



TOWN OF
HALTON HILLS
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REPORT

TO: Mayor Lawlor and Members of Council

FROM: Josh Salisbury, Senior Policy Planner

DATE: May 30, 2025

REPORT NO.: PD-2025-038

SUBJECT: Bill 5 – Protect Ontario by Unleashing our Economy Act

RECOMMENDATION:

THAT Report No. PD-2025-038 dated May 30, 2025 regarding Bill 5 – Protect Ontario by Unleashing our Economy Act, 2025, be received;

AND FURTHER THAT staff continue to assess the implications of Bill 5, Protect Ontario by Unleashing our Economy Act, 2025, and provide further update reports to Council as may be appropriate;

AND FURTHER THAT the Town Clerk forward a copy of Report PD-2025-038 to the Minister of Municipal Affairs and Housing, the Minister of Tourism, Culture and Sport, the Minister of the Environment, Conservation and Parks, the Minister of Economic Development, Job Creation and Trade, and the Minister of Finance; Halton Area MPPs; the Region of Halton; the City of Burlington; the Town of Milton and the Town of Oakville for their information.

KEY POINTS:

The following are key points for consideration with respect to this report:

- Bill 5, *Protect Ontario by Unleashing our Economy Act, 2025* was introduced into the legislature on April 17, 2025.
- The stated goal of Bill 5 is to streamline approval processes for industries such as critical minerals mining and to enable infrastructure to be constructed faster so that Ontario can be more self-reliant economically.

- There are 10 Schedules to Bill 5, proposing sweeping changes to various pieces of legislation including but not limited to, the *Ontario Heritage Act*, *Endangered Species Act*, *Environmental Protection Act* and *Mining Act*.
- Additionally, there are two new Acts proposed to be created as part of this legislation: the *Special Economic Zones Act, 2025* and the *Species Conservation Act, 2025*.
- The opportunity to provide public feedback was offered via a series of postings on the Environmental Registry of Ontario (ERO), with commenting periods 30 days in length, ending on May 17th, 2025. This is a compressed commenting window given the significance of the proposed legislation.
- Comments were provided on the postings regarding the *Special Economic Zones Act*, changes to the *Endangered Species Act* and proposed *Species Conservation Act*, and the *Ontario Heritage Act* in accordance with the established deadlines. The legislation appears to rely, in part, on regulations that have yet to be published, which makes it difficult to fully ascertain the impacts associated with Bill 5. Nonetheless, on a preliminary basis, key concerns raised are highlighted in the report, with more detailed comments included as Appendix 1.
- As of May 30, 2025, Bill 5 was in Second Reading in the Standing Committee of the Interior. This report provides an overview of Bill 5 in its current form.

BACKGROUND AND DISCUSSION:

On April 17, 2025, the Government of Ontario put forward new legislation titled the *Protect Ontario by Unleashing our Economy Act, 2025* also known as Bill 5. The Province, in a [news release](#), have provided justification that the Bill is necessary for Ontario's economic health by allowing strategic projects to advance quickly through the approval process, which can help boost Ontario's industries, alleviate the impact of any trade disruptions and ensure the long-term security of the economy.

Bill 5 is omnibus legislation which consists of ten schedules that entail sweeping changes to various pieces of legislation including, but not limited, to: the *Ontario Heritage Act*, *Endangered Species Act*, *Environmental Protection Act* and *Mining Act*. Bill 5 also introduces two new proposed pieces of legislation: the *Special Economic Zones Act, 2025*, and the *Species Conservation Act, 2025*.

The Province created multiple Environmental Registry of Ontario (ERO) postings for the opportunity to provide comments on certain pieces of the proposed legislation, which were also released on April 17, 2025. As mentioned earlier, staff comments focused on three proposed pieces of the legislation: the proposed new *Special Economic Zones Act, 2025* ([ERO 025-0391](#)); proposed interim changes to the *Endangered Species Act, 2007* and a proposal for the new *Species Conservation Act, 2025* ([ERO 025-0380](#)); and proposed amendments to the *Ontario Heritage Act* ([ERO 025-0418](#)).

