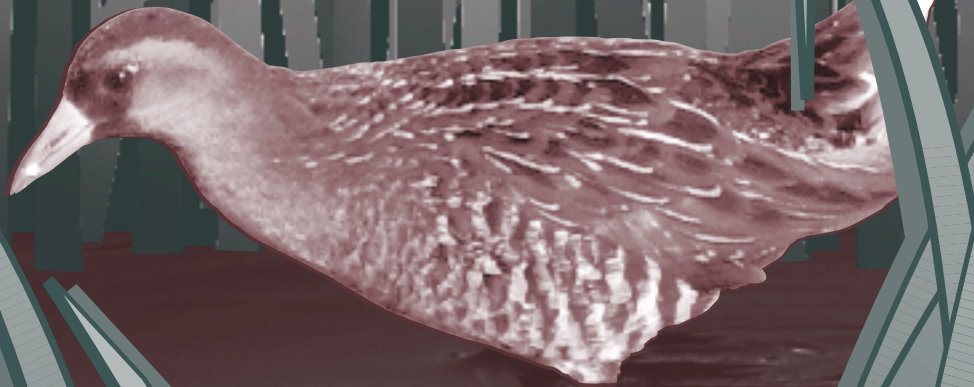


THE MANITOBA HABITAT HERITAGE CORPORATION

ANNUAL REPORT 2005 / 2006





Cover Photo: sora rail

This Page: western grebe

Wildlife images in this report are supplied by Fred Greenslade, an internationally acclaimed wildlife photographer who lives in Portage la Prairie and captures many of his images at Manitoba's famed Delta Marsh.

BUILDING PARTNERSHIPS FOR HABITAT CONSERVATION

The Manitoba Habitat Heritage Corporation is a non-profit Crown Corporation established in 1986 by the Manitoba Habitat Heritage Act and is responsible to the Manitoba Minister of Water Stewardship.

Its objective is to work in partnership with public and private agencies and organizations as well as individual landowners to conserve, restore, and enhance fish and wildlife habitat in Manitoba.

Letter of Transmittal

The Honourable Steve Ashton
Minister of Water Stewardship
Legislative Building
Winnipeg Manitoba

Dear Minister:

The year that ended March 31 2006 proved to be another successful period for The Manitoba Habitat Heritage Corporation.

One of the new initiatives that I am pleased to report on is the delivery of conservation agreements (easements) on riparian areas that will permanently protect valuable habitats in the Lake Winnipeg watershed. Funded from Manitoba Water Stewardship, this activity will support restoration objectives for Lake Winnipeg and is also a good fit with existing MHHC programs.

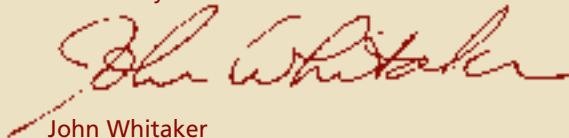
MHHC and its partners continued to make good progress with implementation of the North American Waterfowl Management Plan in Manitoba. MHHC continues to deliver the majority of all permanent conservation agreements for wetlands and associated habitats in NAWMP priority landscapes.

In addition to the riparian conservation agreements discussed above, MHHC continues to deliver other riparian activities through the Riparian Health Initiative. The RHI focuses on information, extension and coordination activities that target agricultural lands and landowners, encouraging sustainable land use practices that enhance riparian and associated lands for water quality and biodiversity.

MHHC continues to deliver permanent conservation agreements on habitats of importance to species at risk. The focus is on mixed-grass prairie as well as riparian habitats in watersheds where aquatic species are known to reside.

The coming year will be the 20th anniversary for MHHC. From modest beginnings the Corporation has grown to be a significant force for conservation in Manitoba's agricultural landscape and a contributor to local, provincial, national and continental conservation objectives.

Yours truly

A handwritten signature in dark ink, appearing to read 'John Whitaker', with a stylized, flowing script.

John Whitaker
Chairperson

TABLE OF CONTENTS

I. Overview	3
Mandate and Roles	3
MHHC Land Conservation Summary	3
Board of Directors	4
II. North American Waterfowl Management Plan	5
A Manitoba NAWMP Overview	7
MHHC NAWMP Activities	9
Potholes Plus Program	9
Special NAWMP Projects	10
NAWMP Communications	11
NAWMP Partner Activities	13
III. Riparian Health Initiative	15
Program Overview	16
Riparian Stewardship Program Activities	17
Riparian Easement Program	18
IV. Habitat Stewardship Program for Species at Risk	21
V. Critical Wildlife Habitat Program	24

Overview

MANDATE AND ROLES

The Manitoba Habitat Heritage Corporation (MHHC) was established by the Manitoba Habitat Heritage Act of 1986. The Act provided MHHC with a mandate to conserve, restore and enhance fish and wildlife habitat in the province of Manitoba. This is achieved through partnerships with private landowners, farm organizations, conservation groups, corporations and government agencies. Focusing on the agricultural region of Manitoba, MHHC promotes conservation practices that enhance wildlife habitat, encourage productive uses of the land and help to sustain farm family income.

MHHC conducts activities under three major program areas.



North American Waterfowl Management Plan

MHHC coordinates the North American Waterfowl Management Plan (NAWMP) implementation in Manitoba in partnership with other agencies and organizations. It also directly delivers NAWMP activities in partnership with the Delta Waterfowl Foundation through the Potholes Plus Program.



Riparian Habitat Management

Riparian habitat, found along streambanks, lakeshores and wetlands, is rich in biodiversity and contributes to water quality. MHHC programs encourage landowners to adopt land use practices that protect this important habitat and sustain agricultural productivity, particularly for livestock.



Species At Risk

MHHC delivers voluntary habitat securement programs for species at risk, with a focus on mixed-grass prairie and riparian habitats, as well as specific habitats of importance for species of concern.

MHHC LAND CONSERVATION SUMMARY

While the agricultural region of Manitoba has been intensively developed for crop and livestock production over the past 130 years or so, it still contains important wildlife habitats. MHHC focuses its activities on this region, with an overall objective of conserving

habitat important to a wide array of plants, birds, land animals, fish and other aquatic animals. This objective is achieved through cooperative agreements, easements, leases, and, in some cases, direct land purchase or donations.

MHHC's land conservation activity results are summarized in Table 1. It summarizes the cumulative accomplishments of MHHC and includes purchased and donated lands, conservation agreements, leases and cooperative management agreements with landowners. To date, nearly 3,000 agreements with landowners, conservation agencies and other organizations have been implemented. As of March 31, 2006, MHHC's cumulative activities had conserved or influenced 195,512 acres of habitat.

Table 1: MHHC Land Conservation Summary¹ to March 31, 2006

	# sites	# acres
Acquired and Donated Lands		
North American Waterfowl Management Plan	31	7,474
Critical Wildlife Habitat Program ²	22	4,217
<i>Lands held in title by MHHC</i>	53	11,691
Conservation Agreements		
Potholes Plus	161	22,339
Habitat Stewardship Program	97	19,392
Other Agreements	5	1,418
Donated Agreements	19	1,948
<i>Conservation Agreements held by MHHC</i>	282	45,079
Leased Lands (cumulative acreage)³		
North American Waterfowl Management Plan	204	19,137
Critical Wildlife Habitat Program ¹	121	18,501
<i>Leases held by MHHC</i>	325	37,638
Cooperative Agreements		
North American Waterfowl Management Plan	683	8,146
Riparian Stewardship Projects	231	59,020
Manitoba Agro Woodlot Program (to March 31, 2005)	1,207	33,920
<i>Cooperative Agreements held by MHHC</i>	2,121	101,086
Total, to March 31, 2006	2,781	195,512

¹ This table summarizes MHHC's cumulative accomplishments and includes activities that are still active as well as those that are no longer under agreement.

