



the partnership for water sustainability in bc

A submission to the Select Standing Committee on
Finance and Government Services, September 2021

An aerial photograph of a rural landscape. In the foreground, there are large green agricultural fields. A road and some farm buildings are visible. In the middle ground, a wide river flows through the landscape. The background features a range of blue mountains under a cloudy sky.

Living Water Smart in British Columbia: *Groundwater Licensing & Budget 2022 Consultation*

Note to Reader:

The Partnership for Water Sustainability in BC is a not-for-profit society. It has its roots in government. The umbrella for Partnership initiatives and programs is the [Water Sustainability Action Plan for British Columbia¹](#). In turn, the Action Plan is nested within [Living Water Smart, British Columbia's Water Plan²](#).

The Partnership is the entity-of-record for the [BC Agriculture Water Calculator](#), the online tool that supports implementation of water licensing by the provincial government. In addition, the Partnership released Primers on the looming groundwater licensing crisis and what needs to happen in April³ and July⁴, respectively.

The Primers and this document are the synthesis of the professional expertise and experience of three former civil servants: Ted van der Gulik, Donna Forsyth and Mike Wei.



BC Agriculture
Water Calculator



¹ <https://www.waterbucket.ca/cfa/sites/wbccfa/documents/media/81.pdf>

² https://waterbucket.ca/wcp/wp-content/uploads/sites/6/2017/11/livingwatersmart_book.pdf

³ https://waterbucket.ca/wcp/wp-content/uploads/sites/6/2021/05/PWSBC_Living-Water-Smart_Groundwater-Licensing_May-2021.pdf

⁴ https://waterbucket.ca/wcp/wp-content/uploads/sites/6/2021/07/PWSBC_Living-Water-Smart_Primer-on-Groundwater-Licensing_July-2021_final.pdf

Groundwater Licensing – A Call for Action

For months now, the Partnership has been raising the red flag regarding the consequences of government NOT making a last ditch, all-out effort to urge historical groundwater users to apply for their licences before the deadline. If they do not do so, they will lose their historical rights and be considered illegal uses of water.

After almost 6 years of the licensing transition period, a mere 1 in 5 users have applied. The social, economic – and political - costs of government being forced to shut down the businesses of 16,000-plus current groundwater users in the province, most of them farmers, ranchers, and small business owners throughout rural BC, are too severe to contemplate.

However, regardless of how many or how few groundwater users, whether “new” or “historical”, have actually applied for their licences, by March 1st 2022 the die will be cast. Government’s headaches on this issue will be far from over on that date.

Without a substantial influx of funding, the situation will become even more complex - and volatile, as a new user - for example, a water bottling company - qualifies for a groundwater licence while a local rancher goes bankrupt because he no longer has legal access to water his cattle.

With this year’s economic losses and social trauma of raging forest fires throughout the province, “Climate Change” has certainly become a top-of-mind issue for many British Columbians – and no doubt with the Finance Committee as well.

In this, as with all life, water is obviously critical. We already know that many of our groundwater aquifers are at risk. That is why groundwater licensing was included in the *Water Sustainability Act* (WSA). The Partnership believes that **\$30 million for each of the next 10 years dedicated to achieving the objectives of the WSA is key to building provincial resilience** in the face of climate change impacts already upon us and - with certainty - to increase in the future.



*Ted van der Gulik, PEng,
President*

*Partnership for Water Sustainability in BC
September 2021*

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Lack of Groundwater Licensing is a Crisis in the Making

THE ROLE OF THE PARTNERSHIP FOR WATER SUSTAINABILITY IS TO REMIND EVERYONE OF THE VISION FOR WATER IN *LIVING WATER SMART, BC'S WATER PLAN*: SAFE, SUSTAINABLE, VALUED BY ALL.

Groundwater licensing is the biggest endeavour the Province of BC has taken on in its water management history. Yet the record shows that leadership and commitment at the highest levels, plus the follow through within government to mobilize the resources needed to get the job done properly, have been missing in action. This record transcends successive administrations.

Groundwater licensing is a foundation piece for successful implementation of BC's *Water Sustainability Act (WSA)*, passed in 2016. This once-in-a-generation, transformational legislation is the governance and regulatory component of "**Living Water Smart, British Columbia's Water Plan**".

Groundwater licensing is a crisis in the making because the 6-year transition period for historical groundwater use licensing ends on March 1, 2022. With six months to go, the dilemma is that a mere 1 in 5 small business owners and farmers who rely on groundwater have applied for a licence.

