

## STAFF REPORT

**Report To:** Board of Directors  
**Report From:** Tim Lanthier, CAO  
**Meeting Date:** November 26, 2025  
**Report Code:** 033-2025  
**Subject:** Bill 68 and Proposed Changes to the Conservation Authorities Act and Ontario's Conservation Authorities

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### Recommendation:

**WHEREAS the Government of the Province of Ontario (the Province) has released Bill 68 which changes the Conservation Authorities Act to create a new Ontario Provincial Conservation Agency and alludes to regional conservation authorities,**

**AND WHEREAS the Province has issued ERO Posting 025-1257 to gather feedback on the structure of such regional conservation authorities,**

**THAT the Grey Sauble Conservation Authority Board of Directors receive this report as information and direct staff to prepare a comment submission for ERO Posting 025-1257.**

### Strategic Direction:

This change is relevant to all of GSCA's strategic priorities.

### Background:

Conservation authorities are created under the Conservation Authorities Act, which dates back to 1946. This legislation empowered two or more municipalities sharing a watershed within the Province of Ontario to establish a conservation authority. The primary drivers at the time were largely related to deforestation and erosion issues.

The North Grey Region and Sauble Valley Conservation Authorities were created in 1957 and 1958, respectively. These two authorities amalgamated in 1985 to form the Grey Sauble Conservation Authority.

Over the years, the Conservation Authorities Act (CAA) has been amended many times. Within the last six years, the pace of amendments has been rapid and has included changes to what is considered mandatory, how budgets are created, and most recently, substantial changes to the development regulation (2024).

On October 31, 2025, the Province of Ontario announced that new legislation would be introduced to create an Ontario Provincial Conservation Agency (OPCA) and to consolidate Ontario's existing 36 conservation authorities into seven (7) regional conservation authorities (RCA). The new OPCA will be responsible for oversight of the transition process, and ultimately for the RCAs.

On November 6, 2025, the Province of Ontario released *Bill 68, Plan to Protect Ontario Act (Budget Measures), 2025 (No. 2)*. The changes to the CAA from this Bill are highlighted below and detailed in the Appendix 2.

On November 7, 2025, the Province of Ontario released the Environmental Registry of Ontario (ERO) posting *025-1257 – Proposed Boundaries for Regional Consolidation of Conservation Authorities*. The changes proposed by this ERO posting are highlighted below.

### **Summary of Key Changes from Schedule 3 of Bill 68:**

1. Changes to the CAA include the creation of an Ontario Provincial Conservation Agency (OPCA).
2. The objects of the OPCA are:
  - a. Oversee the governance of authorities and other aspects of authorities such as their operations, including the programs and services they provide.
  - b. Oversee the transition to a regional watershed-based framework for authorities in Ontario.
  - c. Promote consistent policies, standards, and fees for programs and services provided by authorities.
  - d. Assess and report on the effectiveness of authorities.
  - e. Oversee and evaluate the financial performance of authorities.
  - f. Guide and evaluate the strategic planning by authorities to ensure it aligns with provincial objectives.
  - g. Support the development and implementation of a standardized and centralized system for processing applications for permits issued by authorities.

- h. Lead the development and implementation of digital strategies and shared services.
  - i. Support strategic investment in programs and services provided by authorities.
  - j. Advise the Government of Ontario in respect of the programs and services authorities provide.
- 3. The Minister (MECP) can issue directions to the OPCA.
- 4. The OPCA can issue directions to one or more authorities, which authorities must comply with, including but not limited to:
  - a. Key performance indicators (KPIs), key results and service delivery targets.
  - b. Service standards.
  - c. Information Technology.
  - d. Procurement.
  - e. Training of members and employees.
  - f. Budgeting.
  - g. Asset Management Planning.
  - h. Strategic Planning.
- 5. The OPCA may determine its costs and apportion these costs to the regional conservation authorities.