² Includes lands that are held by MHHC in trust on behalf of CWHP partners

³ Includes current and lapsed leases and cooperative agreements

Board of Directors

The 1986 Manitoba Habitat Heritage Act requires MHHC to be governed by a Board of Directors responsible to the Manitoba Minister of Water Stewardship.

In 2005/2006 the MHHC Board consisted of 11 members:

John Whitaker*, Chairperson	Citizen Representative
Don Norquay*, Vice Chair	Manitoba Water Stewardship
Bob Grant	Ducks Unlimited Canada
Murray Dubowits	Citizen Representative
Glenn Keilback*	Manitoba Conservation Districts Association
Michael Kingdon	Keystone Agricultural Producers
Constance Menzies	Citizen Representative
Robert Olson	Delta Waterfowl Foundation
Patrick Rakowski*	Canadian Wildlife Service
Barry Todd	Manitoba Agriculture, Food and Rural Initiatives
Roger Wilson	Association of Manitoba Municipalities

Ex officio Members

Deanna Dixon	Prairie Habitat Joint Venture
Jack Dubois	Manitoba Conservation
Mike Moore	Nature Conservancy of Canada
Lawrie Hilton	Manitoba Wildlife Federation and MWF Habitat Foundation
Jim Tokarchuk	Prairie Farm Rehabilitation Administration
Brian Sterling	The Manitoba Cattle Producers Association

*Executive Committee Member

The MHHC board conducted three meetings in 2005/06 as well as one field tour of MHHC projects.



North American Waterfowl Management Plan

The North American Waterfowl Management Plan (NAWMP) is a conservation partnership that operates in Canada, the United States and Mexico. The Plan, built on sound biological principles and the best science available, is designed to influence large areas of the landscape rather than simply concentrate on any one species or site.

MHHC coordinates NAWMP activities in Manitoba in cooperation with several funding partners and public and private program delivery partners. Activities target the “Prairie Pothole” region of southwestern Manitoba, emphasizing conservation and enhancement of wetland and associated habitats. Potholes Plus is an apt name for the NAWMP program that MHHC delivers in conjunction with the Delta Waterfowl Foundation. MHHC also provides communication, reporting and evaluation services to the partnership.

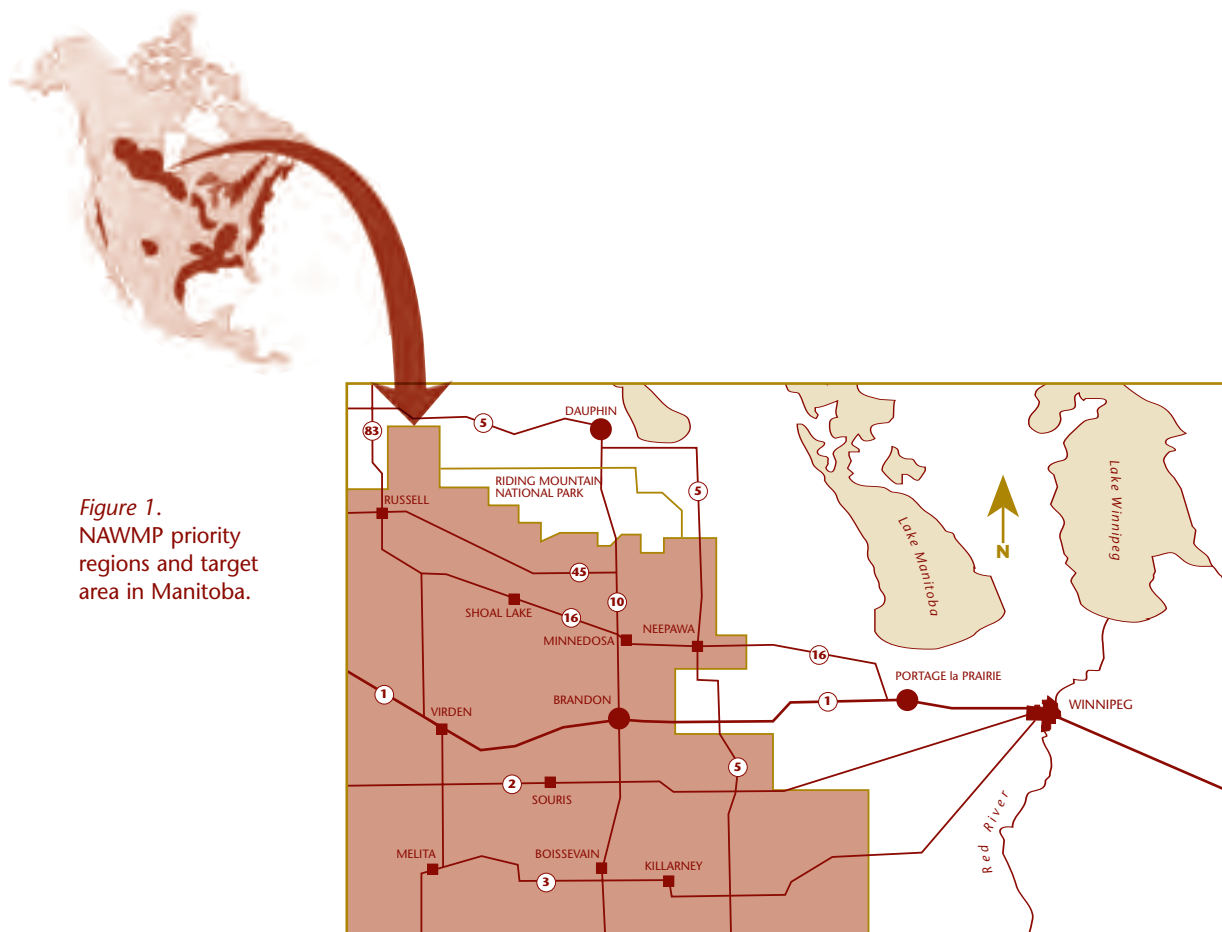


Figure 1.
NAWMP priority
regions and target
area in Manitoba.

The NAWMP began in 1986 as a written agreement between the governments of Canada and the United States, and joined later by the Government of Mexico. The success of the Plan is evident in its longevity, the thousands of partnerships established and in the millions of acres conserved and influenced in Canada, the United States and Mexico.

North America's most important waterfowl breeding habitats lie within the Great Plains region that includes the prairie and aspen parkland regions of southern Alberta, Saskatchewan and Manitoba. These habitats provide critical nesting areas and migration stopover sites for much of the continent's duck population and are recognized as one of the highest priorities for waterfowl conservation. Here, NAWMP activities are coordinated under the Prairie Habitat Joint Venture. Figure 1 shows

the prairie pothole region of southwestern Manitoba, the main area of the province in which NAWMP activities are conducted.