Workshops, 'how-to' sessions for making an application, ads in local papers, mail campaigns, and information bulletins on a government website are clearly not reaching groundwater users. Without quick action funded through Budget 2022, government risks other dominoes falling after March 1, 2022. There will be economic consequences for rural BC farmers, businesses, and industries. They need government to fix this.

The Partnership for Water Sustainability has released a Primer on groundwater licensing. It lays out **WHAT** must happen in the way of game-changing solutions. The Primer is a companion document to this submission to the [Select Standing Committee on Finance and Government Services](#).

In this document, we build on the Primer to spell out **HOW** groundwater licensing should be funded and implemented beginning with Budget 2022.

Why groundwater licensing is fundamental to water management in BC and illegal water use is unacceptable

1. **In 2016, water management in BC entered a new era with passage of the *Water Sustainability Act (WSA)*.** The WSA made it a legal requirement that all non-domestic groundwater users in BC be licenced or otherwise authorized. Until then, only water users drawing from surface sources had been regulated in BC. [Now, groundwater users are required to play by the same set of rules.](#)
2. **There are an estimated 20,000-plus groundwater wells** supplying farms, businesses, industries, utilities, and institutions across BC. Yet a mere 4000 reported applications have been submitted during the first five years of the 6-year transition period. Landowners are not required to apply for a licence to use a household well or groundwater solely for domestic purposes.
3. **The gulf between 20,000 and 4,000 has serious implications.** It could also create inequities in the business landscape in BC, since it is believed that most of the 16,000-plus users are small businesses. The larger entities are likely already in the system.
4. **March 1, 2022 is the looming deadline to apply for a water licence** for those who were using groundwater from a well or dugout on or before Feb. 29, 2016, for non-domestic purposes.
5. **These users are defined herein as “historical” groundwater users** to make a clear distinction between them and “new” groundwater users who are pumping water from wells drilled and placed in service after March 1, 2016.
6. **The dilemma, after almost 6 years, is that a mere 1 in 5 historical groundwater users have applied for a water licence.** Let’s look at what the numbers are telling us.
7. **The biggest groundwater licensing challenge** has become convincing these historical users that losing their status will have huge consequences for them if they miss the deadline.
8. **By not applying for a licence,** historical groundwater users are effectively giving the government back the volumes of water they have been using. Missing the deadline means either temporary or permanent shutting down of businesses.
9. **Why are the consequences not understood by historical groundwater users?** Because the financial implications and true risks of not applying have not been clearly communicated in the government messaging. As a result, most groundwater users have yet to experience an Ah-ha moment that shifts their understanding to apply for a licence because it is in their own self-interest.

10. **Lack of groundwater licensing is a crisis in the making.** It will require extraordinary actions on the part of government to break through and galvanize some 16,000 groundwater users to apply for a licence no later than March 1, 2022. Otherwise, an overwhelming majority of historical groundwater users will be in regulatory non-compliance.
11. **On July 2, 2021 the government issued an Information Bulletin** to signal to groundwater users that non-compliance would have consequences. This is a small but critical first step in communicating the message that users must take groundwater licensing seriously.
12. **In the Partnership for Water Sustainability's Primer titled "Living Water Smart in British Columbia: Groundwater Users Put on Notice"**, the trio of Donna Forsyth, Mike Wei and Ted van der Gulik bring their professional expertise and experience as former civil servants to bear to shine the light on a path forward for government. They are 'water sustainability volunteers'.
13. **The Primer is not a technical report.** It is a compendium of very persuasive and informed opinions from people who have expert knowledge and really understand the issue. This Primer provides context and perspective on the value of a water right and why it is worth the time and effort by a groundwater user to APPLY RIGHT NOW for a water licence.
14. **The Primer elaborates on an ongoing failure to communicate effectively about what is missing.** It suggests potential game-changing solutions to create a desired "tidal wave of groundwater licence applications" between today and March 1, 2022. Because people learn through stories and anecdotes, the Primer storyline is built around quotable quotes from these knowledgeable professionals to tell the "story behind the story".
15. **In addition to government's two-pronged responsibility for better communication and enforcement,** there is a third responsibility that all citizens can take on. We all need to recognize the importance of water as a shared resource and communicate to business operators and elected officials alike that **groundwater licensing is fundamental to water management in BC and illegal water use is unacceptable.**
16. **To create a tidal wave of groundwater licence applications,** the situation calls for leadership plus a VALUED BY ALL ethic, as well as effective communication of consequences followed by enforcement. This Primer is intended to inform the conversation about solutions to the problem.
17. **To learn about these solutions, download a copy:**
https://waterbucket.ca/wcp/wp-content/uploads/sites/6/2021/07/PWSBC_Living-Water-Smart_Primer-on-Groundwater-Licensing_July-2021_final.pdf

