

Memo

To: Mayor Burton and Members of Council

From: Planning & Development

Date: May 20, 2025

Subject: Bill 5 – *Protect Ontario by Unleashing our Economy Act*, 2025

In response to the Province's Bill 5, *Protect Ontario by Unleashing our Economy Act*, 2025, Town staff prepared and submitted comments to the Province, on May 17, which are attached.

For Council's information, the following is a summary of the staff comments provided to the Province. Additional information will be provided in an upcoming report.

Key Points:

1. **Bill Overview:** Bill 5 proposes 10 schedules of legislative reforms intended to stimulate economic growth and streamline development processes across Ontario.
2. **Main Concerns:** The Town is concerned that several schedules may significantly impact municipal responsibilities related to:
 - Environmental protection
 - Land use planning
 - Species at risk
 - Municipal autonomy
3. **Critical Issues Identified:**
 - Weakening of environmental protection measures
 - Reduced consultation requirements with Indigenous communities
 - Replacement of the *Endangered Species Act* with the Species Conservation Act
 - Creation of Special Economic Zones that can override municipal plans and by-laws
4. **Specific Schedule Concerns:**
 - **Schedule 1 (*Electricity Act*):** Restrictions on foreign-sourced renewable energy equipment could hamper local greenhouse gas reduction efforts
 - **Schedule 2/10 (*Endangered Species Act*/*Species Conservation Act*):** Weakening species protection threatens biodiversity and ecosystem services worth an estimated \$731 million annually in Halton

- **Schedule 7 (*Ontario Heritage Act*):** Exemptions from archaeological assessments risk damaging Indigenous relationships and reconciliation efforts
- **Schedule 9 (*Special Economic Zones Act*):** Potential for provincial override of municipal planning, zoning, and environmental protections

5. Requests to Province:

- Defer implementation of Schedules 2 and 10 pending review
- Preserve science-based decision-making in species classification
- Retain municipal planning authority regarding Special Economic Zones
- Re-establish robust protections for species at risk
- Ensure transparent consultation with municipalities before enacting policies

The Town of Oakville expresses its commitment to responsible growth management while acknowledging the importance of economic development, but argues these goals should not compromise sustainability, biodiversity, and municipal planning authority.

Memo

To: Province of Ontario, Environmental Registry of Ontario (ERO)
 ERO 025-0418, heritage.consultation@ontario.ca
 ERO 025-0391, SpecialEconomicZones@Ontario.ca
 ERO 025-0396, EAmmodernization.mecp@ontario.ca
 ERO 025-0409, MiningActAmendments@ontario.ca
 ERO 025-0380, ESAReg@ontario.ca

From: Town of Oakville, Submitting Departments - Corporate Strategy and
 Government Relations, Economic Development and Planning & Development

CC: Town of Oakville, Executive Leadership Team

Date: May 17, 2025

Subject: Bill 5 – *Protect Ontario by Unleashing our Economy Act, 2025*

On April 17, 2025, the Honourable Stephen Lecce, Minister of Energy and Mines, introduced Bill 5, *Protect Ontario by Unleashing our Economy Act, 2025*. The Bill proposes a suite of legislative reforms intended to stimulate economic growth and streamline development processes across Ontario. It includes 10 schedules that either amend or introduce new legislation in areas such as energy procurement, species protection, land development, and procurement regulation.

While the stated intent of the Bill is to enable faster and more efficient delivery of critical infrastructure and housing, Town staff have identified several schedules that may have significant implications for municipal responsibilities, as they relate to environmental protection, land use planning, and species at risk by:

- Expediting provincial permitting processes for mining and infrastructure projects.
- Reducing environmental assessment obligations and protections for ecologically sensitive areas and species.
- Circumventing consultation requirements with Indigenous communities.
- Restricting foreign investment in Ontario's energy sector.
- Replacing the *Endangered Species Act* with the *Species Conservation Act, 2025*, which has implications to species at risk and their habitats.

