STAFF REPORT - November 27, 2025

TO: Chair and Members of the Board of Directors

RE: Bill 68, Schedule 3 Proposed Changes to the *Conservation Authorities*Act and Proposed Boundaries for Regional Consolidation of Ontario

Conservation Authorities

Background:

Conservation Authorities provide a broad range of essential services, including flood forecasting and warning, management of flood and erosion control infrastructure, natural hazard permitting and review, drinking water source protection, low water response coordination, maintenance of conservation areas and trails, environmental education, and the implementation of restoration and climate change projects. Conservation Ontario serves as the collective association representing Ontario's Conservation Authorities.

On October 31, 2025, Minister Todd McCarthy, Minister of the Environment, Conservation and Parks, announced that the provincial government will introduce legislation to amend the *Conservation Authorities Act* to create a new provincial agency, the Ontario Provincial Conservation Agency (OPCA). It is proposed that the OPCA would provide centralized leadership, efficient governance, strategic direction and oversight of Ontario's conservation authorities. Since the announcement, the Government has had first reading of Bill 68 that made changes to the *Conservation Authorities Act (CAA)* in Schedule 3 and ordered a second reading on November 6, 2025. It is anticipated a third reading will follow.

Another key action announced at this time, by the Minister of the Environment, Conservation and Parks, together with the Chief Conservation Executive, is the plan to consolidate the province's 36 conservation authorities into seven regional conservation authorities, while maintaining alignment with watershed boundaries.

The Board of Directors of Ganaraska Region Conservation Authority (GRCA) has been updated on these announcements by staff via email as information has become available. This report is to look at both of these proposed changes and the implications on the Ganaraska Region Conservation Authority and watershed Municipalities served.

1. Bill 68, Schedule 3 Proposed Changes to the Conservation Authorities Act:

Proposed changes to the *Conservation Authorities Act* can be found at:

<u>Bill 68, Plan to Protect Ontario Act (Budget Measures), 2025 (No. 2) - Legislative Assembly of Ontario</u>

This report will highlight some of the proposed changes which can be found in Schedule 3, that begins at Section 35.1 with the establishment of the Ontario Provincial Conservation Agency.

Establishment of the Ontario Provincial Conservation Agency

A corporation known as the Ontario Provincial Conservation Agency (OPCA) is to be established as an agent of the Crown. The OPCA would be responsible for bringing forward a major modernization of how conservation authorities operate. The *Conservation Authorities Act* changes would include identifying the objects of the OPCA as listed below in this report.

The proposed OPCA would be established as a corporation. It would not be able to register as a charity under the *Income Tax Act*. A Board of Directors, consisting of 5 to 12 members, would provide governance to the OPCA. The Board would be appointed by the Lieutenant Governor in Council and include members who are knowledgeable in matters pertinent to business operations, conservation authority knowledge, or other matters as prescribed by the regulation. Members could not be a member of Parliament and would serve a term of up to 3 years and may serve for 9 years total (does not have to be consecutive). A chair and up to two vice chairs would be identified by the Lieutenant Governor in Council. The Board would hold at least 4 meetings per year, and establish by-laws as needed for the conduct and management of the affairs of the Agency, operating within its purpose (objects).

The OPCA would employ, for a defined term, the first Chief Executive Officer (CEO) that would be appointed by the Secretary of Cabinet. Following this, the OPCA would hire successors to the position. The CEO would be responsible for the management and administration of the affairs of the OPCA, as determined in concert with the Board of Directors, and appoint employees, arrange for facilities, or other such services as may be required.

The Agency would be required to report to the Minister on its activities and effectiveness on March 31, 2029, and every subsequent 3 years.

With this proposed establishment of the OPCA by the Province, there has been no indication as to the future of Conservation Ontario that was established by conservation authorities.

Ontario Provincial Conservation Agency Funding

It is proposed that funding may be provided by the Minister and through the establishment of fees by the agency. The OPCA may, by notice, require the payment of fees related to any matter related to the performance of its duties and powers under the *Act*.

Further, for the purpose of recovering the costs and expenses incurred by the OPCA, the OPCA may, in accordance with any regulations, determine the amounts of the costs and expenses that the authorities collectively owe to the OPCA and apportion those amounts to the authorities.

