

Commentary:
**Prescribed Future Pathway for Ontario Conservation Authorities: Regulatory
Impacts and Implications**

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ABSTRACT

In a previous commentary published in the Canadian Water Resources Journal (Mitchell, Shrubsole and Watson, 2021), we examined changes proposed by the Ontario provincial government for Conservation Authorities. We explored the question of whether Conservation Authorities would end or evolve, or experience an interlude or epiphany as a consequence of the changes. In this follow-up commentary, we return to that same question following the publication of two additional reports by the Ontario provincial government in late 2021 and early 2022. In addition to summarizing key changes pertaining to regulation, governance,

administration and financing, this second commentary provides an initial assessment of potential impacts of the new policies and arrangements. By introducing new regulations regarding conduct and organization, the Ontario provincial government has embarked on a much more interventionist approach to the governance of the CAs. In addition, the provincial government itself has new powers to determine amounts owed by municipalities for the provision of CA programs and services. It can be expected that all CAs will increasingly focus their work on delivering mandatory programs and services in respect of natural hazards management and water source protection. The provision of any additional, non-mandatory, programs and services will be determined locally by each CA and the relevant municipalities. Local-level decisions will reflect differences in needs, priorities and available funding according to revenues available from local taxes. As such, the extent of CA program and service provision is likely to vary considerably across the province, benefitting some communities and resource users much more than others. In our view, the combined changes do not signal an end to the CAs Ontario. Nevertheless, the changes do indicate a shift in local-provincial government relationships that is likely to affect the management and governance of watersheds throughout Ontario.

Introduction

In our previous Commentary (Mitchell, Shrubsole and Watson, 2021), we examined the role of the conservation authorities (CAs) in Ontario. We considered whether CAs would end or evolve, or reach an interlude or epiphany following changes to their regulatory functions and rules of conduct proposed by the Ontario provincial government. As is common throughout Canada and many other democratic countries, in Ontario members of elected provincial governments have the power to propose new or amended legislation. Such proposals are then scrutinized and debated via provincial parliamentary procedures, resulting in decisions to accept, amend or reject the proposed legislation or regulations. Legislative and regulatory proposals are, in part, about substantive details – in this case, the operation of the CAs. However, such proposals are also about the promotion of political ideas and ideologies – such as the importance of economic development and the balance to be struck against environmental and social concerns, and also views regarding the appropriate organization of government and the use of power.

Our previous Commentary covered experience of the CAs from their founding in the mid-1940s until the end of 2020. We noted that the Ontario government in December 2020 had created a Working Group to identify acceptable changes for the future role of conservation authorities. Prior to this, provincial government proposals had been met with a mix of support and opposition from CAs and other organizations with interests in resource conservation and development. The Working Group was directed to provide advice on proposed regulations under the Conservation Authorities Act, and also advice about how conservation authorities are governed, with particular regard to: (1) mandatory core programs and services conservation authorities would provide, (2) agreements between municipalities and conservation authorities and the transition period associated with conservation authorities providing non-mandatory programs and

services, and (3) how local members of the community can better participate in their conservation authorities through community advisory boards (Ontario, Environmental Registry of Ontario, 2021).

In this follow-up Commentary, we examine the position taken by the provincial Conservative Government as expressed in reports published late in 2021 and in January 2022. The details covered in the first report, and the potential impacts or implications for resource conservation and management in Ontario are considered below.

2. Regulatory Proposals

The regulatory proposals outlined in the first report relate to future core programs and services, transition plans and rules of conduct in CA areas. The intent is described by the Ontario government as to:

“...help to improve the governance, oversight and accountability of CAs, while respecting taxpayer dollars by giving municipalities more say over the CA programs and services they pay for. We are committed to ensuring that CAs are focused on their core mandate, including:

- helping protect people and property from the risk of natural hazards
- conserving and managing conservation authority-owned lands
- their roles in drinking water source protection.”