Accomplishments in Manitoba are linked to broader continental efforts. Across North America, NAWMP partners influence all types of habitats used by waterfowl, including breeding grounds, migration resting sites and wintering areas. NAWMP success in Manitoba is demonstrated by the thousands of acres that have been affected by its programs, some through long-term conservation agreements and others by the adoption of conservation farming activities. This has been made possible by the investment of \$108.5 million in conservation activities in this province, 86 per cent of which has been contributed by public and private sources from outside the province.

The highest priority habitats are concentrated on privately owned farmland. Accordingly, NAWMP partners offer voluntary conservation options that provide landowners with opportunities to secure alternative income sources from their lands while conserving habitat. The success of the program relies heavily on maintaining positive relationships with individual landowners and community-based organizations, including local farm groups, conservation districts, wildlife associations and rural municipalities.

A broad-based partnership is at the core of NAWMP, reflecting agricultural, conservation and rural landscape interests. MHHC partners in Manitoba include:

Agriculture Canada (Prairie Farm Rehabilitation Administration)
Delta Waterfowl Foundation
Ducks Unlimited Canada
Environment Canada (Canadian Wildlife Service)
Manitoba Agriculture, Food and Rural Initiatives
Manitoba Conservation
Manitoba Water Stewardship
Keystone Agricultural Producers
Association of Manitoba Municipalities
Manitoba Cattle Producers Association
Conservation Districts
Nature Conservancy of Canada

A MANITOBA NAWMP OVERVIEW

MHHC tracks land areas that are secured by NAWMP partners as well as those influenced by conservation land use activities. Secured habitat is habitat

CATEGORIES OF CONSERVATION ACTIVITY:

Secured: Any habitat conserved through an agreement of seven years or more. May include lease, purchase, long-term management agreement or conservation agreement.

Influenced: Any land that is owned by individuals who have been encouraged to use conservation farming practices.

conserved through an agreement of seven years or more. It may include lease, purchase, long-term management agreement or conservation agreement. Influenced land is land owned by individuals who have been encouraged to use conservation farming practices. Note that the numbers represent cumulative activities that have occurred since NAWMP inception, including lands for which cooperative agreements have lapsed.

In 2005/06, NAWMP partners added another 18,593 acres of secured wildlife habitat lands, bringing the cumulative total to 334,671 acres since NAWMP inception. The total area of land that has been influenced in some manner by all NAWMP activities rose to 1,600,884 acres.

The NAWMP influences a broad range of habitat types in Manitoba. These include:

- Wetlands ranging from tiny prairie potholes to large staging marshes
- Wetlands, previously drained, that have been restored
- New wetlands created to mitigate for drained wetlands
- Upland habitats such as grasslands, shrublands and aspen parklands
- Marginal lands for cultivation that are converted to permanent grass and forage cover
- Rangelands improved for both livestock and wildlife through managed grazing and livestock watering practices
- Haylands managed as productive wildlife habitat
- Conventionally tilled fields converted to zero-tillage and winter cereal croplands

These habitats provide breeding areas for waterfowl and support a great diversity of other bird species as well as mammals, reptiles and amphibians.



Table 2: NAWMP Activity Summary* to March 31, 2006 (Acres)

	Green Acres	DU Program – NAWMP	Nature Conservancy of Canada	Potholes Plus	HELP**	NAWMP Total
Secured 2005/06	0	11,086	1,825	5,682***	–	18,593
Before 2005/06	37,125	223,780	19,116	25,222	10,835	316,078
Total Secured	37,125	234,866	20,941	30,094	10,835	334,671
Influenced Lands 2005/06		25,623				25,623
Before 2005/06	20,580	1,216,483		3,527		1,240,590
Total Influenced	20,580	1,242,106		3,527		1,266,213
Program Totals	57,705	1,476,972	20,941	34,431	10,835	1,600,884

* Includes lands under agreement as well as previously secured lands or activities where agreements have lapsed

** Habitat Enhancement Land use Program

*** Includes Turtle Mountain Conservation District and Highways Mitigation CAs

Table 3: NAWMP Financial Contributions

Agency	1986 to March 31, 2006	Percentage
Manitoba Sources	\$15,228,235	14.0
Other Canadian Sources		
Canadian Wildlife Service	\$15,017,731	13.8
Wildlife Habitat Canada	885,300	0.8
Ducks Unlimited Canada	2,545,000	2.3
Total Other Canadian Sources	\$18,448,031	17.0
Total Canadian Sources	\$33,676,265	31.0
US Sources		0.0
Delta Waterfowl Foundation	\$5,320,208	4.9
Ducks Unlimited, Inc.	26,594,640	24.5
US Fish and Wildlife Service	29,935,961	27.6
US States	9,391,751	8.7
Nature Conservancy of Canada	3,571,773	3.3
Total US Sources	\$74,814,333	69.0
Total Expenditures	\$108,490,599	100.0



MHHC also provides field delivery services, communications, evaluation and planning activities under the NAWMP. These services were supported in 2005/06 with funding from three major sources:

- Manitoba Conservation
- Environment Canada (Canadian Wildlife Service)
- U.S. North American Wetlands Conservation Act (NAWCA), through the Delta Waterfowl Foundation

Financial and in-kind support was also received from a number of other partners.

MHHC NAWMP ACTIVITIES

Potholes Plus Program

MHHC's NAWMP field delivery emphasizes the use of conservation agreements (easements) to conserve wetland and associated habitat on private, agricultural land. MHHC may also purchase or acquire donated lands and it conducts waterfowl enhancement and management activities on some of its secured habitats.

Conservation Agreements: Since the proclamation of the Conservation Agreements Act by the Manitoba Government in 1998, conservation agreements (CAs) have become a flexible option for protecting habitat on private land. Essentially an easement, a conservation agreement enables a recognized conservation agency or organization to enter into an agreement with a landowner to protect habitat. The agreement is recorded on the land title and remains in effect for the life of the agreement, even with a transfer of ownership. With many CAs acquired by MHHC, the land may be used for agricultural activities such as haying and

grazing as long as the natural values are protected. To date, all MHHC agreements are held in perpetuity.

Under NAWMP, MHHC delivers all of its purchased CAs through the Potholes Plus Program, a partnership with the Delta Waterfowl Foundation. MHHC holds all acquired CAs. In 2005/06 a total of 35 CAs, covering 4,264 acres, were acquired. Since inception, 161 CAs, covering of 22,339 acres have been secured through the Potholes Plus program. An additional 10 CAs were in process at year end.

Conservation Agreement Baseline Inventory and Monitoring: Baseline inventories of secured CAs are an ongoing activity for MHHC. During 2005/06, a two-person field team contacted landowners, collected data and completed reports on CAs, totaling 11,870 acres. The inventory collects basic biological information and develops a Geographic Information Systems (GIS) reference of the boundaries of all habitat parcels.

Annual monitoring of all CAs is conducted by MHHC with a combination of ground and aerial inspections to identify any possible violations of the agreements. This year two CA violations were encountered and were dealt with. MHHC staff also attempt to meet once annually with every CA landowner.