Nature of the Groundwater Licensing Issue

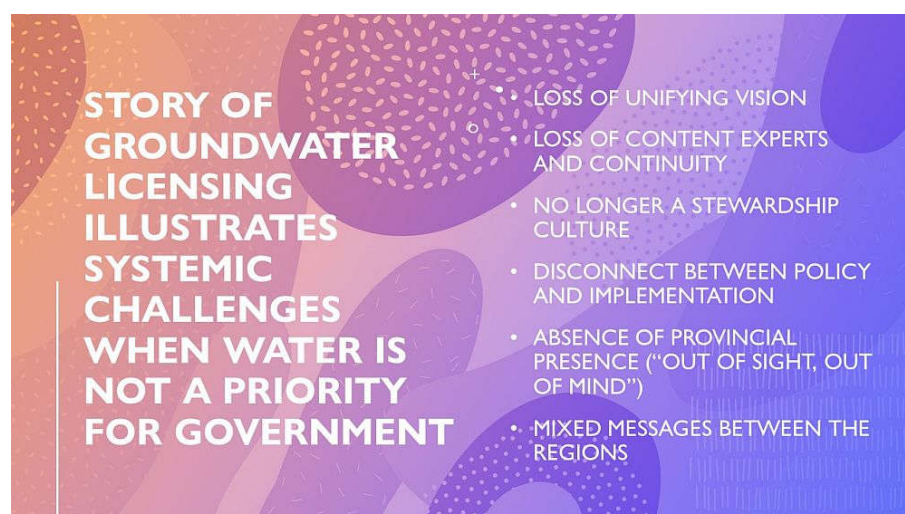
Water has not been a high priority for successive provincial administrations. There has been no water champion. And this has had consequences for sustainable water management:

- Comparatively few NEW or HISTORICAL well users have applied for a licence.
- Those who have applied wait for 3 years or longer to get an answer from government on their application. In many cases, there is insufficient data upon which to adjudicate a licence.
- Very little enforcement of NEW wells has been done, even though the WSA states that water cannot be used prior to obtaining a licence. The reasons are two-fold: enforcement staff are limited and therefore cannot carry out all duties.
- The jurisdictions for water management are spread throughout multiple ministries and numerous regional offices. WSA is not applied uniformly. Determining who is the provincial leader is difficult.
- **There is not a clear plan on how the provincial government will deal with the inevitable crisis that looms large on March 2, 2022.**

The story of groundwater licensing illustrates the systemic challenges when water is not a priority for government. Six key messages that go to the heart of the groundwater licensing issue:

THE URGENT QUESTION:

What will government do on March 2, 2022 when the overwhelming majority of historical groundwater well users are in regulatory non-compliance?



What Will Happen on March 1, 2022

If government does not 'fix' the groundwater licensing problem, it will get messy for everyone after March 1, 2022. It is inevitable that government will be forced to act against unlicensed groundwater use – based on fairness to those who did apply. It will be difficult for government to shut down businesses. However, there are a few scenarios that have already come forward in the past few years that indicate what the future may look like after the March 1, 2022 deadline.



What the Future Will Look Like

“By not applying, the historical water users are effectively giving the government back the volumes of water they were using. After March 1, 2022, these volumes go back into the communal system for reallocation and when they apply, the historical users will be at the back of the line.”

Donna Forsyth, former team leader responsible for drafting the WSA and the supporting regulations, Ministry of Environment

A Case Study that Foreshadows What the Future will Look Like

A farmer drilled a well and installed a pump and irrigation system **after 2016** to serve his property in the Bessette Creek watershed, a tributary of the Shuswap River northeast of Lumby in the Okanagan. This farmer is classified as a “new” user.

After the works were completed, the farmer applied for a licence. The local water manager turned down the application on the basis that the well would impact fish survival in the creek. The farmer appealed to the Environmental Appeal Board. But the decision by the provincial water manager was upheld

Within the same watershed, there are 272 historical wells. At least 36 are for irrigation and 212 are for unknown use, some of which could also be for irrigation. Of the 36 known historical irrigation wells, only 2 have applied for a licence.

Historical Users Will Be at the Back of the Line

If the Bessette Creek farmer chooses to reapply for a licence on March 1, 2022, his licence application will take priority over all of the existing users who have not applied for a licence on that date.

The province will have no choice but to issue a water licence to the farmer and to order all other users to shut down to support the new licence. This scenario will repeat itself and the province will be required to enforce the act whenever licences are challenged.