To achieve the above matters, the Ontario government identified six mandatory programs and services to be provided by conservation authorities. First, each CA will be required to provide mandatory programs and services related to risks posed by flooding, erosion, dynamic beaches, hazardous sites as defined by a Provincial policy statement in 2020, and low water/drought within their jurisdiction. For each type of identified natural hazard, CAs are to assess and manage risks and improve public awareness. Further, the prescribed options available to CAs for managing risks related natural hazards are comprehensive and include prevention, protection, mitigation, preparedness and responding to hazard events.

Second, to achieve effective programs and services, the Ontario government stipulated that each CA will: prepare a conservation area strategy; compile a land inventory; ensure they continue to maintain trails, facilities and to keep related amenities accessible (e.g., hiking and picnicking); create programs and services to secure its interests in its lands, prevent unlawful entry and protect the CA from possible liability; develop programs and services to conserve natural heritage features; and, administer Ministerial regulations related to rules of conduct on CA-owned land.

Third, each CA will be required to continue implementing provincial stream and groundwater monitoring programs, creating a core watershed-based resource management strategy which summarizes existing technical studies, monitoring programs as well as other information directly informing and supporting effective delivery of mandatory programs and services.

Fourth, CAs will continue to have various responsibilities as source protection agencies as specified under the Clean Water Act, 2006 through maintaining source protection committees, preparing progress reports related to implementation of source protection plans, and amending source protection plans as needed.

Fifth, CAs will be given authority for other duties, functions and responsibilities assigned in other legislation and prescribed by regulation. An example is on-site sewage systems matters prescribed under the provincial Building Code Act. To illustrate, the North Bay-Mattawa CA will continue to implement programs and services for on-site sewage systems, as specified in the Building Code Act. Sixth, under the Lake Simcoe Protection Act 2008, the Lake Simcoe Conservation Authority will continue to be responsible for activities specified in the Lake Simcoe Protection Plan.

2.1 Transition Plans and Revised Funding Arrangements

The first report also outlined expectations regarding how CAs will transition to the updated approach. This included new financial arrangements for non-mandatory programs and services deemed by a CA to be appropriate for its jurisdiction, with relevant municipalities required to provide all the necessary funds. The expectation was that a transition plan for each CA would be prepared by 31 December 2021, followed by an inventory of all CA programs and services. Specifically, guidelines were provided for:

“...the process for CAs to transition to the new funding model for non-mandatory programs and services a CA determines advisable for its jurisdiction and that the CA requires a municipal levy to fund. This included requirement for the preparation by the CA of a transition plan by December 31, 2021 and an inventory of the CA’s programs and services. A process to create an inventory of all related programs and initiatives with participating municipalities was to be created by February 28, 2022, as well as the stages involved to reach agreements with participating municipalities for use of municipal levies for non-mandatory programs and services determined by a CA to be appropriate.”

2.2 Rules of Conduct and Anticipated Costs

The proposed rules of conduct in conservation areas outlined in the report consolidate each individual Conservation Authority’s current regulations under Section 29 of the *Conservation Authorities Act* into a single Minister’s regulation. This new regulation continues to identify prohibited activities, and activities requiring permits on lands owned by CAs. Any new compliance or administrative costs regarding businesses, the public or non-profit organizations affected by the new or modified regulations are not identified in the report. Rather, the intent of the new or modified regulations is to improve governance, oversight and accountability of CAs and to address concerns raised by businesses and municipalities related to CAs undertaking programs beyond their core mandate and operations. Administrative costs relate to agreements with participating municipalities for non-mandatory programs and services.

This includes a municipal levy to fund, with levels expected to remain about the same, given that many CAs and municipalities regularly already negotiate annual CA budgets and agreements to fund various programs and service.

2.3 Consultation Arrangements and Responses

Consultation related to the regulatory proposals presented above occurred between May 31 and June 27, 2021. A total of 444 comments were received from the public, Indigenous communities and organizations, CAs, municipalities, environmental non-government organizations, community groups, industry and the development and agriculture sectors.

And, as already mentioned, the Ontario Ministry of the Environment, Conservation and Parks engaged with a working group with representatives from CAs, municipalities and other stakeholders, including those from the development and agriculture sectors, as a practical forum to seek feedback on the proposals.

