

## Executive Summary

The Ontario Headwaters Institute perceives that the province's varied approaches to watershed management have become diluted, fragmented, and ineffective, and should be replaced with an Outcomes-based Framework for Watershed Security, which we define as healthy and resilient watersheds that protect regional ecological integrity, social wellbeing, and economic vitality.

Not only would prescribed ecological outcomes safeguard our watersheds, biodiversity, public health, and economic vitality, a framework identifying a clear lead agency for the outcomes would deliver what the Ontario government has been talking about since 2018: stream-lined, more effective environmental management.

This paper describes the strengths of the province's original commitment to watershed management; the emergence of policy and implementation gaps; and how the current approach has been dismantled in favour of efforts to facilitate the Housing Action Plan.

It also provides the basis for a series of further papers with recommendations on how to shift Ontario to an Outcomes-based Framework for Watershed Security, as listed on the last page below.

## Background

Having invented and then cultivated watershed management for about 70 years, Ontario has purposefully backed away from its commitments to watershed health since 2018.

During this period, it has reduced the mandate of conservation authorities and other key environmental initiatives, mostly in order to facilitate its Housing Action Plan. These actions have included Bill 23 (the More Homes Built Faster Act), Bill 85 (the Building a Stronger Ontario Act), and Bill 185 (the Cutting Red Tape to Build More Homes Act).

In addition, the Province has amended key aspects of the environmental assessment process, the Species at Risk Act, archived its wetland strategy while amending the wetland evaluation process, pushed urban boundary expansion against the will of some municipalities, and performed end-runs around normal planning procedures by issuing an historically high number of Minister's Zoning Orders.

It has also created public turmoil with ill-conceived efforts to remove significant portions of the Greenbelt, in contradiction of public promises to not do so, sparking multiple inquiries.

Finally, the Government revoked the right of Conservation Authorities (CAs), or indeed anyone not adjoining the proposed development, to appeal municipal plan amendments or development permits to the Ontario Land Tribunal. This removes an historic, legal avenue of redress under which anyone, or our CAs, could have sought sober second thought on safeguarding water in, flowing through, or downstream of a development site.

Many of the individual actions above reduce Ontario's environmental integrity. Together, they represent a significant threat to the health and resilience of our watersheds. Given increasing population and development in Ontario, as well as the climate and biodiversity crises, we must shift from the current approach to watershed management to an Outcomes-based Framework for Watershed Security.

## The Establishment of the Watershed Management Model

Following the creation of the first few conservation authorities while responding to broader issues of significant deforestation, soil erosion, and flooding in the 1930s and 40s, Ontario proclaimed the Conservation

Authorities Act, 1946, which led to the establishment of what would become 36 conservation authorities. Unique in the world at the time, CAs were established to help manage natural resources on a watershed basis, with local municipalities appointing members to the governing board of each CA, based on their population, with funding provided by both the local municipalities and the Province.

The mandate for CAs included watershed management, pollution, and the conservation of land, under which each CA generally gained ownership of and/or responsibility for dams and weirs, floodplains along river valleys. They also submitted comments on municipal planning instruments and issued permits for sediment control on and water flowing from new development into local waters.

Over time, CAs obtained ownership of or responsibility for conservation areas - areas in natural heritage – some of which operate as recreational venues for the public while others have more restricted access due to sensitive environmental considerations. Many CAs also developed expertise in habitat and wetland restoration into strategic support for key components of municipal capital projects.

### The Broader Context of Environmental Management

Global concern about increasing population, expanding urban settlement, and growing industrial capacity, highlighted by the 1972 UN Conference on the Human Environment and “Limits to Growth”, published that same year, led to both immediate and longer-term shifts in government commitments to the environment.

Later that same year, Ontario created the Ministry of the Environment and in 1973 proclaimed the Niagara Escarpment Planning and Development Act, one of the world’s first areas with an environmental plan.

Ontario also is involved in helping Canada deliver its obligations under the Great Lakes Water Quality Agreement, primarily through the COA – the Canada-Ontario Agreement on Great Lakes Water Quality and Ecosystem Health.

