



Comments on Bill 5, Protect Ontario by Unleashing Our Economy Act

Development Services Committee

May 13, 2025



Background

- Protect Ontario by Unleashing Our Economy Act, 2025 (Bill 5) introduced on April 17, 2025
- Proposes changes to 8 statutes and creation of 2 new statutes, including proposals to:
 - Create new Special Economic Zones Act
 - Repeal the Endangered Species Act and replace it with a proposed new Species Conservation Act
 - Revise Ontario Heritage Act
- 7 items are posed on the ERO with a commenting deadline of May 17, 2025

Special Economic Zones Act

- Gives province authority to designate special economic zones through regulation
- Provides the province with the authority to exempt “trusted proponents” or “designated projects” within zones from permitting and approvals under any Act or regulation subject to conditions, including by-laws of a municipality
- Designated zones can vary in size from small parcels of land to larger areas
- Regulations containing implementation details regarding criteria province will use to designate “zones”, “trusted proponents” and “designated projects” have not been released

Special Economic Zones Act – Staff Comments

- Proposed concept tentatively supported by staff:

 That the concept of special economic zones for critical mineral projects and major infrastructure of provincial significance be tentatively supported in principle and that broader application of the concept to facilitate the general approval of development applications where the province already has significant tools available not be supported.

- Proposed changes requiring further consultation with municipalities:

 Province consult and/or collaborate with municipalities when developing criteria for designating zones and projects to ensure the implementation of the Act does not conflict with local municipal authority and decision-making.

Ontario Heritage Act

- Revisions give province authority to exempt property from a requirement to conduct an archaeological assessment if exemption could advance a provincial priority related to:
 - transit
 - housing
 - health and long-term care
 - transportation
 - other priorities as prescribed by regulation
- Sets two-year limitation period to commence a legal proceeding from when offence is brought to provincial offences officer
- Makes other revisions to enforcement and compliance matters

Ontario Heritage Act – Staff Comments

- Proposed change not supported by staff:



The amendment to allow exemption from archaeological requirements has potential risk due to impact this could have on unknown buried archaeological resources, especially those that are identified through review or existing documents as possessing 'archaeological potential'.

- Proposed changes supported by staff:



Prosecution – welcome the new two-year period related to commencing legal action from when an offence comes to the attention of city officials (currently 6 months from when the offence was committed).



Prosecution – support changes to allow a court to prevent, eliminate or correct damage connected to an offence.

Species Conservation Act (replaces ESA)

- Bill 5 would make immediate amendments to the ESA and later repeal ESA with new Species Conservation Act, once proclaimed
- Changes in proposed new Act would significantly reduce protection afforded to endangered and threatened species provided in the ESA:
 - Replaces definition of “habitat” with narrower definition
 - Shifts almost all authorizations to a ‘permit-by-rule’ registration approach
 - Removes concept of “overall benefits” permits
 - Removes requirements for migratory birds and aquatic species protected under federal Species at Risk Act
 - Removes requirements for recovery strategies and management plans

Regulations to implement registration-first approach to be developed over next several months and to come into force early next year.

Species Conservation Act – Staff Comments

- Proposed changes not supported by staff:



Changes to definition of “habitat” that removes reference to migration and feeding



Removal of “overall benefit” standard for permit approvals and registrations



Removal of formal requirements for recovery strategies and management plans

Species Conservation Act – Staff Comments Cont.

- Proposed changes supported by staff:



Streamlining approvals through greater use of the 'permit-by-rule' registration approach with recommendations that:

- conditions include rigorous standards with requirements to demonstrate how impacts are avoided, minimized and mitigated
- province consult with municipalities and other conservation organizations when developing supporting regulations to enable more municipal infrastructure projects to proceed with conditional exemptions through project registration



Continuation of the Species Conservation Program and provincial commitment to funding with recommendation that municipalities be eligible to receive funding for species recovery

Next Steps

- Staff to submit comments to province to meet consultation timeline and to submit Council Resolution to follow
- Report back on implications of Special Economic Zones Act to the City of Markham, if any, as regulations and implementation details become known
- Staff to provide technical comments on proposed regulations to implement the proposed Species Conservation Act, as required



Thank you!