The consultation process provided a mix of insights and suggestions. For example, respondents noted that low maintenance, passive recreation had been included in the list of mandatory CA programs and services, specifically maintaining facilities, trails or other amenities that support public access and recreational activities in conservation areas. In addition, the development and implementation of a watershed-based resource management strategy and implementation of the provincial stream and groundwater monitoring programs were maintained as mandatory programs and services. It was further noted that CAs will continue to deliver non-mandatory programs and services (e.g., private land stewardship) to respond to local priorities either under agreement with municipalities which are willing to pay for that program or service, or if they are able to secure other funds (e.g., provincial or federal grants or self-generated revenue). Other comments related to the clear timelines set for the CAs to deliver the requirements pertaining to mandatory programs. In contrast, some consultees expressed concern about the limited time allowed for new CA-municipal agreements to be created for any desired non-mandatory programs or services.

In response to the consultation feedback, the Provincial government issued the following statement about focus and timing for the stipulated changes. Specifically, it was stated that (Ontario, Environmental Registry of Ontario, 2021):

“Ontario is committed to ensuring that CAs are focused on their core mandate of helping protect people and property from the risk of natural hazards, the conservation and management of CA-owned lands and their roles in drinking water source protection. These regulations implement the changes made to the Conservation Authorities Act initiated in 2019. In response to feedback, with the transition to this new funding framework is to be completed by January 1, 2024, which will both meet the objective of ensuring municipalities have more say over CA programs and services they pay for, and provide CAs and municipalities appropriate time to complete the necessary deliverables and agreements as part of the transition. As well, the regulation has retained the ability

for a CA to be granted an extension of time beyond the transition date under certain circumstances.”

A further set of points emerged from the consultation process regarding proposals for CAs to establish Community Advisory Boards. For example, some respondents argued that the purpose of the boards should be clarified, while others commented the proposed boards would duplicate other advisory arrangements and boards already established by many CAs. Additional comments included recommendations for Indigenous membership on community advisory boards and requests for traditional ecological knowledge to receive consideration within management plans for conservation authority lands. In the context of such feedback, the Ontario government reported that:

“The ministry did not proceed with the regulation that would have required CAs to establish a community advisory board as many CAs across Ontario already have a diverse range of advisory boards and CAs can continue to include additional members, including from Indigenous communities, where there is interest. Further, where there is not an existing advisory board, CAs will continue to have the ability to establish one where they consider it appropriate and useful.”

2.4 Impact Analysis

The regulatory changes outlined above are likely to affect the organization and operation of the CAs in a number of ways. All of the 36 CAs are required to focus their work and resources on specific priority issues, which are identified under mandatory programs related to the management of natural hazards and the protection of source waters. In addition, all CAs are required to produce a conservation area strategy and land use inventory, while also dealing with operational matters, such as maintaining trails and recreation sites. Positively, the changes provide re-affirmation of the core purpose and functions of the CAs, and help to satisfy calls made by some interests for greater clarity and consistency among the CAs regarding the functions they do or do not undertake. Nevertheless, there could be challenges related to fully implementing the regulated changes, particularly in the low-population areas within the province where taxation revenues and therefore municipal financial contributions to the CAs are lower. One possible outcome is that levels of activity or ‘performance’ across mandated programs will be varied among the CAs reflecting differences in funding and resourcing. On the other hand, and if the provincial government wants to ensure consistency across all CAs, there may be a need to uplift provincial financial contributions for CAs in low-population/low tax revenue areas where there are also significant risks pertaining to natural hazards and source waters.

The regulatory changes are also likely to significantly impact the delivery of non-mandatory CA programs and services, primarily because of changes to funding arrangements. The provincial government appears willing to continue to contribute financially for the delivery of mandatory programs. However, any additional activities, programs or services that a CA wishes to undertake will have to be funded locally via municipal government contributions, user charges or from other

sources. Again, this could result in a highly varied delivery landscape and consequential pattern of performance across the group of 36 CAs. The message from the current Ontario provincial government appears to be that if local people and local organizations wish for additional programs and services to be provided, then they must also be prepared to provide the necessary additional funding to the CA for their area and watershed. Given that some municipalities and associated communities will inevitably be less willing or less able to pay than others, it is likely that people in some CA areas will benefit from more comprehensive and extensive additional CA programs and services. In contrast, people living in some other CA areas could receive very little beyond the core mandatory programs pertaining to hazards and water source protection.