Green Acres

For many years, prior to the Potholes Plus Program, MHHC's NAWMP activities were carried out through the Green Acres Program. Under this program, MHHC had acquired 28 parcels of land, totaling 6,517 acres, through purchase or donation. No purchases or property donations were completed in 2005/06, however two donated CAs and two land parcel donations were in process at year end.



MHHC's donated lands and CAs include a variety of wetland, woodland, riparian and other native habitats across the province. Donations to date include 19 CAs, securing 1,948 habitat acres and 13 donations of property totaling 3,052 acres.

Of the 204 habitat leases (19,137 acres secured) that were signed in prior years, 11 leases remained active in 2005/06. No new leases were signed this year, since the emphasis is now on obtaining conservation agreements.

Land Management: Lands acquired by MHHC require ongoing monitoring and management. In addition to site inspections, 23 parcels received some management treatment in 2005/06. Specific activities included:

- 900 acres of hay leases
- 1,900 acres of grazing management systems for grassland management purposes
- 200 acres of land where weed control was conducted
- 210 acres of permanent cover re-seeded

As much as possible, land management activities are conducted with the cooperation of neighbouring agricultural producers.

Waterfowl Nest Tunnel Program: MHHC has established and maintains 1,850 nesting tunnels across southern Manitoba. That includes 280 Delta Waterfowl Foundation structures that MHHC now manages under an agreement with the Foundation. Through that agreement, 146 new structures were placed in project wetlands in 2005/06. Each spring, the tunnels are inspected prior to the nesting season. Routine maintenance includes lining each tunnel with new hay bedding.

Waterfowl nesting success, which can be lower than 10 per cent for ducks nesting on the ground, will reach as high as 90 per cent for mallards that nest in tunnels. As well, 7,200 acres of wetlands secured because of the nest tunnel program provides benefits to more than 100 other wildlife species.

SPECIAL NAWMP PROJECTS

Highways Mitigation Project: The loss of wetland habitat resulting from the twinning of the Trans Canada Highway west of Elkhorn, Manitoba is being addressed through a special mitigation agreement between Manitoba Transportation and Government Services, Manitoba Conservation and MHHC. MHHC is coordinating and delivering the conservation and restoration of wetlands and associated habitat.

MHHC will secure perpetual conservation agreements for this project. It has also established a partnership with Ducks Unlimited Canada, which will undertake all associated wetland restoration. At year end, two CAs were completed on 679 habitat acres.

Turtle Mountain Conservation District Partnership: The expansion of oriented strand board production in Manitoba, Northwestern Ontario and Minnesota, has placed increased harvest pressure on the mainly-wooded slopes of the Turtle Mountain escarpment. Late in 2004/05, MHHC entered into a partnership with the Turtle Mountain Conservation District (TMCD) to deliver conservation agreements on watershed-sensitive lands. The project continued through 2005/06 and by year end three CAs were completed on 739 acres and two more are in progress.

So, What Is A Conservation Agreement Anyways?

The conservation agreement (CA) is the primary tool used by MHHC for long-term habitat securement in the agricultural landscape. What is it?

In Manitoba, the term conservation agreement is synonymous with what are called conservation easements in other jurisdictions. Regardless of the name, it is a means by which habitat on private land can be protected without the land having to change hands. Before the Conservation Agreements Act was passed in 1998, purchasing land was the only way for conservation agencies to effect long term protection.



When landowners sign a CA they do not sell the land but they do transfer some of the land rights applying to the habitat under agreement to the CA holder. The CA ensures that the habitat under agreement will be protected, regardless of who owns the lands, for as long as the CA is in force. All other rights of ownership remain with landowners, who continue to control access and use the land, subject to the provisions of the CA. Adjacent lands that are not part of the CA have no restrictions placed on them.

The great advantage of CAs is that they can be applied to habitat areas – wetlands, woodlands, grasslands, riparian areas – without having any effect on cultivated lands. Most of MHHC's CAs have "no-break/no-drain" restrictions, which means that activities such as haying, grazing, hunting and trapping are not affected. Because the CAs are registered on the land title, they remain in force as long as the term of the CA. All MHHC CAs have been signed in perpetuity.

Landowner response has been positive. MHHC has signed up 282, totalling 45,097 acres to March 31, 2006. Surveys of CA landowners have shown that 92% would still sign a CA with MHHC and 88% would recommend it to their friends and neighbours.

Payments To Landowners In The Millions

Since MHHC began delivering CAs in 1999, payments to landowners for CAs have exceeded \$3.0 million, \$3,324,569.75 to be exact.

Funding for those CAs have come from a number of sources in Canada and the United States and for a range of habitats, including wetlands, wetland fringes, grasslands, woodlands, riparian areas, and habitats of specific interest to species at risk.



For landowners, selling a CA is an opportunity to draw some capital from their operation without having to sell property or other assets directly associated with farm production. Many have applied it to improvements in their farm operations. For example, a number of landowners have followed up CAs securing wetlands on their property with permanent cover plantings and establishment of rotational grazing systems, which converted the entire parcel from grain to livestock production.

Paying landowners for conservation of habitat falls in line with the "ecological goods and services" concept which, in a nutshell, says that landowners should be recognized financially for the ecological services – biodiversity, clean water, soil conservation and carbon storage to name a few – that they maintain when they make the conscious decision to conserve habitat on what could become productive farmland. MHHC has been able to effect a significant transfer of funds directly to farmers to support their habitat conservation decisions.

Conservation Agreement A Natural Fit With Farm And Family

Ken Wark's career path and his farm's location next to Riding Mountain National Park seem to have naturally led him to a recent decision to sign a conservation agreement (CA) with MHHC under the Potholes Plus program.

In the 1970s Ken and his family bought 320 acres near Lake Audy on Riding Mountain Park's south border. The land also has a mix of high-value wetlands for waterfowl and other wildlife. It is also an important corridor for elk and moose traveling outside the Park and elk often calve on the property.

The family farmed the land while Ken worked as a Natural Resource Officer for the Province of Manitoba. With a commercial pilot's license, Ken's specialty became flying big-game surveys.

Now retired from government, Ken has focused the farm operation on livestock production and has converted most of his cultivated land to permanent cover, which has enhanced it for nesting birds and for ungulates.

When asked why he chose to go the CA route, Wark noted, "It's important that we keep a base of habitat for wildlife on private land. This agreement gives me the chance to do my part." Given that this CA is in perpetuity, the Wark farm will always have a place for wildlife.



Cullen Donation A Shining Example Of Aspen Parkland

A rainy June day did not dampen the desire of 50 people to attend a cairn unveiling that recognized the donation of 640 acres of intact aspen parkland habitat in the Virden area by Bill and Ethel Cullen to MHHC.

MHHC Chief Executive Officer, Lorne Colpitts, presided over the dedication ceremony and stated in his remarks, "This property is one of the largest blocks of natural habitat remaining on private land in the area. We are honored to have the opportunity to become its custodians."

The grassland, woodland and wetland habitats available can potentially support over 100 bird and 20 mammal species for all or part of their life cycle needs. The property, which has never been broken, also includes a section of the southern branch of the historic Fort Ellice Trail, a crucial link between settlements as the Canadian West was opening up in the 1800s. Bill's parents first settled in the area in 1908.

Bill Cullen passed way in September of 2004 but his niece, Joan Johnson, remembered his attachment to the property: "He was very big on conservation and loved the land and the history of the Trail." The land is not only a gift to MHHC but to future generations as well.