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- Establishing Special Economic Zones that override municipal plans, policies, and by-laws.

This memo summarises the proposed changes and outlines comments on their potential impact on the Town of Oakville.

[Schedule 1](#) - *Electricity Act*, 1998
[Schedule 2](#) - *Endangered Species Act*, 2007
[Schedule 3](#) - *Environmental Assessment Act*
[Schedule 4](#) - *Environmental Protection Act*
[Schedule 5](#) - *Mining Act*
[Schedule 6](#) - *Ontario Energy Board Act*, 1998
[Schedule 7](#) - *Ontario Heritage Act*
[Schedule 8](#) - *Rebuilding Ontario Place Act*, 2023
[Schedule 9](#) - *Special Economic Zones Act*, 2025
[Schedule 10](#) - *Species Conservation Act*, 2025

Summary of Proposed Provincial Amendments and Staff Comments

The Town's Official Plan has been prepared in accordance with provincial requirements and serves as the main planning document for the Town. The Official Plan is founded on the urban structure which aims to protect natural heritage, open space and cultural heritage; maintain established areas; and direct development to strategic growth areas and intensification corridors supported by public transit.

Natural heritage protection is a key foundation of the Official Plan, one that Bill 5 threatens by weakening or deregulating several existing environmental protections.

[Schedule 1](#) - *Electricity Act*, 1998

Summary of Proposed Changes

- New directives may now allow the imposition of requirements or restrictions in procurement based on the origin of goods or services.
- These directives would apply to the Independent Electricity System Operator, Ontario Power Generation and/or subsidiaries.
- Through these requirements, other countries may become ineligible to undertake activities related to the province's electrical system.

Comments to the Province

Broad access to renewable energy equipment is not available. As an example, China produces most of the solar panels, wind turbines, and control systems used in renewable energy production. This includes equipment in Oakville used by the

municipality, utility companies and private entities. Singling out goods coming from China may restrict renewable projects until alternative local sources are developed.

These restrictions would impact district and renewable energy projects in Oakville and, in turn, negatively affect the Town's greenhouse gas reduction efforts.

Schedule 2 - Endangered Species Act, 2007

Summary of Proposed Changes

- This act is amended in the interim and then will be replaced by the *Species Conservation Act, 2025*.
- Mandatory regulations and requirements of the act applying to species at risk would now be at the discretion of the Lieutenant Governor in Council.
- Greater flexibility is provided for issuing permits.
- The definition of habitat would be narrowed to include only specific dwelling places essential for breeding, rearing, staging, wintering, or hibernation. Broader survival areas are not included.
- Some enforcement powers and administrative requirements are eliminated.
- The Species Conservation Action Agency would be wound up with assets transferred to the Crown.

Comments to the Province

The Auditor General of Ontario found that the number of species at risk in Ontario increased from 2009-2020 by 22%. Ongoing biodiversity loss will impact the value and function of essential ecosystem services that contribute to resource production, drinking water protection, natural hazard safety, and ecosystem health. In Halton alone, these services are worth an estimated \$731 million per year.

The proposed changes in Schedule 2 would alter Ontario's framework for protecting species at risk by replacing the *Endangered Species Act* with the *Species Conservation Act, 2025*. This shift introduces several provisions with direct implications for Oakville. The implications from the legislation changes are broad:

- It will undermine the Town's ability to proactively protect natural areas and species within its jurisdiction. It also jeopardizes long-term biodiversity goals outlined in the *Oakville Strategy for Biodiversity (OSB)*.
- Key areas that are currently protected by the Town's Official Plan may lose their designation, limiting the Town's ability to enforce protections. This change would also disrupt current local recovery projects involving partnerships with Conservation Authorities.
- Reduced scientific integrity of biodiversity assessments, affecting how the town designates and safeguards critical habitats.