From then through 2018, Ontario enacted legislation or regulations that included: requiring environmental assessments for provincial, municipal and specified undertakings; proclaiming the Oak Ridges Moraine Conservation Act and later created Greenbelt Act, the world’s largest such area; protecting species at risk; providing guidance to planning with specific direction on the protection of water; and implementing several initiatives to protect drinking water, wetlands, and the Great Lakes.

More recently, it harmonized regulations for the special planning areas of the Niagara Escarpment, Oak Ridges Moraine, and Greenbelt; suggested density targets to expedite transit and contain sprawl; and passed the Lake Simcoe Protection Act.

### Gaps in Ontario’s Approach to Watershed Management

In spite of the evolution of watershed management in Ontario, the claim that Ontario has a systemic approach for watershed management is false. Rather, there are six approaches just in South-central Ontario, excluding First Nation lands, some of which overlap geographically, and more in the North.

These six areas, shown on a drawing titled Watershed Management in South-central Ontario and found on our home page, are: areas managed by Ontario’s 36 conservation authorities; areas managed by the Ministry of Natural Resources; areas under the Greenbelt Plan; areas in the Lake Simcoe Protection Plan; areas in the Severn Sound Environmental Association, and hybrids such as that in the District Municipality of Muskoka.

Major gaps across these approaches, however, have created a system that is fragmented, unevenly delivered, and regionally inequitable. Key issues are described overleaf.

## Land Use and Watershed Planning

- Canada and Ontario have strained relations for water and land use planning, caused by jurisdiction issues under the constitution;
- In spite of collaboration on excess nutrients flowing to and causing algal blooms in Lake Erie, the Canada-Ontario Agreement on Great Lakes Water Quality and Ecosystem Health does not codify federal-provincial cooperation on watershed management;
- Ontario has not established goals for natural heritage protection, such as those in the federal guideline “How much Habitat is Enough” or that could be based on either the Ontario Natural Heritage Reference Manual or Ontario’s Biodiversity Strategy, 2023-2030;
- The Province does not enforce s. 4.2. of the Provincial Planning Statement (PPS) which states that “Planning authorities shall protect, improve or restore the quality and quantity of water by...using the watershed as the ecologically meaningful scale for integrated and long-term planning, which can be a foundation for considering cumulative impacts of development”;
- In spite of the reference in the PPS to cumulative monitoring as above, the Province has not moved to implement it, and in fact has revised the PPS without the required reviews of its effectiveness;
- The Provincial Water Quality Objectives are just that, and have no triggers for any required action. As a result, any water body can severely exceed the water quality objectives, and/or exceed them repeatedly, and no agency is required to take any action whatsoever;
- Ontario has archived its Wetland Strategy and amended the provincial wetland evaluation system, making it very difficult to identify and protect new provincially significant wetlands;
- The Conservation Authorities Act has been significantly amended, with “watershed management”, “pollution”, and “the conservation of land” deleted from their mandate;
- Regional planning has been abolished while conservation authorities (CAs) are no longer able to comment on draft municipal official plans and can no longer initiate nor be a party to an appeal to the Ontario Land Tribunal;
- Further on this issue, new rules effective January 1, 2025, allow the province to direct conservation authorities to issue or not issue development permits, regardless of conformity to CA permitting requirements;
- Some of these policies, such as those required under legislation to address Development, Interference with Wetlands, and Alterations to Shorelines and Watercourses, are highly varied across the 36 CAs;
- While some of the larger, better-funded CAs adopted Integrated Watershed Management, this is no longer possible given the recent changes above;
- While many CAs implement some form of adaptive management, responding to poor results from monitoring, less well-funded CAs struggle to identify and regenerate degraded conditions;
- In areas without CAs, some municipalities lack mapping and policies to protect natural heritage, manage stormwater, pursue green development standards, and may not even require permits for site alteration, which can lead to indiscriminate land conversion such as the filling in of wetlands. Worse, some municipalities are using “equivalents” to watershed planning while others have abandoned an ecosystem approach to planning in favour of a far-less thorough landscape features approach;
- While a helpful tool for public education, Watershed Report Cards published by CAs are not integrated with other reports on water quality, water quantity, nor even the reports of the Source Protection Authorities that are managed by the same CAs. This means that there is no regional nor provincial co-ordination to help identify priorities and budgets for remediation; and,
- Regional ecological integrity in South-central Ontario is currently being severely challenged by the rampant expansion of development onto land on the fringe or outside of existing municipalities. This secondary land conversion, following initial settlement from about 1800 to 1945, will significantly reduce natural heritage, biodiversity, and food security while threatening hydrologic norms due to the massive increase in impervious surfaces.