There has been no insight as to whether this type of cost recovery obligation would be similar to the current levy paid by conservation authorities to Conservation Ontario. As well, there could be a risk that implementation of paying costs to the OPCA could increase

the costs paid by the municipalities especially if there was an increase in these costs. The current charge paid to Conservation Ontario is covered by the municipal levy for the most part.

Ontario Provincial Conservation Agency Objects

The Agency would be responsible for carrying out the following 10 roles:

- Oversee the governance of authorities, their operations, programs and services and other aspects.
- Oversee the transition to a regional watershed-based framework
- Promote consistent policies, standards and fees for programs and services
- Assess and report on the effectiveness of authorities in their purpose (furthering the conservation, restoration, development and management of natural resources in watersheds in Ontario), including outcomes related to the implementation of their programs and services.
- Oversee and evaluate the financial performance of authorities, including longterm operational and capital financial sustainability and the financial sustainability of the mandator programs and services
- Ensure alignment of conservation authorities with provincial objectives by guiding and evaluating their strategic planning
- Support the development and implementation of a standardized and centralized system for processing applications for permits
- Lead the development and implementation of digital strategies and shared services to support the operations of authorities, including their programs and services.
- Support strategic investment in programs and services provided by authorities, including leveraging funding available to Ontario and authorities.
- Advise the Government of Ontario in respect of the programs and services authorities provide under the Act and any matters related to the objects of the Agency

Ontario Provincial Conservation Agency Directions to Conservation Authorities

The OPCA can issue direction to an Authority or Authorities and may address key performance indictors, service standards, information technology, procurement, training of members and employees, budgeting, asset management plans and strategic planning. The OPCA cannot issue a direction to an Authority until the Minister approves the direction. Conservation Authorities must comply with a direction given by the OPCA. To support implementation of such directions, the Agency may issue guidelines to the Authorities.

Conservation authorities would be required to provide information to the OPCA to further its objects, which includes information relating to its operations, employees, assets, liabilities, rights and obligations, which may include plans, reports and financial statements, including audited financial statements, and may also include personal information.

Any personal information collected would not require a notice to the individual and would be collected with the purpose of furthering the OPCA's objects. This would include information that would be considered subject to solicitor-client privilege, or confidential matters of the conservation authority. The Agency can order the publication of information collected to the conservation authorities but not any privileged or confidential information.

2. Proposed Boundaries for Regional Consolidation of Ontario Conservation Authorities

On November 7, 2025, the Ontario government posted Environmental Registry Posting (ERO) Posting #025-1257 on the ERO seeking feedback on proposed boundaries for consolidation of Ontario's 36 conservation authorities into regional conservation authorities, and the criteria applied to inform proposed boundaries.

<u>Proposed boundaries for the regional consolidation of Ontario's conservation authorities</u> | Environmental Registry of Ontario.

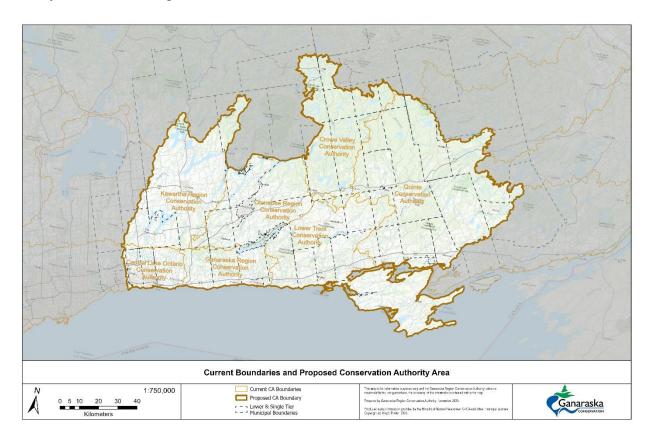
The consultation period is currently open and closes on December 22, 2025. Consultation topics include the delineation of regional boundaries, the governance model for the regional conservation authority boards, and strategies to ensure continuity of programs and services during the transition. The province's decision on the number and configuration of regional conservation authorities will be finalized following technical analysis and consideration of the feedback received during this consultation phase.

The proposal summary on the ERO reads: "Ontario is proposing changes to improve the conservation authority (CA) system to free up resources for front-line service delivery to help protect communities and better align the work of CAs with provincial priorities. This proposal seeks feedback on proposed boundaries and criteria for the regional consolidation of Ontario's 36 CAs."