The following subsections of this report summarize these three parts of the proposed legislation and the key concerns and questions identified by staff through the ERO consultation process.

1. Special Economic Zones Act, 2025

The Province is proposing a new piece of legislation called the *Special Economic Zones Act, 2025*. This proposed legislation will allow the Province to designate certain parts of Ontario as being located within what will be called a Special Economic Zone. The Province has indicated that a Zone will be an area that could include one or more projects of critical or strategic importance. These Zones could vary significantly in size, from a small parcel of land to a large area. Once a Zone is established, Vetted Projects from reliable proponents (also known as Trusted Proponents) are to benefit from faster permitting, simplified requirements, streamlined approvals and priority access to one-window services. For instance, the Province may exempt a 'trusted proponent' or 'designated project' from certain requirements, including adhering to municipal by-laws, provided they meet the criteria established via the regulation.

The language provided in the ERO posting for the proposed *Special Economic Zones Act, 2025*, is relatively general in nature. The Province has indicated that the details will be provided through proposed future regulations.

Staff Comments and Concerns:

- Municipal Official Plan policies and Zoning By-law requirements are based on local conditions, providing clear direction for development, while providing protection for, and/or mitigating impacts on surrounding land uses. The Town has robust Natural Heritage System policies to ensure the long-term protection of the environment. The *Special Economic Zones Act, 2025*, as proposed, would restrict a municipality's ability to implement such policies within a designated Special Economic Zone.
- Staff have requested more information from the Province regarding the criteria that are to be used by the Province to determine what will be defined as a Special Economic Zone. Although it has been suggested that Special Economic Zones may be utilized in the "Ring of Fire", a mineral rich region located in northwestern Ontario, or for large scale infrastructure projects, it would appear that such zones could be applied on a much broader scale. As the Town is currently undergoing an Official Plan Review process it would be beneficial for the Town to understand what, if any, lands within the Town could be viewed as being of "critical or strategic importance" to the Provincial government.
- Staff also posed concerns regarding the public process when the Province establishes a Special Economic Zone. The broad language of the proposed legislation does not indicate what, if any, public process will be undertaken by the Province to inform or consult the public during the process of establishing a Special Economic Zone. Staff encourage the Provincial government to require the process to designate a Special Economic Zone be done in collaboration/consultation with the local municipality and/or applicable land use authority in which the proposed Zone would be located.

- The ERO posting also introduces “Vetted Projects” and “Trusted Proponents” as part of establishing a Special Economic Zone. The criteria for what the Province will use to determine what will be defined as a Vetted Project and a Trusted Proponent have not been identified. Town Staff have requested that the province provide these criteria and allow municipalities the ability to provide feedback prior to the criteria being established by way of regulation.
- If designated a Special Economic Zone, Trusted Proponents and Vetted Projects may be exempt from certain regulatory provisions, including consultation requirements; clarity on such exemptions needs to be provided by the Province.
- There is no indication in the proposed legislation that Special Economic Zones would not be located in environmentally sensitive areas such as the Niagara Escarpment Plan Area, Greenbelt Plan Area and prime agricultural area. Town staff do not support the designation of Special Economic Zones in environmentally sensitive areas such as the Niagara Escarpment Area, Greenbelt Plan Area and prime agricultural area.
- If lands located within the Town were to be designated as a Special Economic Zone, staff would recommend that the Zone be used to attract industries such as advanced manufacturing, food & beverage processing, agribusiness and clean technology/renewables which would align with the industries the Town has targeted for economic growth and which could also help with the growth of the Ontario economy as a whole. Town staff would point to the Premier Gateway Employment Area in the Town as being an area that could see benefits from a Special Economic Zone designation to help attract new investment to the Province, particularly in advanced manufacturing. It is important to note, however, that the Town has prepared Secondary Plans and, in some cases, implementing zoning for the Premier Gateway. These Secondary Plans have been informed by Scoped Subwatershed Studies that identified and refined Natural Heritage Systems. Protection for key natural heritage features and functions as per the recommendations of these studies should be maintained.
- Town staff also requested more information regarding the One-Window Services mentioned in the ERO posting. The wording of the posting indicates that there may be a tiered system with regards to the One-Window Services and Town staff request clarification as to what extent these services are going to be used under the planning legislation umbrella of the Province.