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- The Town may be forced to accommodate development without sufficient off-setting measures, placing added pressure on remaining natural heritage areas.
- Introducing further reform without reviewing past impacts may worsen biodiversity outcomes locally and provincially.

Staff have concerns that the effects of previous amendments to the *Endangered Species Act* have not been reviewed and that the proposed changes associated with Bill 5 are premature. These latest changes may have the effect of further lessening protection for species and adding to the continued decline of biodiversity in Oakville and on the broader landscape.

Schedule 3 - *Environmental Assessment Act*

Summary of Proposed Changes

- Agreement regarding the Eagle's Nest mining project is terminated.
- Specific activities at the Chatham-Kent waste site are exempt from Part II.3 Projects in the act.

Comments to the Province

Staff have not identified concerns with this section of the proposed legislation.

Schedule 4 - *Environmental Protection Act*

Summary of Proposed Changes

- Repeal fees with respect to Environmental Activity and Sector Registry.

Comments to the Province

Staff have not identified concerns with this section of the proposed legislation.

Schedule 5 - *Mining Act*

Summary of Proposed Changes

- The purpose of act now includes alignment with protection of Ontario's economy.
- Minister gains power to suspend mining lands administration for national mineral supply chain protection.
- New integrated permitting team authorized for designated mining projects.
- Legal actions related to these changes are barred.

Comments to the Province

Staff have not identified concerns with this section of the proposed legislation.

Schedule 6 - Ontario Energy Board Act, 1998

Summary of Proposed Changes

- Procurement restrictions imposed on gas and energy companies based on the origin of goods/services.
- Legal immunity provisions like those in the *Electricity Act*.

Comments to the Province

Staff have not identified concerns with this section of the proposed legislation.

Schedule 7 - Ontario Heritage Act

Summary of Proposed Changes

- Expanded powers for artifact/archaeological site inspections and seizures.
- Minister may exempt properties from archaeological assessment requirements.
- Legal actions are barred in relation to these new powers.
- Investigation and enforcement capabilities expanded, including warrants and orders.

Comments to the Province

Archaeological assessments are an essential step in the land use planning process and are integral to Indigenous self-determination. Truth and Reconciliation and archaeology are intertwined concepts. Archaeology can offer a tangible connection to Indigenous history, culture, and connection to the land, which is crucial for reconciliation efforts. Indigenous monitors are required to be on-site for Stage 3 and 4 archaeological assessments according to the Province's Standards and Guidelines for Consultant Archaeologists (2011). This process is crucial for reconciliation efforts, which should not only be a municipal priority, but a provincial one as well.

The proposed amendment's provincial priorities are vague. If development can go forward without requiring an archaeological assessment in areas of archaeological potential under the Town's (once the Region's) Archaeological Management Plan, it could:

- Cause lasting damage with Indigenous communities.
- Ignore our provincial and municipal responsibilities to Truth and Reconciliation.
- Cause more sites, burials, and artifacts to be found out of context and potentially damaged during the work as opposed to before, which was a protective framework.
- Allow for portions of Oakville's physical history to go unrecorded and unknown.

Staff recommend changes to the proposed amendment regarding archaeological assessment exemption. Staff are of the opinion that, due to the early nature of archaeological assessments in development projects, which are conducted before any other required work for permits, they neither slow nor inhibit development of provincial

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priorities. The importance of archaeological assessments and Indigenous participation is a government responsibility for Truth and Reconciliation. Indigenous engagement outweighs the need for accelerated development timelines.

Schedule 8 - *Rebuilding Ontario Place Act, 2023*

Summary of Proposed Changes

- Environmental Bill of Rights, 1993 does not apply to instruments related to the Ontario Place Redevelopment Project.

Comments to the Province

This would exempt the Therme Group from the requirements of the Environmental Bill of Rights. Staff see this type of exemption as a concerning precedent.

