

Canada Water Agency

Quarterly Financial Report
for the quarter ended June 30, 2026



Canada Water
Agency

Agence de l'eau
du Canada

Canada 

1. Introduction

This quarterly financial report for fiscal year 2026-27 was prepared by management as required by section 65.1 of the *Financial Administration Act* and in the form and manner prescribed by the Treasury Board. The report should be read in conjunction with the 2026-27 Main Estimates. The report has not been subject to an external audit or review.

Mandate of the Canada Water Agency

The mandate of the Canada Water Agency (CWA) is to improve freshwater management in Canada by providing leadership, effective collaboration federally, and improved coordination and collaboration with provinces, territories, and Indigenous peoples to proactively address national and regional transboundary freshwater challenges and opportunities.

The CWA delivers on key elements of the strengthened Freshwater Action Plan to:

- improve freshwater outcomes;
- restore, protect, and manage waterbodies of national significance; and
- improve freshwater quality.

The Freshwater Action Plan builds on proven approaches to deliver regionally responsive [Freshwater Ecosystem Initiatives](#) in waterbodies of national significance:

- the Great Lakes
- Lake Winnipeg
- Lake of the Woods
- St. Lawrence River
- Wolastoq/Saint John River
- Fraser River
- Mackenzie River
- Lake Simcoe

Additionally, under the Freshwater Action Plan, the CWA:

- provides policy leadership and develops whole-of-government approaches to freshwater challenges and opportunities;
- makes it easier for Canadians and decision-makers to find federal freshwater resources;
- promotes federal-provincial-territorial collaboration;
- supports Canada-U.S. collaboration on transboundary waters;

- provides opportunities and funding to support Indigenous inclusion and participation in freshwater activities;
- leverages freshwater science and data to improve policy and program outcomes;
- reports regularly on the state of freshwater quality, quantity, availability and use in Canada; and
- supports the development of the [National Freshwater Data Strategy](#) in collaboration with key partners and stakeholders, which will provide guidance for the management of freshwater data and ultimately enable decision-makers to better use data for timely and effective decision making.

A summary description of the CWA's Raison d'être and core responsibility can be found in [Part II of the 2026-27 Main Estimates](#) and the [2026-27 Departmental Plan](#).

2. Basis of presentation

This quarterly report has been prepared by management using an expenditure basis of accounting. The accompanying Statement of Authorities includes the Agency's spending authorities granted by Parliament, and those used by the department consistent with the Main Estimates for the 2026-2027 fiscal year. This quarterly report has been prepared using a special purpose financial reporting framework designed to meet financial information needs with respect to the use of spending authorities.

The authority of Parliament is required before money can be spent by the Government. Approvals are given in the form of annually approved limits through appropriation acts, or through legislation in the form of statutory spending authority for specific purposes.

When Parliament is dissolved for the purposes of a general election, section 30 of the *Financial Administration Act* authorizes the Governor General, under certain conditions, to issue a special warrant authorizing the Government to withdraw funds from the Consolidated Revenue Fund. A special warrant is deemed to be an appropriation for the fiscal year in which it is issued.

The Department uses the full accrual method of accounting to prepare and present its annual departmental financial statements that are part of the departmental results reporting process. However, the spending authorities voted by Parliament remain on an expenditure basis.

3. Highlights of fiscal quarter and fiscal year-to-date (YTD) results

This section highlights the significant items that contributed to the net increase or decrease in authorities available for the year and actual expenditures for the quarter ended June 30, 2026.

3.1 Significant changes to authorities

Total authorities available for use for the year ending March 31, 2027 have decreased by \$3.8 million, from \$84.8 million in the 2025-2026 fiscal year to \$81 million in the 2026-2027 fiscal year, representing a decrease of 4.49%. The decrease is mainly attributable to the sunset of funding for some engagement activities (\$2.9 million) and Comprehensive Expenditure Review (CER) budget reductions (\$0.7 million).

