

Regional Consolidation of Conservation Authorities

AMO RESPONSE TO THE MINISTRY OF ENVIRONMENT, CONSERVATION AND
PARKS

ERO 025-1257
December 22, 2025

About AMO

The Association of Municipalities of Ontario (AMO) is a non-profit, non-partisan association that represents the interests of all 444 municipal governments across Ontario. AMO addresses common challenges facing our members and provides meaningful advice to the provincial and federal governments on practical solutions on a wide range of issues that directly impact local governments and the citizens they serve. AMO is actively involved in natural resources management and municipal service delivery advocacy because municipal governments play an important role in protecting public and private property and providing cost-effective services to their communities.

Executive Summary

AMO is pleased to provide comments on the proposed regional consolidation of Ontario's conservation authorities (CAs) in response to posting 025-1257 in the Environmental and Regulatory Registry of Ontario.

AMO supports the proposal's intent to reduce duplicative costs that could free up resources for frontline conservation and better align CAs' services with provincial priorities on housing, the economy, infrastructure, and climate resilience.

We, however, have concerns that the proposed changes could create service delivery disruption, regulatory and legal uncertainty, and increase administrative costs. Outcomes that would undermine the proposal's objectives of predictable and consistent permitting approvals and timelines, and CAs' capacity to proactively protect people and properties from floods and other natural hazards.

AMO recommends the province consider the following governance, funding, and stakeholder engagement principles as it works towards finalizing its proposal to create a new oversight body, the Ontario Provincial Conservation Agency, and consolidating the existing 36 CAs into seven mega regional CAs:

Governance

1. Maintain and prioritize local governance, expertise, and decision-making in CA consolidation.

Funding

2. The province funds transition costs to mitigate service delivery impacts.
3. The province restores a 50-50 municipal-provincial funding partnership that reflects its increased authority over CA operations, and potentially its fees.

Stakeholder Engagement

4. The province collaborates on creating an implementation working group which would develop options, and group membership would include AMO, Conservation Ontario, select CAs and municipalities, developers, and Indigenous communities.

Conservation Authorities: stewards of orderly development, protectors of people and property values, and providers of recreational and nature-based educational opportunities

CAs play a vital role in the lives of Ontarians¹. They ensure orderly land development and protection of people, properties, and property values by directing development and human activity away from natural hazards and floodplains². CAs achieve these outcomes by managing watersheds and other natural resources within their boundaries and are frontline first responders to flooding events. They also provide recreational and nature-based educational opportunities to the communities they serve, which is how many Ontarians first encounter and become aware of CAs.

AMO supports the province's goal to streamline and improve the land development services provided by CAs as it takes concrete action to build more homes and growth enabling infrastructure such as highways. We, however, are concerned that the scale and pace of the proposed changes, undertaken without prior consultation with affected stakeholders including the municipal sector and CAs, risks increasing regulatory burden and costs, and eroding responsive local decision making, including permitting time.

AMO recommends the province consider the following governance, funding, and stakeholder engagement principles as it works towards finalizing its proposal. We look forward to the opportunity to work with the province to advance these recommendations and our shared housing and infrastructure ambitions.

Recommendation 1 (Governance): Maintain and prioritize local governance, expertise, and decision-making in CA consolidation.

Rationale:

CAs collectively own 150,000 hectares of land and 900 flood and water management assets such as dams³. They employ more than 3,900 personnel to manage these assets and run recreational and education programs, services valued at \$390 million annually⁴. The sound management of CAs and their landholdings requires extensive on-the-ground expertise and understanding of the unique environmental conditions within their catchment area. Knowledge that translates into timely development application review and approvals. The provincial standard for application review is 30 days. CAs meet this service level standard 90% to 96% of time, with average processing time of

¹ An estimated 95% of Ontarians live in a watershed managed by conservation authorities. Source: Conservation Ontario's [Partners for a More Resilient Ontario](#) fact sheet.

² The flood protection role that CAs play in protecting properties is becoming increasingly more important as flooding become more frequent and intense due to climate change. According to estimates from the [Intact Centre on Climate Adaptation](#) at the University of Waterloo, 10% of Canada's home market is uninsurable for overland flooding and homes in flood impacted communities have sold for up to 17 per cent less following a flood event.

³ Conservation Ontario's [Partners for a More Resilient Ontario](#) fact sheet. The flood control and prevention infrastructure are valued at \$3.8 billion.

⁴ Ibid.

seven to nine days⁵. This level of speediness is rooted in the strong relationships and trust that CA employees have developed with key stakeholders, such as municipalities, Indigenous communities, developers, farmers, and property owners.

Local oversight of CAs is also a key contributing factor to timely permitting. Elected municipal officials serve on CA boards where their duties are to provide operational, financial, and strategic oversight of CAs. Municipalities have a vested interest in well managed CAs. They are a key, and in many instances, the largest funder of CAs. In 2023, municipalities provided \$179 million to CAs via transfer payments⁶. These funds accounted for 25% to 68% of CAs' annual operating budgets⁷. Municipalities are keen to grow their property tax base as property taxes are one of the few unrestricted revenue tools they have. It's in their financial interest to ensure watershed, land, and natural resources planning and management proactively protect property values while also supporting new and orderly land development.

AMO supports CA consolidation, but the creation of seven mega regional conservation authorities is at a scale that would undermine and dilute the local accountability, knowledge, and community-based relationships that are the bedrock of responsive and cost-effective permitting approvals⁸. For example, were the proposed Huron-Superior Regional Conservation Authority enacted, CA employees would service the needs of at least 78 communities, covering a geographic distance greater than 1,400 km, and where there's little shared hydrology, climate, infrastructure needs, or growth pressures.