The provincial government's initial proposals for the CAs in 2020 resulted in some controversy and 'push-back'. Positively, public concern and concerns raised by the CAs themselves appear to have been acknowledged, and the provincial government has provided opportunities for consultation regarding how the proposals could be improved. In addition, the creation of a working group which included broad representation of relevant interests appears to have had a positive impact in terms of generating a set of changes which are acceptable to the CAs and also address the concerns of developers and the provincial government itself. While the final decision to not require CAs to create community advisory boards seems sensible on the basis that similar arrangements already exist in many cases, the regulatory changes might have gone further. Specifically, CAs still have the option of not having any kind of advisory board or similar arrangement. In our view, and given that there is increasing emphasis on local input and local financial contributions, it would be wise and prudent to adjust the new regulations to ensure that all CAs do have some kind of advisory board or similar mechanism as part of their organizational arrangements.

3. Administrative and Financial Proposals

3.1 Context

The Ontario Ministry of the Environment, Conservation and Parks released the second of the two reports on January 26, 2022. Public comments were invited for 30 days, until February 25, 2022, and it was noted that "There was no requirement to post this notice on the Environmental Registry of Ontario, but we want to hear your thoughts."

In the introduction to this report, it is stated that proposals were being made "... to improve conservation authority (CA) governance, oversight, transparency, and accountability. The proposals include regulations about municipal levies, the CA budget process, and a list of classes of programs and services for which CAs can charge a fee." It is emphasized that the focus of this report is "...predominantly financial and administrative in nature" and that the government was "...voluntarily seeking feedback as part of an overall approach to improve accountability and transparency of CA operations while CAs focus on their core mandate". It also was observed that comments would help to guide details for the municipal levy, the budget process, the scope of programs and services approved by the Minister for CAs to charge fees, and for requirements to increase transparency of CAs' operations.

3.2 Confirmation of Roles

The Ontario government affirmed in this second report that CAs are to focus on their core mandate, which includes helping protect people and property from the risk from natural hazards, conserving and managing CA-owned lands, and legislated mandates regarding drinking water source protection. Furthermore, three new regulations have been filed to achieve that: (1) specify the mandatory programs and services that CAs must provide (**Ontario Regulation 686/21 (O. Reg. 686/21): Mandatory Programs and Services**), (2) set out requirements for transition plans and agreements for programs and services a municipality requests the CA do on its behalf and programs and services a CA decides to adopt to further the purposes of the CA (**Ontario Regulation 687/21 (O. Reg. 687/21): Transition Plans and Agreements for Programs and Services Under Section 21.1.2 of the Act**), and (3) consolidated the ‘conservation area’ regulations into one Minister’s regulation which establishes rules of conduct in conservation areas (**Ontario Regulation 688/21 (O. Reg 688/21): Rules of Conduct in Conservation Areas**). As such, the intent that CAs will focus on their core mandate and functions is based on legislated regulations and not only political policy. The CAs have essentially been instructed by the provincial government to make a tightly prescribed set of changes. There appears to be little, if any, discretion or leeway for CAs to moderate the changes or apply their own interpretation. This reflects the provincial government’s apparent overriding concern for consistency and conformity among the 36 CAs. This is difficult to achieve given the reality that there is significant variability among local governments and their capacities to provide a consistent set of services.