What Needs to Happen

When water is not a priority for government, and there is no ‘water champion’ at the top, you wind up with the current challenges that, in a very short time, become unmanageable for government. However, the situation can be turned around when there is commitment and sustained funding to get the job done.

Task a Cabinet Minister to be the ‘Water Leader’



Leadership and Enforcement

“As I see it, leadership and enforcement by government would help demonstrate good faith. One key strategy to ensuring people know that government is serious about the water resource is to systematically check compliance and conduct enforcement on unauthorized water uses.”

Mike Wei, former Deputy Comptroller of Water Rights, Ministry of Environment

Government can turn it around if a water champion is appointed at the highest level. To be successful, this water leader must have the authority and accountability to make water a priority and remain a priority. This individual must also be able to direct adequate resources and attention to motivate historical groundwater users to apply before it is too late.

The responsibility for water needs to reside in one ministry with the mandate to require other ministries to communicate, cooperate, coordinate, and collaborate. In our system of government, accountability flows through the minister.

For this reason, the water champion (or water leader) can only be a cabinet minister who has the authority and accountability to make water a priority; and has a mandate from the Premier to facilitate collaboration across government. And to ensure success in carrying out the WSA mission, it is essential that the minister empower and support staff.



WHEN WATER IS A PRIORITY AND THERE IS A UNIFYING VISION

- CONTENT EXPERTS CONNECT PAST, PRESENT AND FUTURE
- STEWARDSHIP IS “THE CULTURE”
- POLICY AND IMPLEMENTATION WORK IN TANDEM
- THE PROVINCE HAS A PRESENCE
- EXPECTATIONS ARE CLEAR AND CONSISTENT

THREE PRONGS OF RESPONSIBILITY:

1. *Communication*
 2. *Enforcement*
 3. *Valued by All*
-

A Call to Action

The key challenge for government has always been and continues to be ensuring the public knows about the value of a water licence and realizes the consequences of not having one. Groundwater licensing is a rare opportunity to make a difference and thereby make progress in bringing to fruition the [Living Water Smart](#) vision for water: **Safe, sustainable, valued by all.**

In addition to government's two-pronged responsibility for better communication and enforcement, there is a third responsibility that we can all take on. We all need to recognize the importance of water as a shared resource.

Introduction of Four Building Blocks

The goal of restoring the core competency and capability of government to deliver game-changing [Living Water Smart](#) outcomes would be founded on these building blocks:

1. Assemble an experienced team of content experts to develop a plan and ensure funds allocated are spent appropriately and effectively.
2. Hire additional enforcement staff to ensure that unauthorized use is curtailed.
3. Hire additional water managers to adjudicate licences.
4. Invest in groundwater science to determine aquifer capability. This will help in adjudicating water licences.

Compliance checking of all unauthorized water uses would certainly send a message and a wake-up call to groundwater users.

Implement Actions that Influence Behaviour

- **COMMUNICATE CONSEQUENCES**
- **STREAMLINE THE PROCESS**
- **MOTIVATE THRU ENFORCEMENT**

Budget Request for 10 Years

The Partnership for Water Sustainability estimates that the government of British Columbia would need to commit a dedicated budget of \$30 million annually over a 10-year period to achieve these two policy outcomes:

BC's groundwater resource (unique from other provinces) supports the economic activity of the province (industrial, commercial, irrigation).

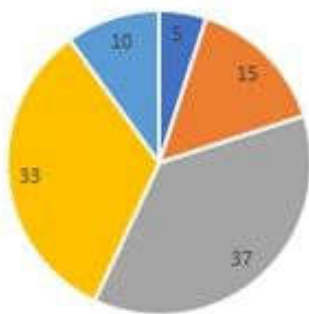
- A. Deal with the fallout of a less-than-successful launch of groundwater licensing implementation.**
- B. Mobilize the resources needed to meet the objectives of the *Water Sustainability Act (WSA)*.**

The Partnership believes that \$30 million per year is the level of commitment and investment necessary to:

1. rectify the current totally chaotic situation.
2. reduce government's vulnerability.
3. get groundwater licensing back on track.
4. make the transition to water sustainability as envisioned in the WSA.

