

Changes to Manitoba's Disaster Financial Assistance Program

April 2025

This information is based on draft regulation.

Feedback from online consultations will be shared with government and may result in changes to the regulation before it becomes final.



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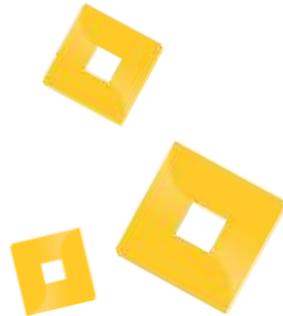
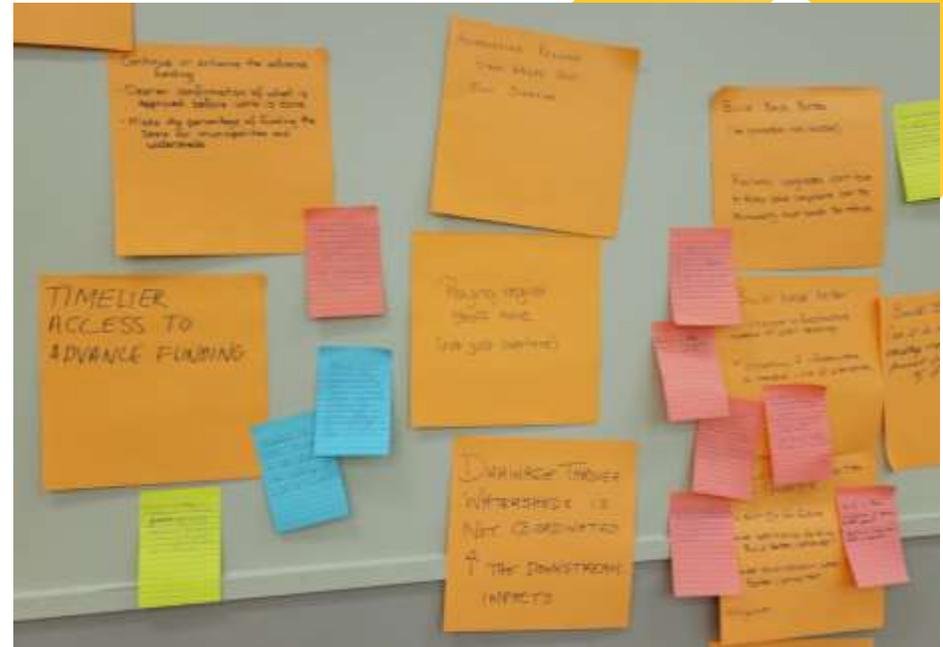
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What We Heard

Engagement

Manitoba EMO engaged with local authorities, past claimants and other stakeholders about potential changes to the DFA through private meetings, presentations, workshops and correspondence.

216 Manitobans provided us with feedback on our survey last summer.



Key Themes from the Public

- Provide faster payments.
- Support recovery beyond just financial assistance – social, emotional, spiritual and mental health support.
- Offer financial counselling support.
- Some Manitobans have completed property-level mitigation to reduce future disaster risks.
- Many Manitobans do not purchase overland flood insurance.

Federal Disaster Assistance Changes

Federal Changes to DFAA

Canada's revised DFAA Program takes effect on April 1, 2025.

The new DFAA policy objectives are to help people and communities recover faster, build back better, support more holistic recovery, and strategically reduce future risk.

Manitoba is aligning the provincial DFA program with the federal DFAA changes

- Expanded program + reduced federal cost-share = higher provincial costs
- Long term value in increased resilience and improved recovery outcomes

What Has Not Changed

DFA 101

- Helps Manitobans recover from natural disasters by providing financial assistance for eligible damages.
- Assistance is provided for:
 - Uninsurable losses
 - Basic and essential property
- Groups that can apply:



What a DFA Program Is (no change)

DFA programs may be established when:

- The disaster is caused by a natural hazard
- Has a defined start and end date
- Occurs in a defined area and causes widespread damage
- Causes disruption to essential assets or essential services
- Is a significant financial burden to Manitobans and insurance was not available to purchase

What a DFA Program Is (no change)

To be eligible:

- Expense was a direct result of the disaster
- Expense was within the geographical area of the disaster
- Expense was incurred in the disaster period
- Application was received by the deadline

“Life, not Lifestyle”

- Does not assist with insurable losses
- Assists with **basic and essential** assets, needs and items (cottages, decorative landscaping, decks, ATVs, etc. are ineligible)

What a DFA Program Isn't (no change)

Many weather events do not result in a DFA program, for example:

- Underlying conditions or climatic trends, like a wet spring, heavy snowpack, drought
- Heavy rain events where sewer systems are overwhelmed and cause back-up



Other types of disasters which don't qualify for DFA:

- Chronic health emergencies or pandemics
- Civil disorder, war, violence
- Industrial accidents