The CAs are to move to the new funding framework by January 2, 2024. To achieve that goal, a new set of regulatory and funding proposals would include: (1) a Municipal Levies Regulation that specifies the apportionment by CAs of their capital and operating costs to be covered by participating municipalities through municipal levies, as well as CA budgetary details, including that CAs must distribute draft and final budgets to their municipalities and make them publicly available; and (2) a ‘Determining Amounts Owed by Specified Municipalities Regulation’ that provides details about methods used by CAs to determine costs municipalities may need to contribute toward related to a CA’s mandatory programs and services under the Clean Water Act, 2006 and the Lake Simcoe Protection Act, 2008; (3) a “Fee Classes policy” that identifies classes of programs and services for which a CA can charge a user fee. The overall intent is to ensure regulations and policy proposals build on what is already working between CAs and their municipalities, create flexibility wherever possible, avoid being unduly prescriptive, acknowledge different circumstances at local levels regarding budget processes, and meet the needs of municipal partners. Specific arrangements related to the above points are outlined in a Consultation Guide (Ontario Ministry of the Environment, Conservation and Parks, 2022), outlined in the following four subsections.

3.3 Municipal Levies

CAs already have authority to levy participating municipalities in their catchment for its operating expenses and capital costs if no other revenue sources are available. To achieve this, CAs determine the overall amount of levy required to meet expenses, and then allocate an

appropriate portion of the total expenses to each participating municipality. The report states that arrangement would continue with the existing municipal levy processes that were viewed as “working well”. Furthermore, specific arrangements related to working relationships between CAs and participating municipalities would continue to develop and evolve, especially related to coordination and communication related to fiscal and budgetary timelines and expectations. The expectation is that working from such principles would allow both an effective and timely transition for CA operations related to this new funding arrangement.

Some specific outcomes of the new regulation would include clarification of some key terms such as ‘general levy’ and ‘special project levy’; providing 30 days of notice to participating municipalities for a CA meeting to agree on the municipal levy proportion of the annual budget, and a requirement that each CA publicly post its draft budget on its website upon circulating it to participating communities; continue using the two existing voting methods (1) one member, one vote, (2) ‘weighted’ vote, as well as continue using three current ways to apportion expenses or costs (modified current property value assessment, agreement of the CA and participating municipalities, and, as determined by the CA). Furthermore, when consulting with municipalities about the budget, CAs would provide a summary of how CA-determined possible opportunities for self-generated revenue could support CA programs and services. And, finally, each CA would be required to provide a copy of the approved budget to the relevant Minister as well as to participating and specified municipalities as well as make it public by posting the budget on the CA website and by any other appropriate means.

3.4 Minister’s Power to Determine Amounts Owed

The second report indicates the Ontario government intends to proclaim provisions not contained in the Conservation Authorities Act to enable CAs to levy ‘unspecified municipalities’ for mandatory programs and services related to both the Clean Water Act, 2006 and the Lake Simcoe Protection Act, 2008. In that context, a ‘specified municipality’ refers to a municipality which is identified for mandatory programs and services associated with responsibilities under the Clean Water Act, 2006 and the Lake Simcoe Protection Act, 2008. Such specified municipalities are those designated through regulation for a source protection authority or area under the Clean Water Act, 2006 and also are a municipality in the Lake Simcoe Conservation Authority.

The implication is that the Conservation Authorities Act gives the Minister regulatory authority to determine the amounts owed by any such specified municipalities for programs and services provided by a CA under either of the two Acts. The consequence of such designation is that the new arrangement will determine methods CAs can use to determine costs that specified municipalities may need to contribute to, including a process for engaging with specified municipalities. Methods to determine amounts to be contributed by specified municipalities include a modified current property value assessment procedure to determine the levy to be paid by both participating and specified municipalities.

As a final observation, no changes are anticipated regarding ongoing provincial funding to CAs related to the source water protection program under the Clean Water Act, 2006, nor for protection of Lake Simcoe under the Lake Simcoe Protection Act, 2008.