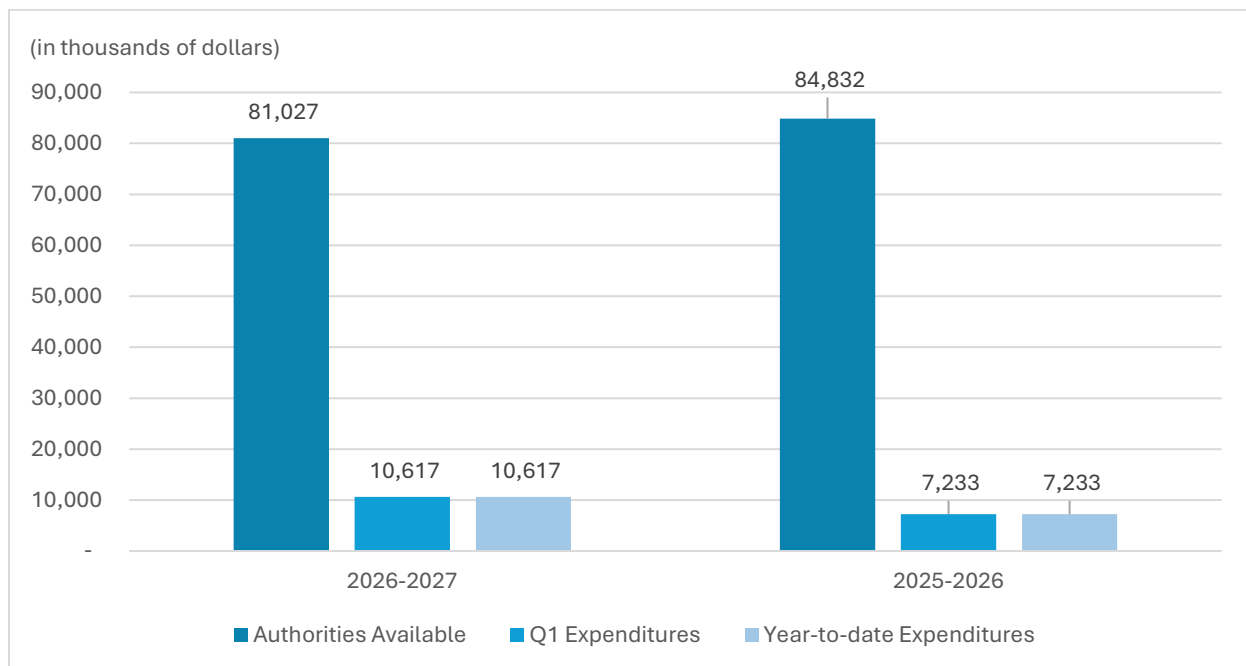
3.2 Significant changes to expenditures

Year-to-date budgetary expenditures for the quarter ended June 30, 2026, have increased by \$3.4 million, from \$7.2 million in the 2025-2026 fiscal year to \$10.6 million in the 2026-2027 fiscal year, representing an increase of 47%.

The net increase is mainly attributable to the following elements:

- An increase of \$3.3 million in transfer payments
- An increase of \$0.18 million in personnel

Figure 1 - Comparison of total available authorities and expenditures as of June 30, 2025 and June 30, 2026



4. Significant changes in relation to operations, personnel and programs

On April 1, 2026, the CWA successfully implemented its own instance of the SAP financial system. This enhanced the Agency's financial management capabilities and supports more efficient financial reporting and oversight.

There were no significant changes to personnel, programs, or activities during the first quarter, which ended on June 30, 2026.

5. Risks and uncertainties

A range of internal and external factors have the potential to affect the CWA's ability to deliver optimal and timely results for Canadians. The Agency will closely monitor its programs with a focus on management excellence and will proactively manage its risks. We will develop governance mechanisms and processes to implement new initiatives and performance measurement approaches while adjusting to a constrained operating environment. We will also strengthen oversight of our projects and contributions by monitoring progress, costs, and timelines, and addressing emerging issues early to support the efficient and timely delivery of initiatives.