What Has Changed

Individuals

« Individuals » include homeowners, renters and unhoused or precariously housed groups

Who Qualifies for DFA Has Expanded

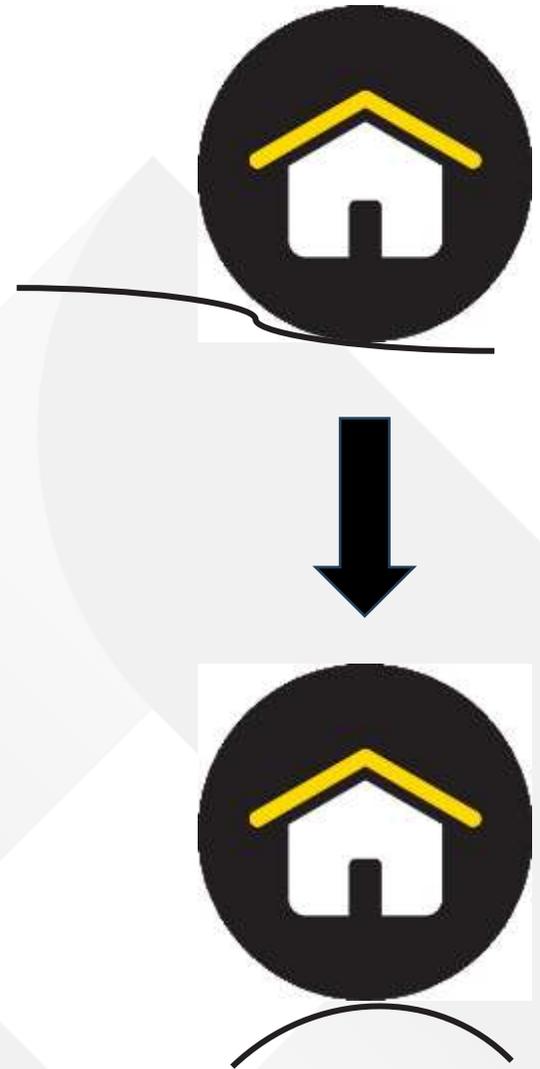
- No longer includes only homeowners and renters

New program includes:

- Homeowners (for principle residences)
- Tenants
- Third party service providers that support vulnerable populations
- Students
- Temporary or seasonal workers

Build Back Better

- The new DFA program will provide additional assistance to enhance repairs to reduce future disaster risks/costs.
 - Will provide 15% of the total eligible repair cost to help build back better.
- Manitoba EMO is developing a homeowners flood resilience guide that will help you to identify the amount of additional assistance you can access in order to reduce your future disaster risks



Example – Build Back Better

You have flooding to your home and your home is completely destroyed. Manitoba announces a DFA program. After an EMO inspection, it is found that your home cannot be repaired and it is deemed "economically unsalvageable."

The assessed value of your home is \$350,000. The deductible does not apply and you are eligible for \$350,000 plus demolition costs. You are also eligible for additional assistance to build-back-better, for example, to rebuild your home on raised earth mound.

Total assistance provided to you is \$350,000 + demolition + \$52,500 = \$402,500

More Assistance Available

- Assistance available up to the assessed property value (max of \$3,000,000)
 - Higher maximum claim but eligibility limitations apply
 - Uninsurable losses only
 - Limited to basic and essential needs
 - Lesser of cost to restore function, replace or assessed value
- Temporary housing can be provided for a longer time-period for those evacuated longer-term
- Response costs are eligible for up to one year (vs 6 months)

More supports

- Mental health support
- Financial counselling support
- Support for those that respond to disasters
- More case management support for those that are disproportionately impacted

Payments

- The new program will pay out certain eligible costs, based on proof of loss (vs costs incurred). This will allow claimants to be paid shortly after an inspection.
- Assets with major structural damage will continue to be paid based on incurred costs.
- Exploring ways to reduce paperwork requirements of our program
- We will continue to provide updates as we finalize programming.