### **Summary of Key Changes from ERO Posting 025-1257:**

- 1. Ontario's current 36 conservation areas would be consolidated into seven (7) regional conservation authorities.
- 2. Consultation period on the ERO is open until December 22, 2025.
- 3. Feedback is being sought on:
  - a. Key factors to support a successful transition.
  - b. Opportunities or benefits from this structure.
  - c. Suggestions for a governance model.
  - d. Suggestions on maintaining a transparent, consultative budgeting process.
  - e. How can regional model strengthen local relationships?
- 4. The seven RCAs are:
  - a. St. Lawrence RCA (eastern Ontario).
  - b. Eastern Lake Ontario RCA (between Toronto and St. Lawrence RCA).
  - c. Central Lake Ontario RCA (currently Toronto Region Conservation Authority).
  - d. Western Lake Ontario RCA (Mississauga to Niagara).
  - e. Lake Erie RCA (all of the Lake Erie CAs, minus Niagara, plus St. Clair).
  - f. Huron-Superior RCA (Lake Simcoe to Port Franks, plus Lakehead)

- g. Northeastern Ontario RCA (Nickel District, Sault Ste. Marie, Mattagami, and North Bay-Mattawa)
5. GSCA would become part of the Huron-Superior RCA.
6. This change would group together:
  - a. Lake Simcoe Region CA
  - b. Nottawasaga Valley CA
  - c. Grey Sauble CA
  - d. Saugeen Valley CA
  - e. Maitland Valley CA
  - f. Ausable Bayfield CA
  - g. Lakehead Region CA (Thunder Bay)
7. Member municipalities in the region would equal 80. This compares with GSCA's current eight (8).
8. Jurisdiction of new RCA would be approximately 23,500 square kilometres. This compares with GSCA's current 3200 square kilometres.

## Analysis:

The changes to the CAA through Bill 68 and the ERO posting that would consolidate 36 CAs into 7 RCAs leads to more questions than answers at this time. A few items that have been provided verbally by either the Minister or the new Chief Conservation Executive are that there will be no job losses and no office closures.

The primary drivers for the change appear to be:

1. To reduce duplication of administrative services.
2. To improve efficiencies and expertise related to planning and permitting.

Staff have considered these change drivers and offer the following items for the Board's consideration:

### Amalgamation as a tool to reduce expenses attributed to duplication of services

When considering whether amalgamation is an appropriate tool to reduce expenses and improve "front-line" resources, Board Members and associated municipal council are encouraged to consider the following:

1. **No loss of jobs:** Both the Minister of the Environment, Conservation and Parks (Minister) and the Chief Conservation Executive have stated publicly that there will be no job losses as part of this process. They have stated that some current positions may be "redeployed" to "front-line" service. No further explanation has been provided at this time. However, this suggests minimal saving opportunities if the same number of staff remain.

2. **Leveling up:** Reviews of previous municipal amalgamations (see article list in presentation slide deck) suggest that when multiple organizations consolidate into one, salaries level up to match those of the highest previous organization. In this case, GSCA's salaries are not the highest in the grouping.
3. **Offices Remain:** In information sessions provided by MECP Staff and the Chief Conservation Executive, it has been noted that the Province does not intend to close local offices. Therefore, the costs of running these offices continue.
4. **Increased Bureaucracy and Administration:** GSCA runs very lean in its current form. The managers within the organization are also the boots on the ground "front line" staff. These staff in all departments are involved with issuing permits, managing flood forecasting, warning and risk, reviewing flood modelling, developing risk management plans, responding to and fixing IT concerns, planting trees, developing management plans, and making improvements to GSCA properties. As such, these employees and the staff that work under them are an invaluable part of all of the work that happens here. If local service and local offices are to remain, these staff must also remain. If local service and local offices are to remain, office administration must also remain.

What will change is that a new administration will be required at the Regional level to oversee the new Huron-Superior Regional Conservation Authority. This new administration staff will required higher compensation to account for their increased responsibility.

Additionally, through Bill 68, the Province is creating the Ontario Provincial Conservation Agency to oversee all of the regional conservation authorities. This new agency has the ability and the intent to apportion its cost to the regional conservation authorities, which will in turn have to apportion those costs to municipalities.

5. **Reduced Service Levels:** Alternately, all information provided to date is inaccurate and service levels or service provision will be reduced locally as a tool to reduce or reassign costs. GSCA's current watershed jurisdiction is approximately 3,200 square kilometres in size. The newly proposed Huron-Superior RCA is approximately 23,500 square kilometres in size. This may not serve to meet the needs of local communities that are the ones actually paying for these services.

6. **Reduced voice:** In exchange for these increased costs or reduced service levels, municipalities can expect to have a smaller voice at the table and less connection to the accountability of the organization providing these services. GSCA's current membership consists of eight (8) participating municipalities represented by eleven (11) Board Members who are municipally elected and appointed members of local councils. This provides a very democratic and well represented Board.