3.5 Programs and services with CA fees

The Ontario government is proposing to proclaim un-proclaimed provisions in the Conservation Authorities Act that would allow the Minister to identify programs and services for which a CA could charge a fee, and also to publish such a list and provide that list to each CA. A CA could then only charge a fee for a service or program if either is included in the Minister's list of classes for program and services. CA members appointed by participating municipalities would have the responsibility to determine the amount of each fee and when it would apply. Once the Minister's list of fees and services was published, each CA would be required to update its current fee policy, including details about specific programs and services for which charges would be payable and identify the amount to be charged, post the fee policy and schedule on its website, and identify the process for periodically reviewing and updating the fee policy. Each CA would also be required to identify circumstances within which an individual would request the CA reconsider the fee and identify a process to be used relative to such a reconsideration request.

The different classes for charging of fees reflects user fees paid by a person or organization requesting a service from which they will specifically benefit. Such services include use of a public resource, such as park access or facility rental. When a CA charges a fee, the user pays principle must be used. In other words, the requestor will be the primary beneficiary of the CA program or service, not a program or service that generates a public good or service. The latter should be supported through the municipal levy.

It also was noted by the Ontario government that the Minister's list of classes of programs and services is not intended to collect fees for programs or services already facilitated through other legislation, such as a fee by the North Bay-Mattawa CA to administer on-site sewage systems approvals prescribed in a regulation in the Building Code Act, 1992.

3.6 Transparency of CA operations

The report also includes proposals for regulations intended to increase the transparency of CA operations. Specifically, where the user pays principle is deemed by the CA as suitable to use, it is proposed an amendment be made to the Conservation Authorities Act, Section 21.1.2, that would allow both participating municipalities and CAs to decide if user fees can be used for programs and services. Any such fees would then be included in the cost-apportioning agreements. An expected outcome would be increased transparency regarding use of user fees.

It is also proposed that CAs would be required to include a 'Governance section' on their websites, which must include CA membership information, draft and final budgets, agreements between CAs and their municipalities related to programs and services, meetings schedules, as well as other relevant government documents (e.g., strategic plans). Each CA also would have to

include a notice on its website when an amendment is made to an existing MOU or a new MOU or other agreement is established with its member municipalities. The most current version of each agreement should be provided on the website of the CA. This new arrangement would include an exception for any agreement related to the CA participating in a procurement process or to agreements containing commercially sensitive information.

3.7 Impact Analysis

The changes regarding governance, administration and finance are likely to have some significant impacts on the ways CAs operate and interact with municipalities, resource users and the provincial government itself. In terms of the proposed funding arrangements from the provincial and local governments, it appears clear that CAs are to focus on managing hazards and protecting source waters, and will be held to public account for that through the strengthened oversight role of the provincial government. It appears that CAs could have less discretion and flexibility and that their actions will be more closely watched and directed by the provincial government.

With regards to funding and finances, the provincial government Minister with responsibility for the CAs will have the power to determine the amounts owed by municipalities for CA programs and services, and via that function is likely to be able to strongly influence and steer the directions which each CA takes. In addition, the Minister now has the power to set the amount of levy owed by municipalities within a CA area for programs and services related to the Clean Water Act 2008 and the Lake Simcoe Protection Act 2008. One interpretation is that this arrangement places greater financial responsibility with the municipalities and local taxpayers, rather than water protection being viewed as a more general duty and responsibility of the provincial government and associated government ministries.

At the same time, municipalities can expect to receive information and prior notification regarding proposed CA budgets. Municipal representatives will be able to vote on those proposals, as they are now. There are likely to be other impacts and changes in terms of transparency and public accountability, including approved list for programs and services which are eligible for provincial and municipal government funding, or otherwise are eligible to be funded via user-pays arrangements. CAs and municipalities will be able to decide whether user fees are appropriate for a particular program or service but, if not, it is possible that no other form of approved funding will be available. This might imply that some non-mandatory programs and services will not be offered in some areas if the introduction of user-pays arrangements is not supported. Positively, draft and approved budgets will be provided for the Minister and to relevant interests, and copies will be made available for public viewing via CA websites. That said, it appears that any additional transaction costs associated with the new financial arrangements and the dissemination of information will have to be absorbed by the CAs without any increase in administrative resources or budgets.