The ERO further states the criteria applied for determining the proposed boundaries for regional conservation authorities are:

- maintaining watershed-based jurisdictions aligning with natural hydrological boundaries to support effective flood and water management, consistent with drinking water Source Protection Areas and Regions.
- relationships between conservation authorities and municipalities reducing administrative duplication and overlap for municipalities and conservation authorities to simplify accountability and strengthen local partnerships.
- balancing expertise and capacity across conservation authorities enhancing technical skills and resources across conservation authorities to improve service and program delivery.
- service continuity ensuring uninterrupted delivery of local conservation authority programs – including flood forecasting and warning, permitting, and source water protection – through and after consolidation.

The proposed consolidation recommends Ganaraska Region Conservation Authority (GRCA) becoming part of the Eastern Lake Ontario Regional Conservation Authority which includes watersheds draining to eastern Lake Ontario and the Bay of Quinte, including the Trent and Cataraqui systems. This would result in the amalgamation of seven conservation authorities. Joining Ganaraska Region Conservation Authority are Central Lake Ontario, Kawartha Region, Otonabee Region, Lower Trent Region, Crowe Valley and Quinte Region Conservation Authorities.



Ganaraska Region Conservation Authority has 7 municipalities in whole or in part within the area of jurisdiction: Municipality of Clarington, City of Kawartha Lakes, Municipality of Port Hope, Town of Cobourg, Township of Cavan Monaghan, Township of Hamilton and Township of Alnwick/Haldimand.

The proposed Eastern Lake Ontario Regional Conservation Authority has 48 municipalities within its jurisdiction, namely, City of Belleville, City of Kawartha Lakes, City of Oshawa, City of Peterborough, City of Pickering, City of Quinte West, County of Prince Edward County, Municipality of Brighton, Municipality of Centre Hastings, Municipality of Clarington, Municipality of Hastings Highlands, Municipality of Highlands East, Municipality of Marmora and Lake, Municipality of Port Hope, Municipality of Trent Hills, Municipality of Trent Lakes, Municipality of Tweed, Town of Ajax, Town of Cobourg, Town of Deseronto, Town of Greater Napanee, Town of Whitby, Township of Addington

Highlands, Township of Alnwick/Haldimand, Township of Asphodel-Norwood, Township of Brock, Township of Cavan Monaghan, Township of Central Frontenac, Township of Cramahe, Township of Douro-Dummer, Township of Faraday, Township of Hamilton, Township of Havelock-Belmont-Methuen, Township of Limerick, Township of Loyalist, Township of Madoc, Township of North Frontenac, Township of North Kawartha, Township of Otonabee-South Monaghan, Township of Scugog, Township of Selwyn, Township of South Frontenac, Township of Stirling-Rawdon, Township of Stone Mills, Township of Tudor and Cashel, Township of Tyendinaga, Township of Uxbridge, and Township of Wollaston.

The chart below shows the effect of the amalgamation on the area of jurisdiction as well as the population estimates.

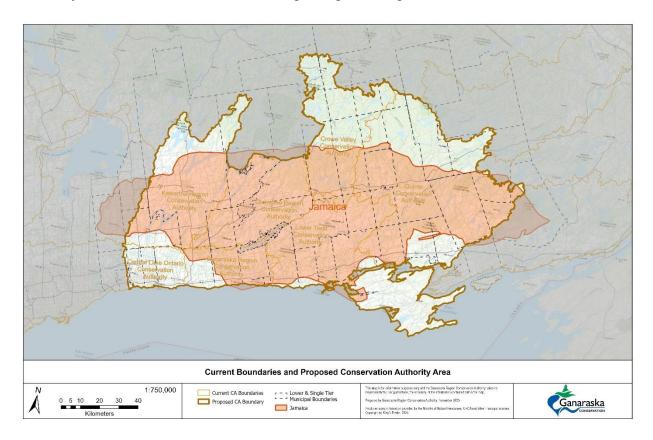
| Effect of amalgamation | | | |
|-----------------------------|--|------------|---------------------------------|
| Area | GRCA | ELORCA | |
| | 929 km² | 15,964 km² | 16 Times larger |
| | 2.8 times the size of PEI | | |
| | Larger than each of Jamaica or Singapore | | |
| | Larger than the state of Connecticut | | |
| Population est. | GRCA | ELORCA | |
| | 190,470 | 1,250,000 | 6.5 times larger |
| | Greater population than each of Saskatchewan, Nova Scotia, New | | |
| | Brunswick, Newfoundland and Labrador or PEI | | |
| Number of Municipalities | GRCA | ELORCA | |
| Tramorpatico | 8 | 48 | Lower and Single Tier |
| | 3 | 4 | Upper Tier or Regional/District |
| | | | |
| | | | |
| Number of | GRCA | ELORCA | |
| Watersheds | | | |
| | 9 | 86 | |

The chart shows the area as being 16 times the current jurisdiction and larger than the area covered by the island of Jamaica. The population included is more than the population of some Canadian Provinces.