The new Huron-Superior RCA consists of 80 participating municipalities. No governance structure has been proposed by the Province to inform how local priorities and concerns will be represented and addressed.

7. **Apportionment Structure:** Current apportionment is based on modified current value assessment. Under this system, municipal partners with higher assessed values are apportioned a higher percentage of the levy cost, proportional to their percentage of the total assessed value. On budget votes, municipal representatives on the Board carry a vote weight that is proportional to their percentage of the total assessed value as well. Therefore, those responsible for paying more have a greater say in determining the budget.

The Province has not provided details on how apportionment will work under the RCA model.

8. **Who subsidizes who:** If the apportionment structure remains relatively consistent with the current structure, larger municipalities will likely carry a larger share of the overall budget. This would correspond to them also carrying a larger share of the budget vote.
9. **Assets and reserves:** GSCA's assets and reserves have been managed and funded by a combination of local municipal levy and revenues generated by GSCA. Under the new regional model, the Huron-Superior RCA would become the owner of GSCA's land and capital assets, and all reserves would presumably be consolidated. Distribution of these reserves and investments in lands and assets would be at the discretion of the RCA management and Board.
10. **Debt liability:** Conversely, debt liability will also be consolidated within the new RCA. We do not have information on whether this is positive or negative for local municipalities.

### Amalgamation as a tool to improve efficiencies and expertise related to planning and permitting

When considering whether amalgamation is an appropriate tool to improve efficiencies and expertise related to planning and permitting, it is prudent to consider it in light of costs increases/decreases not above, and also in terms of whether there are other tools that could accomplish the same objectives.

For the consideration of the Board:

1. It appears from the above that this newly proposed structure has a high probability of costing municipalities more and providing municipalities with less input and transparency. However, these items remain to be determined.
2. There are other options that can help the Province achieve its goal of improved permitting efficiencies without amalgamation.
3. The Province, through its staff, has conveyed that it would like to see consistent policy, consistent technical guidance, consistent fees, a consistent online permitting tool, and consistent resources and expertise for development planning and permitting. In light of this, the following options could be considered that would not require full restructuring of 36 organizations across the Province and the assumed associated costs.
  - a. The Province can develop policy and legislate each conservation authority to use it. This would be similar to the Provincial Planning Statement that is used by municipalities.
  - b. The Province can develop new technical guidance to assist conservation authorities in better meeting the objectives of keeping people and property safe while also helping the Province meet their housing targets. The Province could legislate adherence to this guidance.
  - c. The Province can develop and mandate a consistent fee schedule for use Province wide. This would eliminate inconsistencies between CAs.
  - d. The Province can develop and mandate an online permitting platform for all CAs to use. One caution here is that not all of Ontario's citizens are capable and/or comfortable using an online system. Also, flaws that have been identified in other Provincial online application platforms should be worked out.

- e. For managing inconsistencies in resources and expertise, a few different options exist:
  - i. The Province can provide an actual useful amount of financial contribution towards natural hazards programming. Currently the Province provides GSCA with \$37,052 per year to undertake this programming. Due to restrictions on how this funds can be used, the majority of that funding is for Flood Forecasting and Warning, as opposed to Planning and Permitting.
  - ii. The Province can require that all fees and levies collected for planning and permitting be funneled up to the Province to be equitably redistributed to each conservation authority.
  - iii. A combination of Items (i) and (ii).
  - iv. The Province can encourage or mandate cost sharing arrangements specifically for this program area. A review of municipal amalgamations throughout the 1980s, 1990s and early 2000s indicates that cost sharing arrangements are more effective and better received than forced amalgamations.
  - v. The Province could employ the technical experts and make them available to each conservation authority.
  - vi. A combination of all of these options.

### **Summary:**

The changes proposed to the Conservation Authorities Act and to Ontario's conservation authorities are substantial. A review of these changes does not appear to be in the best interests of local municipalities and does not appear to be the only option to satisfy the Provincial Interest. It is recommended that the Board support GSCA Staff preparing comments to the Province for ERO Posting 025-1257 to state that the GSCA Board is not in favour of these changes and to offer alternative solutions.

### **Consultation:**

The CAO has arranged to meet with most of GSCA's participating municipal councils prior to the commenting deadline to provide this information and to solicit feedback.



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## **Appendices:**

1. Staff Presentation Slide Deck
2. ERO Posting Supplemental Document
3. Conservation Authorities Act, red-lined to show changes