Schedule 9 - *Special Economic Zones Act, 2025*

Summary of Proposed Changes

- Enables designation of Special Economic Zones (SEZ) and trusted proponents/projects.
- Projects in these zones may be exempted from or subject to modified legal and regulatory requirements.
- Legal protection and extinguishment of related causes of action.
- This act empowers the provincial government, Lieutenant Governor in Council, to designate specific geographic areas as SEZ through regulation, which would allow trusted proponents (designated by the Minister) to be exempt from permitting and regulation.
- This power also includes exemption or modifications from by-laws or other instruments of a municipality or local board meaning the town would not be able to legally challenge decisions made in the SEZ.

Comments to the Province

This tool is intended to be used within the Ring of Fire in the James Bay Lowlands of Northern Ontario. Even though much of this area is not covered by municipal by-laws, the proposed changes are explicitly included in the new provisions.

Staff are concerned that these new powers could be used in other areas, like Oakville, to overrule zoning, diminish natural environment and biodiversity protections, dilute transit supportive development and affect long-term municipal planning.

Staff are also concerned that the creation of SEZ in select areas of the province may create a landscape of competitive advantages versus disadvantages. This creates a risk of uneven development and economic areas that are disconnected from local economies.

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Oakville's planning efforts, including intensification targets, transit-oriented development, and natural heritage preservation could be compromised by unilateral decisions made by the province or its delegated proponents. This undermines local democracy and the Town's ability to uphold community interests, climate commitments, and complete community design standards. Any Ontario municipality may be exposed to unanticipated development that by-passes environmental, cultural, and infrastructure planning frameworks, with long-term consequences for livability and resilience.

Schedule 10 - Species Conservation Act, 2025

Summary of Proposed Changes

- Replaces the Endangered Species Act, 2007.
- Continues the Committee on the Status of Species at Risk in Ontario's role in species classification.
- Restricts harmful activities unless permitted or registered.
- Introduces a new conservation registry and compliance mechanisms.
- Powers to enforce, suspend, or revoke permits are clarified and strengthened.

Comments to the Province

The proposed *Species Conservation Act* introduces a registration-first approach to projects that may impact species at risk and will now only require registration with the Ministry of the Environment, Conservation and Parks (MECP) whereas previously it required a permit.

Staff are concerned that this new process may permit harmful works to proceed within Oakville. This could occur immediately after registering and without an understanding of the negative impacts it may have on species, biodiversity, environment or people. If provincial protections are removed, and federal oversight is limited or reactive, critical habitats may be lost or degraded before any enforcement action is taken.

While promoting voluntary conservation through habitat restoration is well-intentioned, it is not a substitute for enforceable protections. Reliance on voluntary measures may result in inconsistent application and limited effectiveness in rapidly urbanising contexts like Oakville.

Conclusion and Request for Continued Dialogue

Bill 5 introduces sweeping changes that shift the balance toward economic expediency at the potential cost of environmental protection and municipal autonomy. Staff recognise the importance of accelerating housing and infrastructure delivery; however, these goals should be pursued without compromising long-term sustainability, biodiversity, and community planning objectives.

The Town of Oakville is committed to responsible growth management, environmental protection, and sustainable community development. Bill 5 proposes significant changes that challenge these commitments. While economic development is a shared priority, it should not come at the expense of biodiversity, municipal planning authority, or transparent governance.

Staff request that the Province:

- Defer implementation of Schedule 2 and 10 changes pending a review of past ESA amendments.
- Preserve the role of science-based decision-making in species classification.
- Retains municipal authority over planning and environmental protection regarding SEZs.
- Re-establish robust protections and recovery strategies for species at risk.
- Ensures full and transparent consultation with municipalities before enacting policies that impact local ecosystems and governance.

The Town of Oakville remains intent on collaborative governance and urges the Province to maintain open dialogue with municipalities. On-going consultation is essential to ensure that local strategies and Official Plans remain effective and aligned with provincial priorities.