It is unclear how local watershed needs, long-standing local partnerships and watershed expertise will be incorporated into the new structure. Questions have been asked as to whether there will be a change in ownership of assets to the larger regional conservation authority or possibly to the Ontario Provincial Conservation Agency.

Currently, local municipalities provide just over 45% of GRCA funding, with provincial contributions making up only about 1.0 % funding. Self-generated funds and GRCA partnerships with other agencies account for more than 40% of total funding. It is unclear

on how these partnerships and funds earned by Ganaraska Region Conservation Authority would be distributed to the larger regional organization.



For nearly eight decades, local municipalities, stakeholders, partners, and community organizations have collectively invested millions of dollars into the many important watershed services such as updated floodplain mapping, long-term environmental and watershed monitoring, conservation areas and the Ganaraska Forest, restoration projects, clean water healthy lands stewardship programs, environmental education and community outreach.

Under a large regional model, local municipalities and watershed residents risk losing their voice in decisions that directly affect their communities and local natural resources. This shift could significantly alter how these essential services are delivered, funded, and prioritized, placing at risk the locally driven programs and services that have supported the health and safety of our communities for nearly 80 years.

The ERO notice lists the following discussion questions to assist in receiving feedback:

- What do you see as key factors to support a successful transition and outcome of regional conservation authority consolidation?
- What opportunities or benefits may come from a regional conservation authority framework?

- Do you have suggestions for how governance could be structured at the regional conservation authority level, including suggestions around board size, make-up and the municipal representative appointment process?
- Do you have suggestions on how to maintain a transparent and consultative budgeting process across member municipalities within a regional conservation authority?
- How can regional conservation authorities maintain and strengthen relationships with local communities and stakeholders?

Question Considerations:

One key factor in a successful transition is a respect for local watershed knowledge. This experience needs to be maintained and there must be mechanisms to retain and integrate local expertise, datasets, and long-standing community relationships. As well, ensuring that regionalization does not dilute and overlook watershed-specific needs, priorities, and risks.

A perceived benefit of amalgamation is a stronger, more consistent service delivery, harmonized permitting, planning reviews, flood forecasting, and regulatory processes and consistency on how watershed policies are applied. This same consistency of service delivery is possible while maintaining the current structures. This can be done by the province introducing policies and guidelines to ensure consistency without the need to amalgamate CAs. This would be a more efficient and effective manner to introduce consistent conservation authority service delivery.

With regards to suggested governance model at the regional level, thoughts may be that a 12 to 18 members Board of Directors is a manageable size that is effective. Given this, it would be very difficult to appoint members and still have the expectation of adequately representing the interests of 48 municipalities.

Within the regional conservation authority there will be various priorities and budget pressures among the 48 municipalities, which will make budget deliberations very difficult and the process may seem inequitable to some municipalities.

In order for the regional conservation authorities to maintain and strengthen relationships with local communities and stakeholders, the local offices should be maintained to be visible within the community. This will also result in watershed-specific expertise remaining locally and accessible to the residents.

The above answers to the discussion questions represents a very small sample of why consolidation on such a large scale is not the solution. What would be the purpose of consolidation which can cost millions of dollars and take years to implement, are disruptive to daily and organizational workflows, and often result in the loss of corporate knowledge and business continuity due to employee departures and reassignments with consequent impacts on customer service, workloads, and morale.

While consolidation or amalgamation may be an option for some smaller conservation authorities, it does not make sense for the GRCA which has staff expertise in every program area. The GRCA is fiscally responsible and excels in delivering services to the watershed municipalities and communities in a very cost-effective and efficient manner.

Despite claims of inefficiency by the Province, GRCA issues over 98% of permits within provincial timelines, and provincial reports as reported to Conservation Ontario.

GRCA also demonstrates how efficiencies can be furthered with staff sharing models. For many years, GRCA has shared staff with neighbouring conservation authorities which is an example of how shared-service delivery models can reduce municipal costs and improve service quality.