4. Conclusions and Implications

In our previous Commentary, we posed the question of whether changes proposed at that time by the Ontario provincial government might indicate an end, evolution, interlude or epiphany for the Conservation Authorities? With more details of the proposed changes now published in two subsequent government reports, here we share some further thoughts and reflections on that question and offer some general comments on the wider implications with respect to watershed-based and integrated water resources management.

In our view, the changes do not signal an end to the Conservation Authorities in Ontario, which have operated successfully since the 1940s and have gained an international reputation for integrated management of water, land and related resources at a watershed scale. Nevertheless, the changes are not insubstantial or inconsequential, and are an indication that the CAs are continuing to evolve and adapt as the political context also changes and as policy priorities shift. In particular, the present Ontario provincial government favours economic growth, efficiency, transparency and accountability in government, and 'user-pays' approaches for financing programs and services. These factors are driving the public sector in Ontario in a particular direction, and the CAs are not exempt from that process.

The changes are, in some ways, paradoxical or 'double-edged'. On the one-hand, the provincial government appears to be stepping-back from involvement in resource management and conservation as responsibility for CA funding is increasingly directed towards users, municipalities and others sources (primarily local) of finance. On the other hand, the provincial government appears to be stepping-in further, particularly with regard to close oversight of the CAs and the use of Ministerial power to direct how CAs operate and also in regard to the allocation of additional costs related to water source protection. Overall, the changes imply that a different kind of provincial-municipal partnership model is emerging for the CAs, with the provincial government taking a more forceful approach and directing role, while municipalities and the CAs themselves are increasingly responsible for delivery, funding and ensuring public accountability.

Looking forward, it seems very likely that CAs will increasingly focus on the management of natural hazards and the protection of water sources. Nevertheless, that does not necessarily guarantee that the conformity across the province that the provincial government desires will actually materialize. Local tax revenues vary according to population distribution and different levels of wealth and prosperity across Ontario. As a consequence, some CAs are likely to be able to develop more ambitious and comprehensive programs and services for hazards and water protection than others. This is not an entirely new issue or problem, but is something that is likely to become more prominent and significant in the next few years as financial responsibilities for the CAs are transferred from the provincial to the local level.

A similar pattern could emerge with regards to non-mandatory programs and services provided by the CAs. If a CA and the associated municipalities agree that additional programs or services should be provided, the changes imply that the required funding would need to be generated by users, local taxpayers or a combination of the two. It seems inevitable therefore that additional

programs and services will be offered more extensively in some CA areas than others, reflecting local-level funding decisions and differences in willingness or ability to pay, and the significance of the issue.

The increasing emphasis on open and transparent governance arrangements for the CAs is a positive development. For example, the requirements for published CA area strategies, land use inventories, along with draft and agreed budgets should help the CAs to explain their role and demonstrate their value to local populations and users. This will be increasingly important as it is precisely those groups which will be expected to provide a larger proportion of CA funding as the provincial government seeks to reduce its own financial contributions for the CA program.

In summary and in our view, the changes will create some significant challenges for the CAs and are likely to result in a more varied pattern of program and service delivery across the province, particularly in regard to non-mandatory functions and activities. Therefore, some local areas and populations will receive greater benefits than others, which is perhaps not what the provincial government was seeking to achieve through these proposals. Nevertheless, it seems to us that the CAs will continue to operate as a successful example of integrated water resources management.

More broadly, the changes to the CAs in Ontario are indicative of policy and institutional shifts currently occurring in many Western countries. In essence, resource management and governance are about ‘steering’ and ‘rowing’ to ensure that appropriate policies are developed and implemented in order that desired goals and objectives can be achieved. Changes to the CAs are an example of a growing separation or split between the ‘steering’ and the ‘rowing’ functions of governance. Higher tiers of decision making, such as national and regional governments are increasingly focused on the steering or policy-making functions. At the same time, local tiers of government are increasingly expected to perform the ‘rowing’ and to actually deliver policies, programs, projects and services. This can be challenging for local governments and institutions, such as the CAs. However, it is also an opportunity for those organizations, including CAs, to influence and shape future development and human wellbeing within their jurisdictions, and to demonstrate their impacts and value to society.

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