



Staff Report DSES-2025-027
Planning Committee
May 15, 2025

TO: Chair Bosomworth and Members of Planning Committee

AUTHOR: Jennifer Huff, Director of Development Services & Environmental Sustainability

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

RECOMMENDATION

BE IT RESOLVED THAT Staff Report DSES-2025-027 be forwarded to the Ministry of Environment, Conservation and Parks Public Input Coordinator – Species at Risk Protection as the Township’s response to their request for comments on Bill 5, Protect Ontario by Unleashing our Economy Act, 2025.

REPORT HIGHLIGHTS

This report provides an overview of Bill 5, Protect Ontario by Unleashing our Economy Act, 2025, of which the Province has sought feedback.

BACKGROUND

Bill 5 Introduction

On April 17, 2025 the Province introduced [Bill 5: Protect Ontario by Unleashing our Economy Act, 2025](#). Details on this Bill can be found on the Environmental Registry of Ontario under [ERO No. 025-0416](#), [ERO No. 025-0380](#), and [ERO No. 025-039](#). The Province has provided a 30-day consultation period on this draft Bill with comments being due by May 17th, 2025.

Bill 5 Background

Bill 5 may be described as an omnibus piece of legislation as it proposes to amend a number of existing legislative Acts as well as proposes the creation of new legislation.

The stated intent of this Bill is to provide a robust response to U.S. tariff threats and related trade policies. The Province has noted that the key objectives of this legislation is to protect Ontario’s economy by streamlining permitting processes. It has indicated that “by building faster and more strategically, Ontario can protect its industries, protect the environment, mitigate the impact of these trade disruptions, and ensure the long-term prosperity and security of its environment”. Much of the Provincial communications

related to this Bill highlight its intention to expedite the development and permitting process for the mining industry, especially projects proposed in the 'Ring of Fire' area of Northern Ontario.

The province has created a [technical briefing](#) that provides useful information on the purpose and intent of the legislation.

Proposed Legislative Changes

Bill 5 includes various changes to the *Electricity Act, 1998, Endangered Species Act, 2007, Environmental Assessment Act, Environmental Protection Act, Mining Act, Ontario Energy Board Act, Ontario Heritage Act, Rebuilding Ontario Place Act*. It also proposes to enact the *Special Economic Zones Act, 2025* and the *Species Conservation Act, 2025 (and repeals the Endangered Species Act, 2007)*.

Given the breadth of this Bill, staff are still in the process of reviewing and evaluating the potential impacts and implications it may have on the Township.

This staff report concentrates on more notable changes in relation to the Township, in particular, the proposed changes to the Endangered Species Act, the proposed Species Conservation Act, as well as the Special Economic Zones Act.

ANALYSIS

Key Proposed Amendments to Endangered Species Act (ESA) and the Proposed New Species Conservation Act (SCA)

The Proposed amendments to the ESA are intended to be transitional until such time as the new SCA comes into effect which will replace the ESA.

The changes to the ESA are currently in second reading at the legislature and will come into force upon Royal Assent. The changes to the ESA will be carried forward into the new SCA. Key amendments include:

- While the role of the Committee on the Status of Species at Risk in Ontario (COSSARO) will remain unchanged, the government is proposing that it be given discretion to add or remove extirpated, endangered, and threatened species to the list of protected species in Ontario.
- The definitions of "habitat" is proposed to be amended such that the definition of habitat:
 - for animal species, it now means ONLY a dwelling place, such as a den, nest, or similar place, occupied or habitually occupied by one or more members of a species for the purposes of breeding, rearing, staging, wintering, or hibernating, OR, the area immediately surrounding a dwelling place described above that is essential for the purposes mentioned above.

- for vascular plant species, it now means ONLY the critical root zone surrounding a protected species.
- for all other species (for example, lichens), it now means ONLY an area on which any member of the species directly depends to carry out its life processes.
- Prior to any work being done that may be harmful to a protected species, the person carrying out the activity must register the activity, or in limited situations, obtain a permit. They must comply with rules associated with the registration or permit. They must refrain from:
 - activities that are likely to kill, harm, capture, or take a member of a species listed on the Protected Species in Ontario List;
 - possessing, transporting, collecting, buying, selling, leasing, or trading a member of a species listed on the Protected Species in Ontario List; and
 - causing damage to or destruction of the habitat of a species listed on the Protected Species in Ontario List.