Recommendation 2 (Funding): The province funds transition costs to mitigate service delivery impacts.

Rationale:

Each CA operates as an independent corporation. Even though CAs have shared mandates each CA has discretion of how best to operationalize its mandate. The province's consolidation goals of reduced administrative costs, and standardization of policies, fees, service levels, and technical capabilities cannot happen without harmonization of many parts of a CA's operations. These include:

- IT and data system integration
- wage and union harmonization
- fee and policy alignment
- corporate service model consolidation
- rebranding, signage, and legal transitions.

⁵ Based on data from Lakehead Conservation Authority, Ausable Bayfield Conservation Authority and Maitland Valley Conservation Authority. Permitting delays are often the result of incomplete or missing info that CA staff require to complete their permitting review.

⁶ AMO analysis of schedule 40 and 42 of municipal Financial Information Returns. Number of reporting municipalities is 171 (out of 444).

⁷ AMO analysis of municipal council resolutions as of December 15, 2025.

⁸ For physical-based activities, such as land development approvals, increased distance will lead to diseconomies of scale due to increased transaction costs, such as greater travel time.

- asset and liability assessment⁹.

Given the operational and systems variability across CAs, harmonization costs are anticipated to be significant. The recent merger of public health units is an example of the transition costs inherent to harmonization. All four voluntary mergers were accompanied by millions of dollars in provincial support to maintain service continuity.

To encourage voluntary public health unit mergers the province established a three-year merger transition fund. We recommend the province establish a similar multi-year transition fund for CA consolidation. The fund would cover transition costs and maintain business continuity in program and service delivery while change is underway. For full transparency, we encourage the province to first publish a robust quantitative cost-benefit analysis of the one-time transitional and incremental on-going costs of harmonization that lays out the financial, operational and governance impacts of the proposed changes before it designs the transition funding program.

Recommendation 3 (Funding): The province restores a 50-50 municipal-provincial funding partnership that reflect its increased authority over CA operations and potential fees.

Rationale:

The principle of “pay for say” needs to be reflected in the implementation of a new provincial oversight agency. Provincial funding of CAs vary but they range from 0.5% to 5%, which is significantly below municipal funding that ranges from 25% to 68% of a CA’s operating budget¹⁰. We urge the province to restore its 50-50 municipal-provincial funding model that existed in the 1990s to reflect its increased authority over the operations and management of CAs.

Recommendation 4 (Stakeholder Engagement): The province collaborates on creating an implementation working group that would develop options, and group membership would include AMO, Conservation Ontario, select CAs and municipalities, developers, and Indigenous communities.

Rationale:

All stakeholders, including the development industry, benefit from regulatory certainty. Consolidation introduces additional unknowns at an already uncertain time in the sector, following recent provincial changes to the role of CAs. The implementation of any regional consolidation needs to be delivered in a measured and predictable manner. And sufficient time is required by municipalities and CAs to develop appropriate transition plans that minimize service delivery disruptions and net new fiscal pressures

⁹ Amalgamating landownership will be a complex undertaking. Legal instruments such as land titles, surveys, easement agreements, will need to be reviewed in detail and is anticipated to entail significant legal costs. Future land donations by private citizens could be jeopardized under the proposed CA boundary changes as the larger scale erodes the local connection that motivates gift giving.

¹⁰ AMO analysis of council resolutions

on municipal and CA balance sheets.

Municipalities and CAs, given their respective and unique roles in land development, are best placed to develop solutions that deliver on the province's consolidation objectives. We encourage the province to collaborate on establishing an implementation working group tasked with developing alternative policy options that would deliver on the province's cost savings and modernization objectives while protecting local decision making and municipal fiscal sustainability. The scope of work could include:

- Board governance
- CA boundaries and organizational design
- funding mechanisms, allocations, and reserve structures
- permitting approval standardization
- centralized corporate services
- common service standards
- transition plans, including service continuity, points of contact, permitting continuity measures, board and staff communications.

The proposed work could mirror the approach taken for the voluntary merger of public health units whereby a 12-month collaborative design phase was followed by a three-year implementation period backed by provincial transition funding and support.

As for working group membership, having regional municipal representation will be key to developing solutions that are workable and accepted by different parts of the province. For each proposed regional CA, we encourage the province to select municipalities along the following criteria:

- state of residential, commercial, and industrial growth (no, stable, fast)
- level of urbanization (rural, suburban, urban)
- level of CA funding (less than 25% of CA total operating budget, 25% to 50%, greater than 50%).

Conclusion

Conservation authorities are key actors in the province's land-use planning system. They play a vital role in ensuring orderly land development and protecting new and existing developments from natural hazards including flooding. The province's efforts to increase housing supply and to bring this supply to market more quickly is aided by the timely permitting approvals carried out by CAs. AMO supports the province's goal of reducing duplicative costs in the current CA system. Savings that could free up resources for frontline conservation and better align CAs' services with provincial priorities on housing, the economy, infrastructure, and climate resilience.

We, however, have concerns that the proposed legislative changes could create service delivery disruption, regulatory and legal uncertainty, and increase administrative costs. Outcomes contrary to the policy intent of the proposed changes. AMO looks forward to collaborating with the province to help bring municipal stakeholders and perspectives forward as the province finalizes its work on transforming the current CA system.