Staff will continue to monitor the impact of the proposed legislation and identify any concerns which may arise through the drafting of the proposed regulations.

2. Interim changes to the *Endangered Species Act, 2007* and a proposal for the *Species Conservation Act, 2025*

The Province is proposing to phase out sections of the *Endangered Species Act, 2007* and eventually replace the Act with a proposed *Species Conservation Act, 2025*. Some of the proposed changes include:

- Under the proposed *Species Conservation Act, 2025*, the majority of activities that may impact species at risk which formerly required a permit, will require registration with the Ministry of the Environment, Conservation and Parks (MECP) instead, shifting the process to a registration first approach. The ERO posting advises that the registration process is already in place and used by the Ministry for 95 % of projects subject to the current *Endangered Species Act*.
- Under the new registration system, proponents will be able to commence projects as soon as they have completed their online registration, provided that they are following the requirements set out in new regulations. The regulations are to be developed in consultation with the public and Indigenous communities over the coming months.
- Allowing the Minister to determine if a species will be added to the Species at Risk in Ontario List, if its status has been evaluated by COSSARO (Committee on the Status of Species at Risk in Ontario) and determined to be extirpated, endangered, or threatened. The government will now have discretion to add or remove species from the List at their discretion. It is unclear from the ERO Posting what criteria the Minister would utilize to make these decisions.
- A general prohibition for activities that would result in a species no longer living in the wild in Ontario will be included.
- To remove duplication, removing migratory birds and aquatic species protected under the Federal *Species at Risk Act* from having protection under the Provincial Act.
- Revamping the definition of habitat to focus on preserving core elements of species' habitat such as breeding, rearing, staging, wintering, or hibernating rather than broader areas contained in the current definition. The ERO Posting suggests that the new definition is clearer and will provide greater clarity to proponents when taking the required protection steps.
- Winding down the Species Conservation Action Agency (SCAA) and removing the option to pay a 'species conservation charge' from the new regulatory framework. According to the ERO Posting, to date the SCAA has not spent any funds on projects. Funds are to be transferred to the government and will be spent on activities that are in alignment with species protection and conservation goals.
- A new Species Conservation Program is proposed to replace the Species at Risk Stewardship Program. The ERO Posting suggests that the government intends to increase investment in supporting voluntary activities that will assist in the protection and conservation of species.
- Updated compliance and enforcement measures are proposed in order to enforce the amended *Endangered Species Act* and proposed *Species Conservation Act*.

Staff Comments and Concerns:

- Due to amendments made to the *Planning Act* through the passing of Bill 185, Town is responsible for implementing the Region of Halton Official Plan (ROPA 49). This includes policies guiding land use within and adjacent to the habitat of endangered and threatened species, which is a component of the Regional Natural Heritage System (NHS). Development is prohibited within significant habitat of endangered and threatened species except in accordance with Provincial and Federal legislation or requirements. Similar provisions are contained in the Town of Halton Hills Official Plan.
- Similarly, the Provincial Planning Statement stipulates that development and site alteration shall not be permitted in habitat of endangered or threatened species, except in accordance with provincial and federal requirements. Town staff request that the Province confirm if any of their proposed changes through this ERO posting have implications on the interpretation of the natural heritage policies set out in the Provincial Planning Statement.
- The proposed legislation appears to rely, in part, on regulations that have yet to be published, which makes it difficult to fully ascertain the impacts and provide comments. This includes the regulations associated with the registration process. Ideally the regulations would have been released in concert with the legislation.
- Should the registration model set out in the proposed legislation be confirmed, the Province may wish to consider the establishment of a random audit process to evaluate the effectiveness of the new regulatory approach.
- Recognizing that the Town has a robust Natural Heritage System, the potential impacts to biodiversity associated with the legislation are difficult to predict.
- The Province should confirm responsibility for maintaining and updating survey methodology for species at risk to ensure that policy related to the identification and assessment of the NHS can be completed according to the most up to date science informed survey methodology available. Having standard methodologies will improve consistency and help streamline both data collection and study, as well as the review of those studies.
- Noting the Provincial recommendation to avoid duplication in regulations, it is recommended that the Province clarify which agency and department the Town will now refer applicants to for direction around migratory birds and aquatic species.