MHHC will be managing the habitat with a grazing regime that will help maintain a diversity of habitats. Non-vehicular access to the property will be permitted.



Family members of
Bill and Ethel Cullen
at property dedication
ceremony, June 2005

Adapted from articles in the Virden Empire Advance

Farm Stewardship Association of Manitoba (FSAM):

FSAM is a producer-directed organization established primarily to deliver the Environmental Farm Planning (EFP) program in Manitoba. The EFP program has been initiated under the Environment Component of the federal government's Agricultural Policy Framework. The program provides farm families the opportunity to assess the environmental status of their operations and to adopt beneficial management practices to mitigate any potential adverse effects their activities may have on the environment. A completed EFP allows producers to access cost-shared incentive funding to implement a number of beneficial management practices.

MHHC participates by having membership on FSAM's Board of Directors.

Regional and National NAWMP Activities: As coordinating body for NAWMP in Manitoba, MHHC participates in a number of NAWMP committees and activities at the regional and national levels. These include the Prairie Habitat Joint Venture Advisory Board and its Waterfowl Working Group, Communications and Policy committees.

Nationally, MHHC is represented at the North American Bird Conservation Initiative/North American Wetlands Conservation Council. MHHC also participates in the North American Wetlands Conservation Act Proposal Writers Working Group.

At the international level, MHHC sits on the NAWMP Plan Committee and participates in the NAWMP Continental Assessment Steering Committee, which is evaluating the effectiveness of NAWMP's 20-year record in all NAWMP Joint Ventures.

NAWMP COMMUNICATIONS

MHHC is responsible for NAWMP communications in Manitoba. Preparation and distribution of news releases and articles forms a significant portion of that responsibility. Uptake of these articles in the rural and agricultural media continues to be high.

In addition, MHHC hosted tours of NAWMP projects, made presentations at various meetings and workshops and staffed displays at major agricultural fairs and local events.

NAWMP PARTNER ACTIVITIES

Ducks Unlimited, NAWMP Program: Ducks Unlimited Canada delivers a range of NAWMP program options, including land lease and purchase, conservation agreements and a range of conservation farming options. These include zero tillage, permanent forage cover establishment, managed grazing and fall-seeded crops.

In 2005/06 a total of 11,086 acres were secured by agreements ranging from 10 years to perpetuity, 6,813 acres of habitat lands were enhanced and a further 25,623 acres were influenced by conservation demonstration initiatives.

The Nature Conservancy of Canada is also a NAWMP program delivery partner, focusing on wetland and associated habitats on aspen parkland habitats in western Manitoba, especially lands in the vicinity of Riding Mountain National Park. In 2005/06 it secured eight sites through purchase or perpetual CAs for a total of 1,825 habitat acres with funding support from NAWMP sources in the United States.



Richard Sexton, TMCD Chair and Sheldon Kowalchuk, TMCD Manager.

Partnership Delivers Watershed Plan Objectives

Conservation agreements (CAs) have become an important tool to protect watershed-sensitive lands on the Turtle Mountain escarpment.

A partnership agreement between MHHC and Turtle Mountain Conservation District (TMCD) targets watershed-sensitive lands the TMCD identified in its recent watershed planning activities. Some urgency was added by the fact that large acreages on the Turtle Mountain escarpment, including the headwaters of priority watersheds, are being cleared for wood sales to fibreboard plants in Manitoba, northwestern Ontario and Minnesota and some of those stands are being converted to agricultural use.

TMCD is funding capital costs for CAs that MHHC is delivering in the priority areas. They do not preclude wood harvest but ensure that existing forest cover will be allowed to regenerate in a sustainable manner.

Since its start late in 2005/06, this partnership has accounted for a total of five CAs completed or in progress, affecting 977 acres. A total of nine percent of TMCD's watershed priority woodlands have been protected by CAs, which all partners see as a good beginning. This partnership agreement continues into 2006/07.

According to TMCD's manager, Sheldon Kowalchuk, each organization brings its strengths to the partnership. "MHHC brings its expertise with conservation agreements and we have the contacts with the local landowners," he said. "Merging these strengths just makes sense."



Riparian Health Initiative

Riparian areas are the green corridors along streams, lakes and other water bodies. In addition to contributing biological diversity to the prairie landscape, vegetation growing in riparian areas helps to slow down floodwaters and soak up run-off. The vegetation also acts as a filter by trapping sediments and pollutants before they enter the water. They are key habitats in agricultural areas of Manitoba.

The Riparian Health Initiative involves a large network of agricultural industry and conservation organizations across Manitoba. It has helped to strengthen riparian stewardship programs for producers and improve coordination of other partner activities across Agro Manitoba. New coordinating structures have been established at the provincial and regional levels. Funding from the Manitoba Rural Adaptation Council (MRAC) and other partners has allowed MHHC to provide secretariat services to these coordinating bodies and deliver stewardship programs across Agro Manitoba.

PROGRAM OVERVIEW

The Riparian Health Initiative (RHI) was launched in 2001 to enhance collaborative approaches for riparian area management across Agro Manitoba. A priority of the program is to increase the involvement of agricultural producers in riparian management. Through the collective efforts of agricultural and conservation groups, an efficient and dynamic network for the conservation and enhancement of riparian and associated lands has been established. The program has been enabled through federal funding provided by Agriculture and Agri-Food Canada's Agricultural Environmental Sustainability Initiative and delivered through the Manitoba Rural Adaptation Council (MRAC).

The RHI is directed by the Riparian Health Council (RHC) which was created to promote coordinated programs and activities for riparian areas and associated lands in Agro Manitoba. The RHC is chaired by the Manitoba Cattle Producers Association (MCPA) and has membership from producer groups, government agencies and non-government conservation organizations including the MHHC. The RHC's coordination activities have helped improve the efficiency and effectiveness of stewardship activities, information and education programs for interested landowners and evaluation activities focusing on riparian issues and program effectiveness.

The Riparian Stewardship Program has been a major delivery component of the RHI. It is focused on supporting riparian enhancement projects with individual producers. Funding from MRAC provided interested landowners with financial incentives to implement grazing practices that maintain riparian ecosystems and water quality while improving overall pasture productivity.

A buffer strip option helps producers establish permanent forage cover on cultivated lands along waterways. Each landowner can receive a maximum contribution from the program of \$2,500 per project, that must be matched by cash or in-kind contributions. Additional financing for stewardship projects has been provided by Ducks Unlimited Canada and seven of the province's conservation districts.

Stewardship program delivery is shared among field staff of MHHC, Manitoba Agriculture, Food and Rural Initiatives and PFRA, and the Kelsey and Intermountain Conservation Districts. These organizations provided field delivery support for riparian projects across Agro Manitoba.

Cooperative approaches, focusing on communication, extension and stewardship support, are the fundamental building blocks of the RHI. Complementary MRAC-supported activities undertaken by PFRA provide additional means for producers and land managers to access information and tools to support management of riparian and associated lands.

