



May 16, 2025

Honorable Stephen Lecce
Ministry of Energy and Mines
77 Grenville Street, 10th Floor
Toronto, ON M7A 2C1

RE: Bill 5, Protect Ontario by Unleashing our Economy Act, 2025

This letter summarizes staff comments from the District Municipality of Muskoka's (District) Community and Planning Services Department related to the proposed Bill 5, Protect Ontario by Unleashing our Economy Act, 2025.

Special Economic Zones Act (ERO Number 025-0391)

The District's planning department has been working towards streamlining planning processes including aligning local policies with provincial direction. We appreciate the province recognizing provincial regulatory requirements can impact the development approval process.

In consideration of exemptions, particularly of significant and strategically important projects it is important to ensure critical and sufficient review to ensure everything lines up – and that there are not unresolved issues that could surface with greater impact later in the project. Immunity from indemnification on an issue doesn't resolve an underlying issue.

There is an important role for local decision-making that addresses local contexts, and there is concern about the province identifying new pathways / approaches to override responsibilities delegated to local municipalities.

There is also a broader opportunity for the province to review regulatory purposes, timelines, and resources to move the needle on all projects, not just projects 'in the [special economic] zone'.

Proposed Amendments to the Ontario Heritage Act, Schedule 7 of the Protect Ontario by Unleashing our Economy Act, 2025 (ERO Number 025-0418)

The legislation provides opportunity for regulations that establish criteria for issuing orders for exemption. It may be challenging to align exemptions from undertaking archaeological assessments and/or conserving cultural heritage resources with Section 35 Aboriginal or treaty rights, particularly in respect of indigenous ancestral sites.

The example criteria noted in the posting address areas where there would be already-known resources – residential school sites, burials, and significant archaeological sites - but do not address areas of archaeological potential which, if investigated, may identify

further burial or other archaeological sites prior to their disturbance through development.

The District Municipality of Muskoka prepared an Archaeological Master Plan in 1994, and is currently being updated to refine the Muskoka Official Plan's Archaeological Resource policies by integrating the knowledge, perspectives, and priorities of Indigenous Nations that had a traditional tie or ongoing interest in the lands that now encompass the District. The project also includes updated mapping of areas of archaeological potential, archaeological resources, cultural heritage sites, ceremonial areas, and sacred sites, while establishing protocols for their protection and management, in addition to the creation of an Indigenous Consultation and Engagement Plan.

The proposed bill appears to have no provision for indigenous engagement in the decision-making process to exempt an area from archaeological assessment requirements, whereas the recently published Provincial Planning Statement (2024) states Planning authorities shall engage early with Indigenous communities and ensure their interests are considered when identifying, protecting and managing archaeological resources, built heritage resources and cultural heritage landscapes. These two sentiments do not seem to align. Regardless of the Bill, the District will continue to engage with Indigenous communities.

While proposed immunity provisions offer legal protection, the bill may place municipalities in a position of implementing provincial orders that contradict the best available information developed with indigenous peoples in respect of their history, placing indigenous cultural heritage at risk of destruction and causing harm to relationships and the process of reconciliation.

Proposed Interim Changes to the Endangered Species Act, 2007 and a Proposal for the Species Conservation Act, 2025 (ERO Number 025-0380)

Provincial direction with respect to species at risk requires they be addressed in accordance with provincial and federal requirements. We can appreciate the intent of efforts to increase clarification and reduce duplication.

Changing provincial requirements may result in more projects meeting provincial requirements but not necessarily require a complete change to natural heritage review.

The Muskoka Official Plan (MOP) implements a comprehensive framework to protect species at risk, their habitats, and natural heritage areas. The MOP designates significant natural heritage features—such as wetlands, woodlands, wildlife habitats, and habitats of endangered or threatened species—as environmentally protected areas.

As part of the District's Integrated Watershed Management Initiative, which was funded by the Province, a new candidate significant wildlife area map was created, which identifies where important habitat may be found, but is not based on mapping listed

species' exact habitats. The candidate significant wildlife mapping, together with the Schedules in the MOP that identify Natural Heritage Features and Areas, protect species at risk and their habitat.

In Muskoka, the phrase “our environment is our economy” is commonly stated. In consideration of the changes, it is important to underscore the importance of a healthy and biologically diverse natural environment in the District and the benefit of its residents and local economy. If the result is unbalanced growth there will likely be adverse impacts to present and future generations on many aspects.

Many species at risk are culturally significant to First Nations communities. If there are fewer protections afforded these species by provincial legislation, First Nations may expect more to be done to address aboriginal and treaty rights and protections for these species through individual development approvals. This could impact trust, time, and certainty for proponents.

A key opportunity for the province is to support the infrastructure that enables development focused within communities, reducing development pressure within natural heritage features and areas.

Conclusion

The District of Muskoka heavily values good planning principles, protecting archaeological and cultural resources, as well species at risk and their habitat. However, the proposed amendments within Bill 5 compromise the District's ability apply policies to adequately protect them. District planning staff urge the Province to consider these comments, as well as similar concerns raised by other Ontario municipalities, community organizations and residents.

Sincerely,

Lisa Marden, MCIP, RPP, Director of Planning