The breakdown of an annual budget of \$30 million would be:

Percentage for each stream of effort



- Leadership
- Enforcement
- Licence decisions
- Groundwater science and monitoring
- Database infrastructure

Streams of Effort		Budget
1	Licence Decisions	\$11.0M
2	Enforcement	\$4.5M
3	Groundwater Science & Monitoring	\$10.0M
4	Database Infrastructure	\$3.0M
5	Leadership	\$1.5M
GRAND TOTAL per year		\$30.0M

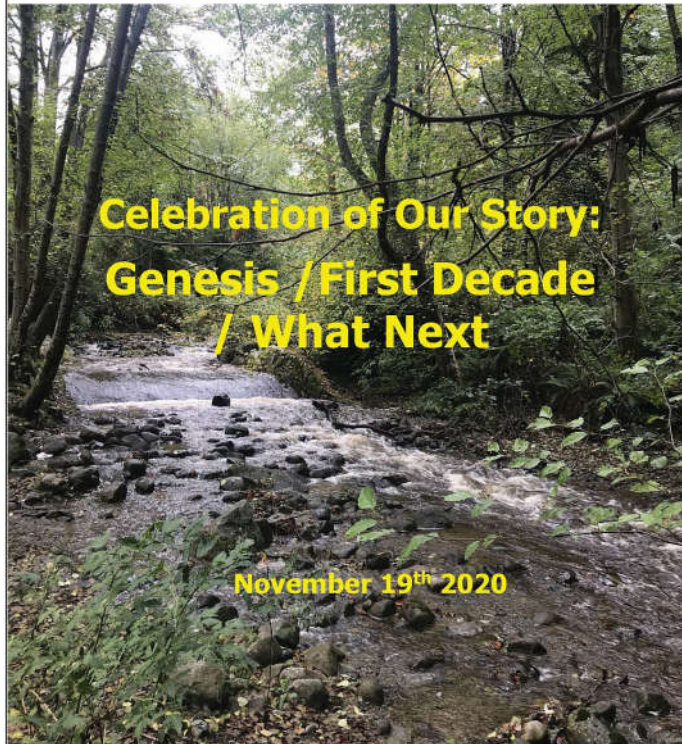
Overview of the Streams of Effort

<p>Licence Decisions - \$11.0 million</p>	<p>The urgency for dedicated staff to adjudicate licences is NOW but it will be compounded after March 1, 2022. Currently it is taking more than 3 years. This is an issue of fairness. A business cannot be without water for 4 or 5 years because the adjudication process is lengthy, expensive, and cumbersome.</p> <p>A streamlined process would build-in the effort required to issue orders, respond to appeals, and take action on a regular basis going forward (climate change, drought, review of licence conditions).</p> <p>A streamlined process would also recognize the need for significantly increased numbers of trained program staff and legal and policy support as well as clear operational policies to guide decisions.</p>
<p>Enforcement - \$4.5 million</p>	<p>This is an issue of fairness. Government will have no credibility with those who have ‘done the right thing’ and applied for their water licence if it does not consistently come down hard on those – whether new or historical users - who are flaunting the legislation and continuing to use water illegally.</p>
<p>Groundwater Science & Monitoring - \$10.0 million</p>	<p>We need to know much more about aquifer condition and capability to assist in the adjudication of licensing. Groundwater science and streamflow monitoring are necessary to identify carrying capacities of key aquifers and streams, including critical environmental flow requirements. This information is foundational to science-based licensing decisions, thereby reducing uncertainties and wait times.</p>
<p>Database Infrastructure - \$3.0 million</p>	<p>All our provincial data bases need updating to enable fair and timely adjudication of licence applications. This need is tied to the development of the proposed Water Use Reporting Regulation which would help reduce the timeline for the adjudication and review of licences.</p>
<p>Leadership - \$1.5 million</p>	<p>A big part of government’s problem in implementing the WSA is there is no one designated water champion. To realize government’s objectives for water sustainability in BC, there needs to be a dedicated Minister with staff support able to coordinate actions across ministries and communicate a clear and compelling message to British Columbians.</p>

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the partnership
for water sustainability in bc



**Celebration of Our Story:
Genesis / First Decade
/ What Next**

November 19th 2020

TO LEARN MORE, VISIT:

<https://waterbucket.ca/about-us/>

About the Partnership for Water Sustainability in British Columbia

Incorporation of the Partnership for Water Sustainability in British Columbia as a not-for-profit society on November 19, 2010 was a milestone moment. Incorporation signified a bold leap forward.

Over two decades, the Partnership had evolved from a technical committee in the 1990s, to a “water roundtable” in the first decade of the 2000s, and then to a legal entity. The Partnership has its roots in government – local, provincial, federal.

The Partnership has a primary goal, to **build bridges of understanding** and pass the baton from the past to the present and future. To achieve the goal, the Partnership is growing a network in the local government setting. This network embraces collaborative leadership and **inter-generational collaboration**.

The Partnership believes that when each generation is receptive to accepting the inter-generational baton and embracing the wisdom that goes with it, the decisions of successive generations will benefit from and build upon the experience of those who went before them.



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