Managing the Water's Edge: RHC partners and MHHC's riparian program coordinator deliver Managing the Water's Edge (MWE), a riparian area extension initiative. The initiative is built on a Manitoba-based riparian area assessment system and supported by trained professionals capable of delivering riparian management workshops. Workshops were conducted for field delivery personnel to increase the knowledge base and consistency of riparian messages that are being delivered to producers. Financial support for MWE came from Agriculture and Agri-Food Canada through the Greencover Technical Assistance Component of the Agricultural Policy Framework, and from the Stewardship in Action Fund of Fisheries and Oceans Canada.





Saying So Long To RSP

The 2005/06 fiscal year marked the formal end of MHHC's Riparian Stewardship Program (RSP), an initiative that has helped close to 200 producers adopt riparian area enhancement activities in their farm operations. The RSP was especially popular with, and supported by, cattle producers.

Core financial support for RSP arrived in July, 2001 from Agriculture and Agri-food Canada's Agriculture Environmental Stewardship Program that was administered by the Manitoba Rural Adaptation Council. Additional cash support came from Ducks Unlimited Canada, Manitoba Conservation Districts and Manitoba's Sustainable Development Initiatives Fund, while Manitoba Agriculture, Food and Rural Initiatives, PFRA and two Conservation Districts provided crucial field delivery support across Agro Manitoba.

Cost-shared financial incentives to a maximum of \$2,500 per project helped producers to establish additional fencing, off-site or restricted-access watering systems and permanent cover along streambanks. A key element of its success was that fact that producers could undertake production-enhancing activities like rotational grazing and development of clean drinking water sources while they were also enhancing riparian zones through management of livestock access or establishment of buffer zones.

Producers were accessing RSP incentives well ahead of expectations up to the discovery of Bovine Spongiform Encephalopathy (BSE) in Canada in 2003. Producers continued to access the program, albeit at a reduced rate. In the end, the program came within 92% of its original target for completed projects.

Implementation of the Federal/Provincial Agricultural Policy Framework (APF) made continuation of the RSP unnecessary as the land use issues the RSP addressed are now significant elements of environmental farm planning and beneficial management practices incentive packages in the APF. It is gratifying to see that farm land use adjustments that provide significant wildlife habitat and environmental benefits are now mainstream elements of major agricultural programs.

MWE Goes To School

A new element in the Manitoba grade 12 biology curriculum, based on *Managing the Water's Edge*, will spark interest in riparian management among the next generation of land stewards.

A pilot project based on *Managing the Water's Edge* principles and approaches ran successfully in 2005 at the Nellie McClung Collegiate in Manitou and, as a result, it officially becomes part of the provincial high school curriculum in 2006, according to Lynda Matchullis, a teacher at the collegiate.



"At the 40S (grade 12) level we look more globally," said Matchullis. "We look at things such as riparian areas and bigger management issues."

"A lot of our students live on working farms and they have water issues," she said. "Because we are getting into management issues, it initiated much discussion about their own farming operations."

While the pilot project focused on rural students, the new curriculum is intended for all high schools, not just those in rural areas. "Our goal was to introduce the students to what a riparian zone is, what ecosystem services a healthy riparian zone provides, and how such a zone can be managed to the benefit of the ecosystem and the landowner," said Matchullis.

One rural school division has since approached MWE seeking training for its biology teachers to support delivery of MWE. It appears that the word is spreading.

MHHC Launches New Riparian Easement Option

Thanks to financial support arriving from Manitoba Water Stewardship late in 2005/06 MHHC was able to begin delivery of riparian conservation agreements (easements) in the Lake Winnipeg watershed.



Given the level of concerns over the health of Lake Winnipeg waters a number of studies and reports have been completed. The most recent report of the Lake Winnipeg Stewardship Board pointed to riparian area conservation and enhancement in the Lake Winnipeg watershed as one of the activities needed to recover the lake health. Acting as both filters and buffers, healthy, riparian zones can maintain surface water quality as well as provide flooding reduction and habitat for fish and wildlife.

The program focuses on securing intact riparian habitat in contributing watersheds that flow into Lake Winnipeg. The CAs will ensure that the riparian areas under agreement will continue to deliver environmental benefits in perpetuity.

As of March 31, 2006, MHHC had signed eight purchased riparian conservation agreements that will protect riparian acres. One additional donated CA on 45 acres of riparian habitat is also in process. Additional funding is expected in 2006/07 to continue this new initiative.

MHHC's riparian program coordinator and other MWE facilitators delivered a total of 14 workshops to producers and agriculture and conservation agency delivery staff in 2005/06. MWE workshops have three main features: 1) discussion of the role and importance of riparian areas in the environment, especially as it relates to water quality; 2) description of a self-assessment system that producers can use to assess and rate the health of their own riparian areas; and 3) discussion of land use practices that can enhance the health of riparian and associated lands. Workshop participants are presented with a riparian assessment workbook that is designed to support landowners' land use decision-making.

While the MWE focus is agricultural producers and related extension agency personnel, advantage was taken of the opportunity to expend the MWE concept and core messages in to Manitoba Education's high school biology curriculum. Opportunities are being developed for the implementation of MWE activities by trained teachers to

high school students. To date, rural, agriculturally-based schools have shown the most interest.

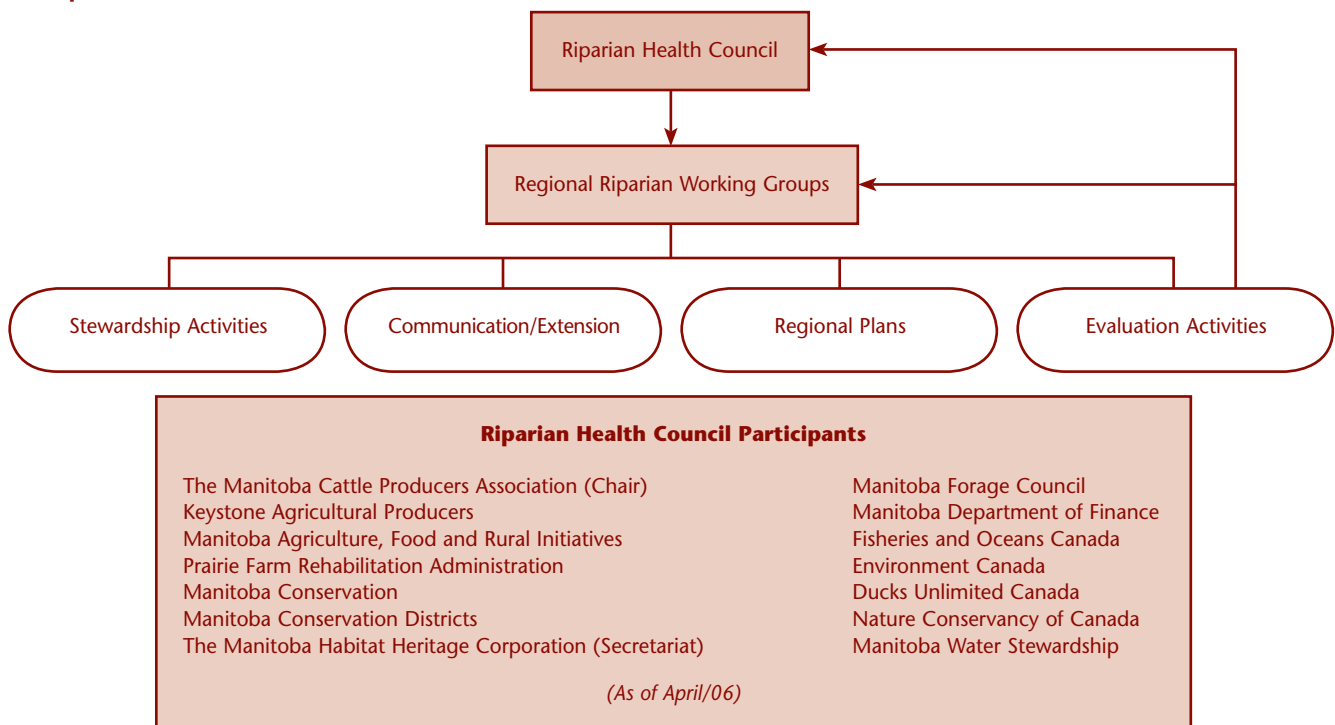
A comprehensive grazing guidelines document and related fact sheets for riparian and associated lands were finalized in 2005/06 in preparation for printing the following year. The project has received input from program partners and a broad cross-section of landscape interests.