## Weakening the Broader Context of Environmental Management

Most of the aspects in the environmental framework described a few sections above have also been significantly curtailed since 2018, as Ontario has repeatedly expressed its intention to facilitate the Housing Action Plan by reducing or streamlining environmental red tape, when in fact it has slashed environmental safeguards with virtually no discussion of how to make environmental safeguards more efficient.

Government actions have included removing or reducing key aspects of the environmental assessment process; serial threats to the Greenbelt; lowering density targets for new development that will convert more natural heritage than otherwise required; amending the Species at Risk Act to allow payment instead of the past requirement to implement an actual species protection plan; and issuing scores of Minister's Zoning Orders that end-run the normal planning process.

In addition, restrictions on aggregate extraction below the water table have been eliminated, threatening both the volume and quality of ground water as it emerges to surface water elsewhere and potentially threatening water needed for human consumption, livestock, and crops as well as watershed health and biodiversity.

In addition to all the above, the OHI perceives that watershed management in Ontario has become process-oriented rather than serving as a means to safeguard clear objectives for watershed health. The most egregious example of this is where community organizations have to oppose a landscape features approach in an official plan, that would leave minimal natural heritage isolated in new urban sprawl, instead of the municipality using an ecosystem approach that would retain valued ecosystem function.

This behaviour can extend into a tainted permitting process in which municipalities seek the lowest possible costs for development instead of fulfilling their duty to protect water. In one situation, it took community organizations about three years to obtain chillers to lower the temperature of effluent from a sewage treatment plant that would otherwise destroy a vibrant cold-water fishery in the Upper West Credit River. In another, community efforts have sought to prevent stormwater from reconstructed roadways, salt-laden and heated by sunlight, from being routed directly into the Rocky Saugeen, another cold-water fishery.

**These needless fights, that occur repeatedly and drain community resources while favouring development, would not occur in a framework founded on baseline outcomes for watershed security.**

## Conclusion

The Ontario Headwaters Institute strongly recommends that the current approach to watershed management be replaced with an Outcomes-based Framework for Watershed Security, with clear objectives that would be the responsibility of a lead agency.

Not only would this safeguard our watersheds, biodiversity, and public health, and economic vitality, it would deliver what the Ontario government has been talking about since 2018: stream-lined, more effective environmental management.

To inform the development of that framework, we provide the following a series of initial recommendations: associated with this introduction, beginning with:

- Restoring the Provincial Vision to Protect Our Watersheds;
- Integrating Land Use and Watershed Planning Through a Municipal Charter for Watershed Security; and,
- A Revitalized and Expanded Role for Conservation Authorities.

Each set of recommendations will be refined, and we will develop more.

We are available for presentations on any aspect of the Outcomes-based Framework for Watershed Security and will be advocating for it to all levels of government, as well as to community and business organizations.

Given that Ontario's varied approaches to watershed management have become diluted, fragmented, and ineffective, we believe they should be replaced by an Outcomes-based Framework for Watershed Security, which we define as healthy and resilient watersheds that protect regional ecological integrity, social wellbeing, and economic vitality.

Not only would prescribed ecological outcomes safeguard our watersheds, biodiversity, public health, and economic vitality, a framework identifying a clear lead agency for the outcomes would deliver what the Ontario government has been talking about since 2018: stream-lined, more effective environmental management.

Key recommendations to restore the provincial vision to protect our watersheds are described below. Please note that these recommendations dovetail with two other sets of recommendations also being released at this time - recommendations Integrating Land Use and Watershed Planning Through a Municipal Charter for Watershed Security and those for a Revitalized and Expanded Role for Conservation Authorities.