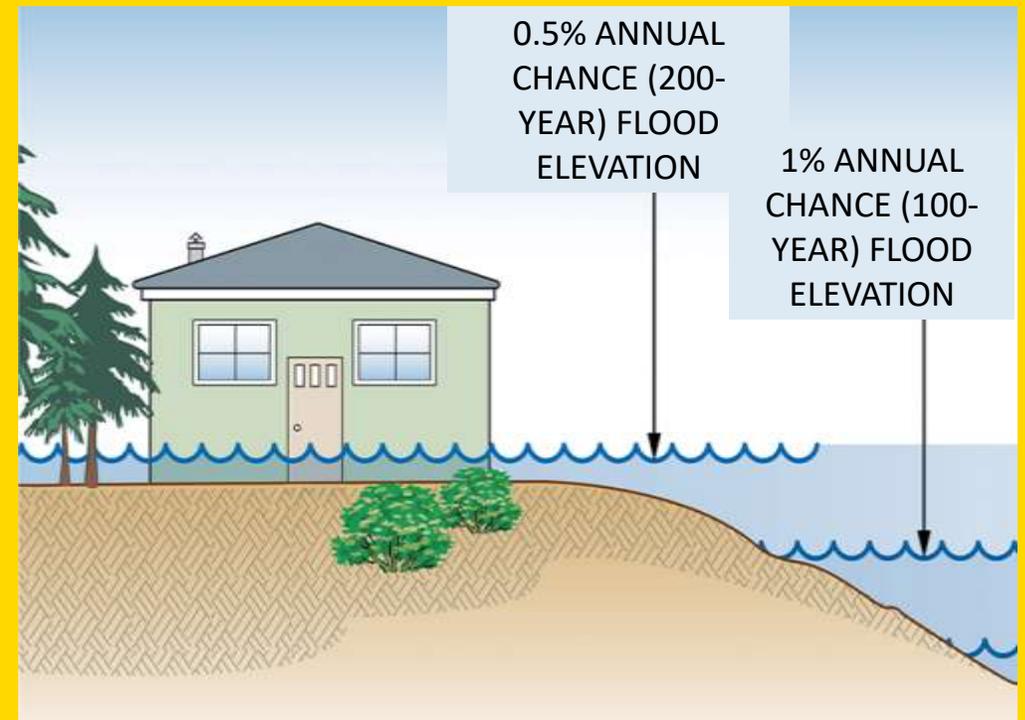
Client-Focus

- Manitoba EMO is working to build our internal staff support to better serve Manitobans.
- We know that paying after an inspection will help get you \$ faster and reduce the financial burden of disasters
- We know there is more work to do to develop tools and use technology to support you through the DFA program.



DFA 2.0: High-Risk Areas

- High-risk areas are areas have an enduring, elevated risk of severe consequences stemming from the impact of a specific or multiple natural hazards.
- 1:200 FPL is the new mitigation standard (previously 1:100)
- About 85% of municipalities located in known high-risk areas require building to 1:200 FPL



High-Risk Areas

- Existing assets in high-risk areas with **major damage caused by a DFA event must be adequately mitigated** or the asset will no longer be eligible for future DFA programs.
 - Mitigation costs are eligible for assistance as part of build back better.
- **New construction in high-risk areas must be adequately mitigated** to qualify for future DFA programs.
 - This applies to projects which receive a building permit or are approved after April 1, 2025.

Deductible

- Deductible of \$2,500 or 20% - whichever is greater
- A new minimum deductible ensures that assistance is focused on those that cannot recover without government assistance.

Example – \$5000 claim

OLD: The previous DFA program would have assisted you up to \$4,000 to repair your home to pre-disaster condition (\$5,000 - \$1,000 deductible). You did not receive any additional assistance to BBB and has to borrow money to finance repairs.

NEW: Under the new program, a deductible of \$2,500 will apply. You also took advantage of the BBB funding to have your window wells repaired to stop water from entering your home. The stress affected you and you received four counselling sessions with a mental health professional (\$600). In addition, you received DFA right after the inspection and did not have to borrow to finance your repairs.

Example – \$5000 claim

OLD DFA

Repair assistance: \$4,000

Deductible: \$1,000

BBB assistance: \$0

Mental health support: \$0

Your cost = \$2,750

You paid out of pocket to have your window wells fixed (\$750) and for mental health support (\$600). You spent (\$400) on a loan to finance repairs (\$1,750 total).

NEW DFA

Repair assistance: \$2,500

Deductible: \$2,500

BBB assistance: \$750

Mental health support: \$600

Your cost = \$2,500

You also saved \$400 on interest and your basement didn't flood the next year because your window wells were repaired.

Flood Insurance

- Severe weather is becoming more common in Manitoba
- You don't have to live beside a river to flood – heavy rains, snowmelt, water main breaks can all lead to flooding
- Manitobans buy flood insurance less often than other provinces
- Overland flood coverage in Manitoba typically costs \$100-\$300 annually
- Talk to your insurance broker today – shop around if your broker doesn't offer it
- DFA will not be available to you if you could have purchased overland flood insurance but didn't

DFA vs Insurance

DFA	Insurance
Assists with basic and essential items	Replaces the full contents that were damaged
Is ad-hoc and does not assist for events in smaller geographic areas	Assists for all events covered by the policy
Disasters result in unpredictable expenses that you didn't budget for	Insurance provides annual coverage at a predictable expense
Not provided if you could have purchased insurance	Coverage is known
Is a post-disaster program only	May provide mitigation funding in advance of a disaster

Regulation

Regulation

Public comment is welcome on
Manitoba's draft Disaster
Financial Assistance
Regulation

Deadline is April 27, 2025

Engagemb.ca



Questions

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www.gov.mb.ca/emo