Riparian Stewardship Program Activities

Since the beginning of the Riparian Stewardship Program in July 1,2001 a total of 185 projects have been completed, affecting 318 miles of shoreline, 7,525 acres of riparian habitat and 44,856 acres of adjacent uplands. The program officially ended on December 31, 2006.

In 2005/06, 50 riparian demonstration projects were completed, enhancing 62 miles of shoreline, 2,035 acres of riparian habitat and an additional 11,226 acres of adja-

Riparian Health Initiative



cent uplands through improved grazing management or forage development. Incentive funding was made available for landowners to establish fencing to manage livestock access to the riparian zone and for improved grazing management on the whole pasture system. Many cooperators also added off-site watering systems. The entire system produces more effective livestock grazing and watering while also adding to the health of riparian areas and adjacent waterways. The RSP also had a forage buffer strip establishment option but close to 90% of all projects focused on grazing management.

Given the ongoing impacts of Bovine Spongiform Encephalopathy (BSE) on producers' incomes and challenging spring seeding conditions in 2005, MHHC was able to arrange a six-month extension of the RSP, which had been slated to terminate June 30, 2005. This addi-

tional time helped many cooperators complete projects and receive incentive funds.

Riparian Easement Program

MHHC received new funding from Manitoba Water Stewardship late in 2005/06 to deliver perpetual conservation agreements (CAs) to protect intact riparian habitats on watercourses in the Lake Winnipeg watershed. Given the importance of healthy riparian areas in maintaining surface water quality, this is an investment in the health of Lake Winnipeg and biodiversity conservation in the agricultural landscape.

MHHC field staff made substantial progress by year end. Eight CAs had signed agreements with landowners by year-end. Additional funding is expected in 2006/07.

Cooperators Pleased With Projects

Surveys sent to Riparian Stewardship Program cooperators reveal a program that hit the mark with participants. Responses from 70 cooperators who had at least one year of experience with their projects revealed many positive outcomes for project participants. Some results:

- 92% rated the service they received from MHHC and other delivery agencies from "very good" to "excellent"
- 74% rated the level of financial support as "adequate"
- 63% expected the projects to have a positive financial impact on their operations. A remaining 34% expected a neutral impact
- 99% rated the overall project from "satisfactory" to "excellent"

Perhaps the most important kudo for the Riparian Stewardship Program was that 96% reported they would recommend this approach to land management to their friends and neighbours.

The survey also revealed that cooperating producers represented a reasonable cross-section in the agricultural community: 83% classified themselves as either full-time or farmers who's primary income is farming and 66% had land holdings of 640 acres or greater.





Habitat Stewardship Program for Species at Risk

Canada's Species at Risk initiative includes a fund to support stewardship projects for threatened and endangered wildlife and plant species. This is the sixth year that the Habitat Stewardship Program for Species at Risk (HSP) has been available for Manitoba habitat projects. MHHC delivers HSP conservation activities directly and administers HSP funds on behalf of other delivery organizations.

INTRODUCTION

The federal Habitat Stewardship Program (HSP) was created in 2000 as the Species at Risk Act was being developed. Involving Environment Canada, Parks Canada, and Fisheries and Oceans Canada, the HSP's objective is to support voluntary, stewardship-based approaches to protecting habitat for species at risk. The emphasis is on activities that will conserve or enhance habitat for species identified as either being endangered, threatened or of special concern. Much of the effort in Manitoba is focused in the more agriculturally developed regions, where habitat loss has been the most significant.

MHHC Projects

MHHC's role in HSP is focused in Agro Manitoba on the long-term protection of habitat required by species at risk. The primary activity is habitat conservation through perpetual conservation agreements (CAs) that are purchased from cooperating landowners. All HSP CA lands must be associated with species of concern identified by the Committee On the Status of Endangered Wildlife In Canada (COSEWIC). Priority habitats in Manitoba have been identified.

1) Native mixed-grass prairie, which has been reduced to remnant stands in southwestern Manitoba, is important for conserving declining native plant and grassland wildlife populations. Plant species of concern include buffalograss, smooth goosefoot and small white lady's-slipper. The northern prairie skink, loggerhead shrike and Sprague's pipit are also species at risk.

2) Riparian habitats in the Assiniboine River basin are also a priority, where the aquatic species of concern are carmine shiner, bigmouth buffalo and silver chub.

3) Other habitats for specific plant and animal species that have been identified as being at risk. Examples of such species include western spiderwort, hairy prairie-clover, red-headed woodpecker and yellow rail.

A total of 97 CAs, totaling 19,392 acres, have been completed since MHHC began working through the HSP. Since inception, the program has spent \$1.38 million on CAs, funds that have gone directly to farmers and other rural landowners.

In 2005/06 21 conservation agreements were completed on 4,337 acres of land under the HSP. Those included 19 CAs on 4,212 acres of mixed grass prairie and 2 CAs on 125 acres of riparian habitats.

At year-end, one additional CA, representing 480 acres, was in process.

Other HSP Activities

MHHC assists other Manitoba partners, especially Manitoba Conservation, by managing HSP agreements and administering the employment contracts of 10 term and seasonal employees that are supervised by Manitoba Conservation staff. Projects that are being assisted include: mixed-grass prairie grazing project; mixed-grass prairie inventory; species at risk inventory; northern prairie skink inventory; parkland habitat partnership, piping plovers; and woodland caribou habitat stewardship.



Masters of Habitat Conservation

When Don and Ardythe McMaster signed a Habitat Stewardship Program for Species at Risk Conservation Agreement (CA), MHHC had the luxury of dealing with old friends.

Within Manitoba's conservation community, Don and Ardythe have deserved reputations as shoulder-to-the-wheel supporters of habitat conservation. After many years of volunteer service in many conservation organizations, Don was appointed as the inaugural chairperson of MHHC in 1986 and continued to serve as chair or vice-chair until 1996. As well, Don's reputation as a landscape artist extends well beyond Manitoba.

Not surprisingly, their retirement home and art studio is nestled on a stunning piece of wildlife habitat along the Assiniboine River east of the Spruce Woods area. When they learned that their property was eligible for a CA to protect riparian woodlands in the Assiniboine River watershed, where a number of Manitoba's aquatic species at risk are found, they were eager to sign up.

