrastructure rehabilitation and on-farm system changes.
 - The sector has achieved efficiency and productivity gains of over 40% since 2005. These gains are larger than those achieved by any other water using sector in the province.
 - For the period 2011 to 2019, \$474 million dollars was invested in irrigation infrastructure rehabilitation. Collectively irrigation districts funded 63% of the total and the government of Alberta 37%.
 - The current round of investment of \$933 million is an investment in water efficiency and security. 70% of this investment has been funded by irrigation districts. Irrigation farmers have and continue to heavily invest in water efficiency, water security and water sustainability.
- Recent and ongoing increases in the cost of supplies and labour have already affected the quantity of annual rehabilitation activities districts can complete. Setting unrealistic rehabilitation targets will result in the associated costs being passed onto irrigators and other district water users decreasing revenue and affordability.
- The potential setting of mandatory goals by government to use specific on-farm technology (ie. sub-surface drip irrigation) would impact the current irrigated crop mix (which would impact the agri-food processing sector) and shift the decision of how to best irrigate a crop from the farmer to the government.

6. The existing market-based transfer provisions within the Water Act are the most effective way to reallocate water in basins closed to new licences (such as the South Saskatchewan Basin (SSRB))

- Under this system the transferee receiving the new allocation will typically provide financial compensation to the transferor. Several districts have participated in this market system. Where districts are the transferor, the funds received through such a transfer are directed to infrastructure rehabilitation activities which result in the actual conservation of water.
- This system should continue to be recognized as the best alternative to reallocate water in a closed basin such as the SSRB.
- Eliminating the existing conservation holdbacks on water licence transfers would reduce the cost to the transferee or allow them to receive more water for the same cost.
- The Irrigation Districts Act requires irrigation districts to hold plebiscites for all transfers. An amendment to the IDA to allow a maximum threshold value, for example a maximum percentage of a district's licenced allocation for which plebiscites would not be required, could help alleviate the administrative burden on districts to facilitate licence transfers to others without having a material effect on actual water availability within a district.