To provide service to Canadians, the Agency collaborates closely with federal, provincial, territorial, Indigenous, and international and domestic partners, among others. Achieving the Agency's objectives can be at risk if goals are not shared or efforts are not well-coordinated. Amid evolving external expectations and economic, social, and environmental shifts, the Agency is strengthening alignment between the CWA's priorities and those of its partners and stakeholders. This is achieved by cultivating new relationships and enhancing existing ones through refreshed and emerging governance mechanisms.

The priorities outlined in the Prime Minister's May 21, 2025, Mandate Letter set the direction for the Agency's work. In this period of fiscal restraint, CWA's governance committees ensure resources are allocated effectively through informed decisions supported by robust forecasting practices. At the same time, the Agency continues to adopt new technologies to improve efficiency and achieve cost savings.

Approval by senior officials

Approved by:

Véronique Hiriart-Baer, A/President
Winnipeg, Canada
Date: August 28, 2026

Carmelle Barnabe, Chief Financial Officer
Winnipeg, Canada
Date: August 28, 2026

CANADA WATER AGENCY
Quarterly Financial Report
For the Quarter ended June 30, 2026

Statement of Authorities (unaudited)

(In thousands of dollars)

	Fiscal year 2026-2027		
	Total available for use for the year ending March 31, 2027	Used during the quarter ended June 30, 2026	Year to date used at quarter end
Vote 1 - Operating expenditures	34,693	5,552	5,552
Vote 5 - Grants and contributions	42,245	4,043	4,043
Total Budgetary Authorities	76,938	9,595	9,595
Statutory authorities:			
Employee benefit plan	4,089	1,022	1,022
Total statutory authorities	4,089	1,022	1,022
Non-budgetary authorities	-	-	-
Total authorities	81,027	10,617	10,617

Statement of Authorities (unaudited)*(In thousands of dollars)*

	Fiscal year 2025-2026		
	Total available for use for the year ending March 31, 2026	Used during the quarter ended June 30, 2025	Year to date used at quarter end
Vote 1 - Operating expenditures	38,128	5,458	5,458
Vote 5 - Grants and contributions	42,766	791	791
Total Budgetary Authorities	80,894	6,249	6,249
Statutory authorities:			
Employee benefit plan	3,938	984	984
Total statutory authorities	3,938	984	984
Non-budgetary authorities	-	-	-
Total authorities	84,832	7,233	7,233

Departmental budgetary expenditures by Standard Object
(In thousands of dollars)

	Fiscal year 2026-2027		
	Total available for use for the year ending March 31, 2027	Used during the quarter ended June 30, 2026	Year to date used at quarter end
Expenditures:			
Personnel	29,020	6,222	6,222
Transportation and communications	988	61	61
Information	161	19	19
Professional and special services	7,438	267	267
Rentals	233	1	1
Repair and maintenance	233	-	-
Utilities, materials and supplies	529	3	3
Acquisition of land, buildings and works	180	-	-
Acquisition of machinery and equipment	-	1	1
Transfer payments	42,245	4,043	4,043
Public debt charges	-	-	-
Other subsidies and payments	-	-	-
Total gross budgetary expenditures	81,027	10,617	10,617
Less: Revenues netted against expenditures	-	-	-
Total net budgetary expenditures	81,027	10,617	10,617

Departmental budgetary expenditures by Standard Object
(In thousands of dollars)

	Fiscal year 2025-2026		
	Total available for use for the year ending March 31, 2026	Used during the quarter ended June 30, 2025	Year to date used at quarter end
Expenditures:			
Personnel	29,676	6,042	6,042
Transportation and communications	1,079	91	91
Information	176	8	8
Professional and special services	8,128	262	262
Rentals	255	-	-
Repair and maintenance	254	-	-
Utilities, materials and supplies	578	7	7
Acquisition of land, buildings and works	1,920	-	-
Acquisition of machinery and equipment	-	1	1
Transfer payments	42,765	791	791
Public debt charges	-	-	-
Other subsidies and payments	-	31	31
Total gross budgetary expenditures	84,832	7,233	7,233
Less: Revenues netted against expenditures	-	-	-
Total net budgetary expenditures	84,832	7,233	7,233