Their property is dominated by mature riparian forest that provides the ecological functions needed to support healthy streambanks and improve water quality. As well, a 30-acre piece of native prairie is present on higher ground. Botanical surveys conducted through Brandon University revealed 39 species of native prairie grasses (the forbs are still being counted). The rare northern prairie skink, Manitoba's only lizard, is also present. Over the last two decades the McMasters have committed countless hours to prairie management activities, including managed burns and controlling invasive woody species. What drives them? "I'm in love with the prairie!" exclaimed Ardythe.

A desire to see these natural features maintained made a CA with MHHC an easy decision. "We want the land to stay the way it is and this was the best way of getting it done," said Don.



Critical Wildlife Habitat Program

The goal of the Critical Wildlife Habitat Program (CWHP) is to identify, preserve and manage remaining critical habitats, especially native grassland habitats of unique, rare and endangered species. Manitoba Conservation, MHHC and other agencies work together under the CWHP umbrella on a project-specific basis. MHHC holds a number of acquired habitat lands in trust on behalf of CWHP partners.

MIXED-GRASS PRAIRIE PROJECTS

With over 75% of the original prairie converted to other uses since the beginning of European settlement, inventories and grazing management demonstration projects continued as priorities on remaining native prairie sites in the mixed-grass prairie region in south-western Manitoba.

In 2005/06 mixed-grass prairie habitats in southwestern Manitoba continued to be monitored to assess the quality of the remaining prairie. This work is helping to target priority sites for future prairie conservation activities. A total of 10,063 acres of mixed-grass prairie habitats were inventoried. This work is helping to target priority sites for future prairie conservation activities. A total of 8,920 acres (89%) graded as C or better, which means it is in good condition or could return to good condition with appropriate management. This inventory program has helped to guide selection of suitable sites for conservation agreements on mixed-grass prairie that MHHC secures through the HSP (see page 22).

The ongoing Mixed-Grass Prairie Demonstration Project continued to highlight the benefits of “prairie-friendly” grazing systems for livestock producers and the grassland biodiversity. Activities included monitoring of livestock weight gains on test pastures, tours, and workshops. Cost-shared incentives were provided to six landowners to set up the twice-over system on 1,596

acres of their own lands. A total of 28 demonstration projects, affecting 11,996 acres of native range, are now in operation.

Additional funding for both projects was provided by Manitoba Conservation and Environment Canada’s Habitat Stewardship Program for Species at Risk (HSP).

URBAN HABITAT STEWARDSHIP PROJECT

The Naturescape sub-committee of the Capital Region Habitat Steering Committee, comprised of representatives from Manitoba Conservation, Manitoba Naturalist’s Society, the City of Winnipeg, Environment Canada and a local landscape architect, co-ordinated production of the Manitoba Naturescape document. The book includes an information package on native species and project ideas to assist the transformation of small plots, including backyards, into habitat. This book is scheduled for printing in the fall of 2006.

TALL GRASS PRAIRIE PRESERVE

MHHC continued to be a part of the Tall Grass Prairie Preserve Management Committee along with Manitoba Conservation, Manitoba Naturalists Society, Environment Canada and Nature Conservancy of Canada. Activities at the Preserve were supported by Environment Canada HSP, Nature Conservancy of Canada, Manitoba Conservation and the Manitoba Naturalists Society.



Touring the Kirkella pasture the old-fashioned way

Community Pasture Adopts Prairie-Friendly Grazing System

A new grazing system in the Kirkella Community Pasture near Virden will provide ecological benefits to mixed-grass prairie and increase the pasture's productivity.

Through CWHP's Mixed-Grass Prairie Stewardship Program a grazing agreement was signed with the Rural Municipality of Wallace to graze the Kirkella Community Pasture under the twice-over grazing system.

The Kirkella Community Pasture is managed by a user-group that reports to the Rural Municipality of Wallace, which owns the tract. About 30 local producers graze a thousand head of cattle on the pasture's 3,360 acres, which is also one of the largest remaining blocks of mixed-grass prairie in the area.

"This should eventually lead to increased carrying capacity on the pasture," said Nigel Jeanes, a member of the pasture's management board, and a Kirkella area cattle producer.

Currently parts of the pasture are over-grazed while other parts are grazed too lightly. The new system, which includes additional fencing, will adjust the timing and duration of grazing to match the ecological characteristics of the native plants present.

The pasture is important to the local community. "It increases farmers' land base without them having to buy more land. It is also good to preserve this kind of native grassland, since so much has been ploughed under elsewhere," said Jeanes.

According to Curtis Hullick, the CWHP grazing program coordinator, the twice-over system has been shown to benefit livestock producers, wildlife and the land. "We have learned that we can improve pasture and wildlife habitat conditions and increase cattle weight gains," he said.

This is by far the largest project for the program. Its acceptance by the Kirkella Pasture group is a major step forward for grassland conservation.





NORTH AMERICAN WATERFOWL MANAGEMENT PLAN

Agriculture and Agri-Food Canada (Prairie Farm Rehabilitation Administration)
Ducks Unlimited Canada
Environment Canada-Canadian Wildlife Service
Manitoba Agriculture, Food and Rural Initiatives
Manitoba Conservation
Manitoba Water Stewardship
Delta Waterfowl Foundation
Keystone Agricultural Producers
Manitoba Conservation Districts
Nature Conservancy of Canada

RIPARIAN HEALTH INITIATIVE

The Manitoba Cattle Producers Association
Keystone Agricultural Producers
Manitoba Agriculture, Food and Rural Initiatives
Agriculture and Agri-Food Canada (Prairie Farm Rehabilitation Administration)
Manitoba Water Stewardship
Manitoba Conservation
Manitoba Conservation Districts Association
Manitoba Forage Council
Manitoba Department of Finance
Fisheries and Oceans Canada
Environment Canada
Ducks Unlimited Canada
Nature Conservancy of Canada

CRITICAL WILDLIFE HABITAT PROGRAM

Manitoba Conservation
Manitoba Naturalists Society
Nature Conservancy of Canada
Wildlife Habitat Canada
Environment Canada - Canadian Wildlife Service



Manitoba Habitat Heritage Corporation Offices

FIELD OFFICES:

Killarney	203 South Railway St. E Box 1779 Killarney, MB R0K 1G0 (204) 523-5522
Minnedosa	30 Main Street Box 1044 Minnedosa, MB R0J 1E0 (204) 867-6032
Reston	402 - 4th Street Box 189 Reston, MB R0M 1X0 (204) 877-3162
Shoal Lake	306 Elm Street Box 28 Shoal Lake, MB R0J 1Z0 (204) 759-4220
Brandon	545 Conservation Drive Brandon, MB R7A 7L8 (204) 729-3501
Winnipeg:	200-1555 St. James Street Winnipeg, MB R3H 1B5 Phone: (204) 784-4350 Fax: (204) 784-4359 e-mail: mhhc@mhhc.mb.ca
Website:	www.mhhc.mb.ca

PRODUCTION NOTES:

The Manitoba Habitat Heritage Corporation's Annual Report is printed on recycled paper with 100% post-consumer fiber. The printing inks are vegetable oil-based.

Please recycle where facilities exist.