Our top recommendations are that:

- Ontario should pursue an amendment to or new annex in the Canada-Ontario Agreement on Great Lakes Water Quality and Ecosystem Health on increased federal / provincial cooperation on watershed security, perhaps based on existing collaborative efforts to address nutrient flow to and algae in Lake Erie;
- Ontario should establish natural heritage targets, similar to those in the federal guideline "How Much Habitat is Enough", such as agreed percentages of a watercourse to be in natural heritage, wetlands, and streamside vegetation, with mechanisms to set restoration goals where a watershed is below target;
- Ontario's planning regime should articulate support for regional food security, sustainable agricultural practices, and farm succession;
- In the Provincial Planning Statement (PPS), Ontario should:
  - Reinforce the obligation that planning authorities shall "protect, improve or restore the quality and quantity of water by...using the watershed as the ecologically meaningful scale for integrated and long-term planning";
  - Reinstate climate change impacts as a key consideration in protecting water; and,
  - Move to create and implement the cumulative monitoring referred to in the Statement;
- Ontario should establish triggers, lead agencies, and a protocol for action when monitoring results indicate that a Provincial Water Quality Objective has been exceeded;
- The Province should restore the archived Wetland Policy and rescind recent amendments to the Ontario Wetland Evaluation System that limit the future identification of provincially significant wetlands;
- Ontario should revoke the blanket ability of aggregate extraction sites to operate below the water table and instead develop an appropriate protocol to protect and monitor groundwater on a site-by-site basis;
- Municipal Official Plans should require watershed studies, based on the ecosystem approach, prior to issuing development permits, and should include natural heritage system studies that include the identification of significant surface water contribution areas and plans to protect regional biodiversity;
- All municipalities in Ontario should be required to have a permitting system for site alteration, especially as such might impact water, with appropriate measures for inspection, halt-work orders, and adjudication;
- Minister's Zoning Orders should require a certificate on the non-impairment of watershed security from a designated agency, such as a conservation authority or the Ministry of the Environment, Conservation, and Parks; and,
- Concerns about the quality and quantity of water in, flowing through, or downstream from development being considered by a planning authority should be re-instated as eligible criteria for appeals to the Ontario Land Tribunal.

**Recommendations for Municipalities: April 22, 2025**  
**Integrating Land Use and Watershed Planning**  
**Through a Municipal Charter for Watershed Security**

Ontario municipalities deliver core services that impact watershed security, which we define as healthy and resilient watersheds that protect regional ecological integrity, social wellbeing, and economic vitality. These core services include land use planning and the management of drinking water, storm water, and sanitary sewage systems.

This is recognized in a clarion manner in the Provincial Planning Statement, directing that planning authorities “shall protect, improve, or restore the quality and quantity of water by ... using the watershed as the ecologically meaningful scale for integrated and long-term planning, which can be a foundation for considering cumulative impacts of development”.

The Provincial Planning Statement (PPS) also requires a municipality to minimize the potential negative impacts of planning on water, including cross-jurisdictional and cross-watershed impacts.

Unfortunately, the ecological integrity and biodiversity of our watersheds are threatened, especially in South-central Ontario, due to the inadequate implementation of the PPS, changes to the mandates of conservation authorities, and the rollback of other environmental safeguards due mostly to the Housing Action Plan.

Threats include diminished and fragmented natural heritage, increased flow from hardened surfaces, pollution (including from road salt), and impacts from climate change that include increased temperature and alterations to both the hydrologic cycle and the chemical composition of precipitation.