Staff Comments on ESA and SCA Act

- The proposed change to the definition to 'habitat' appears to severely limit the protection of protected species. It could result in an 'animal den' or tree being 'protected' but located in the middle of a development. Conversely, where a habitat is capable of housing a protected species, but an assessment does not find it to be providing housing, such habitat will no longer be protected.
- If the government can supersede the decisions of the Committee on the Status of Species at Risk in Ontario (COSSARO) in regards to whether a species should be added or removed from the list of 'Species at Risk', there is a risk that these decisions could become politicized, rather than based on science.
- The proposed reliance on a registration process appears to limit the need for fulsome environmental studies to occur prior to the completion of works, particularly for projects that do not require planning approval (i.e. infrastructure works requiring the completion of an Environmental Assessment under the EPA).
- Proposals requiring planning approval will still be required to undertake Environmental Impact Studies where applicable, however, these studies will be relative to the habitat of endangered and threatened species as defined by the EPA, 2007, as updated. Thus, the protection of habitat through the planning approval process will also be severely limited if the proposed amendments to the EPA come into effect.
- The Township of Muskoka Lakes depends on the protection of its natural environment for its economic, social and cultural well being and one of its primary goals in its Strategic Plan is the enhancement of its natural environment. It appears that revisions to the EPA will reduce existing protections to the natural environment.

Special Economic Zones Act

This new legislation proposes the following:

- To permit the government to designate any area of the Province as a ‘special economic zone’, provided certain ‘criteria’ are met.
- To permit the government to make regulations: prescribing ‘criteria’, designating a person or class of persons as ‘trusted proponent’, designating a ‘project’ or ‘class of projects’ as a ‘designated project’.
- To permit by regulation a ‘trusted proponent’ or ‘designated project’ from legislative requirements of an Act, or from regulations or instruments under an Act, including Municipal By-laws.
- Limits the ability of anyone to bring claims, costs, compensation, damages against the Crown or a Municipality, related to any direct or indirect results of the Act.

Staff Comments on SEZ Act

- While unlikely that the Township, or any part thereof, would be designated as a “Special Economic Zone”, there could be significant negative implications on environmental protections and/or maintaining community character if the Province were to exempt areas from Municipal by-laws, including the planning approval process. The same concerns would apply should the Province choose to exempt other areas outside of the Township.
- Until such time as the regulations are developed in support of this SEZ legislation, it is unknown the extent of the exemptions the government has in mind.
- It appears that exempting development projects from Municipal By-laws could result in the removal of the public consultation process and municipal decision making for developments that could have a significant impact on local municipalities (servicing and road infrastructure obligations, revenue / taxation implications, compatibility concerns, impacts on natural environment).

In general, while Township staff supports the streamlining of administrative processes and reducing overlapping regulations or duplication between multiple government entities, the Township is also of the opinion that development should continue to happen in partnership with local municipalities, within both a public consultation process and a local municipal decision making process, in light of the fact that local municipalities are also the most likely to incur the impacts, both positive and negative, of development within its jurisdiction.

ALTERNATIVES

Committee may choose to not forward any comments to the Province or suggest alternative comments in response to the draft Bill.

FINANCIAL IMPLICATIONS

None as a result of this report.

STRATEGIC PLAN

Goal: Enhancement of Natural Environment

Goal: Strengthen our Cultural and Community Fabric

COMMUNICATIONS

This staff report was distributed to Committee and all those registered to receive notification through the meeting agenda electronic notification system, and was published on the Township's website in accordance with the Township's Procedural By-law.

ATTACHMENTS

None

PREPARED BY

Original signed by J. Huff

Jennifer Huff

Director of Development Services
& Environmental Sustainability

705-765-3156 ext. 272

jhuff@muskokalakess.ca

Original signed by D. Pink

CAO Acknowledged

David Pink

Chief Administrative Officer

705-765-3156 ext. 230

dpink@muskokalakess.ca