Staff will continue to monitor these proposed changes and to further identify any concerns which may arise.

3. Ontario Heritage Act

The proposed legislative amendments to the *Ontario Heritage Act* have been made with regards to the enforcement and compliance of protection of artifacts and archaeological sites, as well as the allowance for exemption from archaeological responsibilities. Some of the proposed amendments include:

- Expand the existing inspection authorities to allow the Minister to direct an inspection for the purpose of assessing whether archaeological sites are on any land, or under water;
- Establish authority for the Minister to order that an archaeological assessment must be undertaken; and
- Set out a limitation period of two-years from when the offence first comes to the attention of a provincial offences officer.

The proposed amendments would also allow for the exemption from archaeological requirements, if in the opinion of the Lieutenant Governor in Council the exemption could advance the following provincial priorities: transit, housing, health and long-term care, and other infrastructure. The Province has indicated that criteria may be established for a property to be able to be eligible for an exemption; however, it has not been determined when this criteria will be developed by the Ministry.

Staff Comments and Concerns:

Town staff recommend that the Province reconsider the proposed amendment to exempt provincial priority projects from archaeological assessment.

- Should the proposed amendment be adopted, it is further recommended that the Province establish criteria to ensure that any future exemptions do not inadvertently affect potential Indigenous artifacts, and that meaningful consultation with Indigenous groups is undertaken as part of the exemption process and the development of the criteria.

Conclusion

Bill 5, the *Protect Ontario by Unleashing Our Economy Act, 2025* is broad in scope and general in nature, particularly lacking critical information regarding the proposed *Special Economic Zones Act, 2025*, and absent significant detail regarding impacts to species at risk with the proposed *Species Conservation Act, 2025*. As such, staff have identified a number of concerns and potential impacts to municipal processes with the proposed legislation. Staff will continue to monitor all updates to Bill 5 and request that the Province consults with municipalities on any associated regulations and proposed Special Economic Zones that may result from this legislation.

STRATEGIC PLAN ALIGNMENT:

This report has potential ramifications for the Town's Strategic Plan. While Bill 5 may support the Thriving Economy objective, there may be impacts to the Natural Areas and Heritage objectives. These impacts will not be fully understood until the related regulations have been released and staff has had the opportunity to evaluate same.

RELATIONSHIP TO CLIMATE CHANGE:

At this time, the impacts to the Town's Climate Change portfolio and initiatives are not fully understood given the magnitude of the legislative changes proposed through Bill 5 and the additional criteria that is to be determined through future regulations.

PUBLIC ENGAGEMENT:

Public Engagement for Bill 5 is coordinated by the province through the various ERO postings. Where possible, at the implementation stages, the Town will ensure the public is provided an opportunity to be engaged and consulted on the required changes to local policies and procedures resulting from Bill 5.

INTERNAL CONSULTATION:

The Planning Policy team coordinated a review of the proposed Bill 5 and related ERO postings. Comments from this internal review are included as Appendix 1 to this report.

FINANCIAL IMPLICATIONS:

This report is administrative in nature and does not have any financial implications.

Reviewed and approved by,

Bronwyn Parker, Director of Planning Policy

John Linhardt, Commissioner of Planning & Development

Bill Andrews, Commissioner of Transportation & Public Works and Acting Chief Administrative Officer