**Given the directives of the PPS, gaps in the provincial framework for planning, growing population and development pressures, and the climate and biodiversity crises, the Ontario Headwaters Institute considers it fundamentally important that our municipalities integrate land use and watershed planning. We suggest they address the current challenge through the following eight actions to:**

- Endorse the OHI Municipal Charter, draft something similar, and/or pass a council motion to integrate land use and watershed planning;
- Commit to a whole watershed approach, seeking normal flows of clean water entering the municipality from areas upstream as well as to assure the same for communities downstream;
- Use aquatic and terrestrial studies to identify and protect key ecological features and functions;
- Direct early efforts in key municipal departments, such as economic development, permitting, transportation, and works, to integrate their responsibilities for land use and watershed planning, including the consideration of climate change and the need to protect biodiversity;
- Establish watershed and/or sub-watershed targets, including restoration targets where needed, for areas in natural heritage, wetlands, streamside vegetation, and urban canopies;
- Ensure before and after terrestrial and aquatic monitoring of significant developments, including infrastructure projects, as identified in a municipal protocol;
- Implement watershed monitoring and apply adaptive management to redress poor conditions in the watershed; and,
- Encourage sound stewardship practices on all land in the municipality.

The OHI offers these suggested actions so that municipalities can address local priorities and resources in a practical and flexible manner. We also suggest that many aspects related to the development and successful implementation of a charter would benefit from broad community engagement. We are available to discuss the development or implementation of a local charter with any municipality at its convenience.

## Recommendations for Conservation Authorities: April 22, 2025 A Revitalized and Expanded Role in Watershed Security

Having invented and then cultivated watershed management for about 70 years, Ontario has purposefully backed away from its commitments to watershed health since 2018.

Over the last seven years, the Conservation Authorities Act has been significantly amended, with “watershed management”, “pollution”, and “the conservation of land” having been deleted from their mandate. Magnifying the harm caused by the elimination of regional planning and the reduction of other environmental safeguards, conservation authorities (CAs) are also no longer able to comment on draft municipal official plans and cannot initiate nor be a party to an appeal to the Ontario Land Tribunal.

These changes are bad enough in normal times, but spell disaster for watershed security and biodiversity at a time of significant population growth, climate change, and a provincial preference for low-density sprawl rather than compact, low-carbon, complete communities.

Worse, much of this sprawl is taking the form of secondary land conversion across South-central Ontario. Following initial, relatively modest municipal development from about 1800 to 1945, current municipal expansion is converting vast areas of natural heritage and agricultural land to impervious surfaces. This expansion will significantly impact our already-diminished and fragmented natural areas, biodiversity, and food security, while threatening watershed norms for water quantity, water quality, and temperature.

Consistent with our position that land use and watershed planning should be integrated at the municipal level, CAs retain a meaningful ability to guide efforts toward watershed security, especially with respect to the threat represented by extensive population growth and secondary land conversion. Key recommendations are that:

- Ontario restore the mandates for watershed management, pollution, and the conservation of land in the Conservation Authorities Act;
- Ontario revoke the restrictions on conservation authorities from commenting on municipal planning instruments as well as to initiate or to be a party to an appeal to the Ontario Land Tribunal;
- Ontario work with Conservation Ontario, the collective entity of all 36 conservation authorities, to harmonize conservation authority policies required under provincial direction for Development, Interference with Wetlands, and Alterations to Shorelines and Watercourses, perhaps using the guidelines in the Ontario Natural Heritage Reference Manual;
- Ontario direct and provide support to Conservation Ontario to maintain and improve Conservation authority report cards, with extensive public consultation;
- Ontario direct and provide support to Conservation Ontario to co-lead discussions, with the Ministry of the Environment, Conservation, and Parks, on the creation of Regional Water Boards to receive, review, and formulate responses to watershed-based report cards, including those on drinking water and biodiversity, perhaps based on the existing conservation authority role in source protection, which should be retained;
- Ontario direct and provide support to Conservation Ontario to co-lead an initiative with the Association of Municipalities of Ontario on the establishment of a fee-based Watershed Management Service Bureau to help municipalities integrate land use and watershed planning; and,
- Ontario direct and provide support to Conservation Ontario to co-lead, with appropriate ministries, a massive effort to identify areas to enlarge or create new Greenbelt-style core and corridor natural heritage areas as a counter-balance to the extensive secondary land conversion now taking place across South-central Ontario, especially in areas of anticipated high population growth

**This last initiative would constitute the basis of a multi-generation effort to safeguard our watersheds, their biodiversity, and agricultural land; reduce environmental risk and avoid the future costs of reduced natural assets; and help deliver nature-based solutions to address the climate crisis.**