

Discussion Paper:

Conserving Ontario's Natural Heritage

Introduction

Natural heritage provides many benefits to people and the natural world. These benefits include providing habitat for fish and wildlife, filtering air and water, mitigating flooding and erosion, storing carbon, and providing a wide range of recreation and tourism opportunities. But conserving Ontario's natural heritage has become more difficult as development pressures, climate change and other threats isolate and threaten wetlands, woodlands, and other natural wildlife habitat.

These challenges are not unique to Ontario. Natural heritage is under pressure across the globe. Several jurisdictions and organizations, including several Canadian provinces, have responded with programs that offset development pressures on natural heritage, including wetlands.

In Ontario, natural heritage conservation is primarily implemented through the land use planning framework, including the *Planning Act* and the Provincial Policy Statement. Several provincial land use plans and statutes provide specific protections for natural heritage features, including wetlands. However, none of these incorporate provisions for offsetting, although some conservation authorities have developed their own policies.

This paper is seeking feedback on how Ontario could offset development pressures on wetlands, woodlands, and other natural wildlife habitat. The Ministry of Natural Resources and Forestry is considering developing an offset policy that would require a net positive impact on these features and help reverse the decades-long trend of natural heritage loss in Ontario.

Your feedback is important. We want to hear what you think about our proposals. Which do you support or disagree with? Do you have any suggestions that would enable Ontario to support development and the growing demand for housing while ensuring that we continue to benefit from the important role that wetlands, woodlands and other natural wildlife habitat play in our communities?

This discussion paper has been posted on the Environmental Registry for a 66-day consultation period, closing on December 30th, 2022. Please provide your comments and suggestion via the Environmental Registry posting by visiting www.ero.ontario.ca and entering posting number 019-6161.

Linkages to other Postings

This proposal complements other initiatives supporting Ontario's commitment to build 1.5 million homes over the next ten years. <https://ero.ontario.ca/notice/019-6162>

A New Approach

The development of an ecological offsetting policy in Ontario would provide a tool for better land use decisions and help compensate for the loss of wetlands, woodlands, and other natural wildlife habitat in the province. The result of an offsetting policy should be a net gain in natural heritage area and/or function.

Ecological offsetting is an approach in which negative impacts of land use decisions on natural heritage are offset by the intentional restoration or creation of new natural heritage features like wetlands to provide even greater positive environmental impacts.

The objective of this new approach is stopping the net loss of natural heritage in Ontario and reversing the trend by focusing on restoration and net gain. In practice, this means taking steps to avoid or mitigate the impact on natural heritage – and where that's not possible, offset for the loss of natural heritage to restore or create new natural heritage features.

These steps – avoid, mitigate, and offset are common to many offsetting policies in other jurisdictions.

Ontario is considering the following principles in the development of an offsetting policy:

Net Gain. The goal of the offsetting policy should be net gain with respect to the extent and quality of natural heritage features or their functions, within a reasonable period of time.

Avoidance first. Offsetting should be the last step after other options to avoid and mitigate any impacts on natural heritage are considered.

Informed. Offsetting should consider the best available science, and knowledge, including Traditional Ecological Knowledge.

Transparency and accountability. The offsetting policy should incorporate provisions for oversight, tracking and public reporting on the effectiveness of implementation.

Limits to Offsets. Some wetlands, like coastal wetlands, bogs and fens in southern Ontario, and other areas that historically have been important for recreation and tourism should be ineligible for offsetting.

Implementation

The first step in determining an offset is assessing the natural heritage features that would be impacted by development. The baseline assessment would consider the area, location, scale, function, and values of the feature.

Next, the policy would apply an offset ratio to achieve a net gain in natural heritage. Different ratios could be used for certain functions. For example, some functions could be offset at a different scale than others. Higher offset ratios could be required for natural heritage features that provide multiple ecological, cultural, and recreational benefits.

In some cases, the baseline assessment and offset ratios would also be used to determine a compensation amount that would be paid to a fund that could be used to implement an offset, including construction, monitoring and adaptive management. Ideally, offsets should be located in the same watershed; however, offsets outside the watershed could be considered where there is opportunity for greater conservation outcomes.

This approach could also enable opportunities to pool funds to support large, strategic projects rather than re-creating small, isolated offsets. A fund could also invest in areas of the province where natural heritage loss has been the greatest.

Other Things to Consider

The province has other mechanisms that conserve natural heritage including.

- Conservation Land and Managed Forest Tax Incentive Programs
- Areas of Natural and Scientific Interest
- Provincial guidance including the Natural Heritage Reference Manual and Significant Wildlife Habitat Technical Guide

We would welcome your suggestions on changes, if any, to these mechanisms as well as your comments on the proposal to create an offsetting policy that would enable Ontario to support development and the growing demand for housing while ensuring that we continue to benefit from the important role that wetlands, woodlands and other natural wildlife habitat play in our communities.