GRCA supports provincial goals to improve consistency and modernize digital permitting, these objectives can be achieved without removing local governance or consolidating watershed agencies into large regional organizations.

RECOMMENDATION:

WHEREAS the Ganaraska Region Conservation Authority Board of Directors acknowledges and supports the Province's goals of improved efficiency of watershed management, through the implementation of digital applications and permitting system, consistent policies, flood standards, fees, and technology; and

WHEREAS consistent policies, and resources across the existing conservation authority boundaries could be achieved without structural consolidation through direction and tools such as technical guidelines provided by the Ministry of the Environment, Conservation and Parks; or Conservation Ontario; and

WHEREAS conservation authorities are locally-based, grassroots organizations formed by municipal governments in response to the challenges posed by a changing landscape; especially, the increased exposure to flooding and erosion hazards and the resulting risks to lives and property. In the case of GRCA, supported by its seven municipalities, this vision has proven a successful model for nearly 80 years; and

WHEREAS the GRCA, with the guidance and support of our seven member municipalities, demonstrates fiscal prudence in conservation delivery, ensuring stable growth through stable funding. GRCA has successfully leveraged funding to support programs and services that are locally important and are driven by community engagement through GRCA's Conservation Land Strategy and the Watershed Based Resource Management Strategy; and

WHEREAS GRCA consistently meets or exceeds provincial service standards, and participates in staff-sharing initiatives with neighbouring conservation authorities that already deliver many of the efficiencies the Province seeks; and

WHEREAS plans to regionalize conservation authorities through consolidation would dilute local accountability and municipal partnership and is contrary to the basic principle that decisions are best made closest to the communities they affect. Effective representation by municipal partners remains core to the success of conservation authorities. The GRCA, while not unique among conservation authorities in this respect, is effective in working with our community to support sustainable development, and keeping communities safe; and

WHEREAS being front-line means being responsive and accountable to the community by delivering the services that are essential and valued to the best interest of the community. The front-line of provincial priorities on housing, the economy, infrastructure, and climate resilience are in the decisions between municipalities working together to address issues around floodplain (and hazard) protection and resilient upland and landscape management. Further, staff and Board are responsive and accountable to the needs of the watershed community, while meeting or exceeding provincial service standards. The staff and Board are reachable through publicly available contact information. Local governance and direction combined with local service provision allows GRCA to continue to be responsive to our community; and

WHEREAS consolidation will result in substantial transition costs, not the least of which is time. In all facets, that would divert resources from front-line service delivery and delay desired outcomes. Further, the loss of local watershed knowledge and community relationships will add greater uncertainty, loss of trust, and delay for our watershed residents. This includes the agricultural community, businesses, builders, developers, and our municipal partners that seek timely and effective local advice, which is provided through local pre-consultation; and

WHEREAS a proposed regional watershed would create a geographically vast and administratively complex organization when joining the seven conservation authorities as proposed in Eastern Lake Ontario. This would be considerably worse if local offices do not remain available and accountable to its membership, partners and the communities they serve.

THEREFORE BE IT RESOLVED:

THAT the Ganaraska Region Conservation Authority Board of Directors does not support the proposed "Eastern Lake Ontario Regional Conservation Authority" boundary configuration as outlined in Environmental Registry Notice 025-1257; and

FURTHER THAT meaningful modernization can occur within the current watershed-based governance framework; and

FURTHER THAT the GRCA Board endorses further provincial evaluation of a more focused specific model as a geographically coherent, cost-effective and locally accountable alternative that advances the government's priorities of efficiency, red-tape reduction and timely home construction; and

FURTHER THAT the Board asks that the Ministry of the Environment, Conservation and Parks engage directly with affected municipalities and conservation authorities across Eastern Lake Ontario through a working group; and

FURTHER THAT the Board of Directors direct staff to make a submission to the Environmental Registry of Ontario consultations asking the Province to pause any consolidation until more consultation can take place; and

FURTHER THAT a letter from the Chair containing this resolution, be forwarded to:

- the Minister of the Environment, Conservation and Parks and his Opposition critics; and
- the Ministry of the Environment, Conservation and Parks (CA Office); and
- Ontario's Chief Conservation Executive, Hassaan Basit; and
- Local Member of Provincial Parliament David Piccini, Northumberland Peterborough South and
- All local watershed municipalities, all municipalities in Ontario, and Counties within GRCA 's watershed.

Prepared by:

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