



Administration and Operations Committee Report

To: The Chair and Members of the Administration and Operations Committee
From: Halie Gilmore, Project Manager Corporate Strategy and Zach Gable, Director, Economic Development and Tourism
Date: June 17, 2025
Report #: RPT-0251-25
Subject: Overview of Bill 5, Protect Ontario by Unleashing our Economy Act, 2025
Purpose: For Information

Recommendation

That RPT-0251-25 - Overview of Bill 5, Protect Ontario by Unleashing our Economy Act, 2025, be received as information.

Executive Summary

On June 5, 2025, [Bill 5 – Protect Ontario by Unleashing our Economy Act, 2025](#) (the bill) received Royal Assent. This new provincial legislation is an omnibus bill that outlines changes to seven Acts and introduces two new Acts. The province shares that these legislative changes aim to streamline the development approval process, specifically for projects accelerating energy, infrastructure development, and mineral extraction. Notably, the bill introduces the new *Special Economic Zones Act*, which grants the province with the authority to identify geographic areas or specific projects where trusted proponents are exempt from select provincial and/or municipal legislation, regulations, bylaws, and standards. Other changes, including the new *Species Conservation Act* and amendments to the *Ontario Heritage Act*, change environmental and heritage protections with the focus on making permit and development processes more efficient. This report provides an overview of the newly approved bill and outlines how it may impact the County of Brant. Moving forward, staff will continue to monitor how regulations related to this bill are drafted and will seek opportunities to provide feedback throughout this process.

Strategic Plan Priority

Strategic Priority 1 – Economic and Financial Resilience

Strategic Priority 2 – Focused Growth and Infrastructure

Strategic Priority 4 – Stable and Responsive Governance

Strategic Priority 5 – Environmental Sustainability and Climate Action

Impacts and Mitigation

Social Impacts

Bill 5 has the potential to result in significant social impacts. In practice, legislative changes could permit eligible developments to circumvent provincial and municipal laws and regulations designed to protect the health and well-being of residents. It may also reduce public participation and transparency in the decision-making process related to development and could weaken heritage protections.

Environmental Impacts

Analysts highlight that the Bill is anticipated to have profound environmental impacts. The new *Species Conservation Act* updates the definition of habitat and changes the approval process related to endangered and threatened species to advance faster development approvals. Similarly, changes to the *Environmental Assessment Act* specifically exempt two projects from completing an environmental assessment (a northern Ontario mining project and a southern Ontario landfill project). Through establishing Special Economic Zones, the province could also exempt trusted proponents and projects from adhering to select municipal and provincial regulations that are in place to protect the environment and natural assets.

Economic Impacts

The legislative changes aim to spur economic development throughout the province. While the bill is anticipated to increase investment and economic activity, it could also negatively impact the County financially. Staff identify that within the *Special Economic Zones Act*, the province could exempt developments from select legislation, such as municipal Development Charges Bylaws. Exemptions like this would impact the County's ability to collect DCs to fund future growth. Staff will monitor regulations developed and will continue to evaluate how it could financially impact the County.

Report

Background

In recent years, the province has passed legislative changes focused on addressing the housing crisis, supporting economic growth, and cutting red tape. Bill 5 was first introduced on April 17, 2025, with a focus on bolstering the Ontario economy in the face of tariff threats from the United States and the increasingly challenging economic relationship. This bill is a broad piece of legislation that amends Acts across several areas related to Ontario's energy, environment, heritage, and conservation policies. The comprehensive bill aims to streamline development approvals, particularly for resource extraction and major infrastructure projects. After debate in the Standing Committee on the Interior, the bill passed its third reading on June 4, 2025, with minor amendments from the first reading. The bill received Royal Assent on June 5, 2025.

The bill amends the following Acts:

- Ontario Heritage Act
- Ontario Energy Board Act, 1998
- Environmental Assessment Act
- Mining Act
- Environmental Protection Act

- Electricity Act, 1998
- Endangered Species Act, 2007 (repealed)
- Rebuilding Ontario Place Act, 2023

It also creates two new Acts:

- Special Economic Zones Act, 2025
- Species Conservation Act, 2025

The section below provides an overview of the key takeaways from this legislation and prospective impacts on the County.

Analysis

Enacts the Special Economic Zones Act

The new *Special Economic Zones Act* grants the Province of Ontario the authority to designate specific geographic areas as special economic zones (SEZs). Within these zones, the province may exempt projects or trusted proponents from complying with specific provincial and municipal laws and regulations.

By creating geographically delineated areas that are subject to different regulations and administration, the hope is to attract direct investment and stimulate economic activity. In a sense, this Act sets the legislative framework that provides the province with the authority to offer regulatory incentives to encourage development within targeted areas. In a technical briefing, the province cites that these types of economic zones have been used in other jurisdictions, including Italy, Panama, Poland, Singapore, South Korea, and Spain, with the objective of spurring industrial and commercial development. Ontario is the first province in Canada that has adopted legislation of this nature.

The wording of the Act is general, and it does not outline specific criteria for how SEZs would be developed, and/or limits on size, location, or specific areas of focus. The implementation of this Act relies heavily on the development of future regulations to provide greater clarity on how these zones will be created and administered across the province. The province indicates that regulations will be developed by September 2025, and they will prescribe criteria for the purpose of identifying a zone, designating trusted proponents, and vetted projects that are in scope that meet high operating, safety, and environmental standards.

Beyond establishing the authority to create SEZs, legal analysts also highlight that the Act prohibits lawsuits against the province related to various provisions in Bill 5, including the designation of these zones.

In addition to this Act, over the years the province has also been consolidating powers to fast-track development through minister zoning orders, also known as MZOs. MZOs are a tool used by the province to override planning decisions made by municipalities. The new Act is unclear how SEZs will work in tandem with MZOs.

Impacts on the County

Due to the general nature and wording of the legislation, it is challenging to pinpoint exactly how this Act will affect the County. Analysis shows that the legislative and regulatory changes could be substantial and wide-ranging. It has the potential to significantly impact municipal authority with respect to the approval of development and associated municipal requirements.

Notably, by removing specific regulations, projects could advance in opposition to municipal bylaws and planning decisions, as well as without valuable assessments and due diligence. Through the Act, the minister could exempt projects and trusted proponents from any provincial law (for example, the Planning Act, Environmental Protection Act, Occupational Health and Safety Act, and Highway Traffic Act) for any purpose within SEZs.

If specific areas of the County were deemed a SEZ, the province could also dictate that projects within this zone would not be subject to specific municipal regulations, such as the Zoning Bylaw, Development Charges Bylaw, Noise Bylaw, and Good Forestry Practices Bylaw. A prospective project could move forward without adhering to these specific regulations. This has the potential to influence the type and speed of development within the County and the achievement of strategic priorities. Depending on the regulations developed, the Act has the potential to affect municipalities in a variety of ways, including but not limited to:

- Reducing environmental protection for agricultural land, woodlots, wetlands, and other natural assets.
- Limiting municipal authority to collaborate with developers to achieve different standards, like incorporating a 30% tree canopy coverage in site designs, active transportation, or encouraging higher job density.
- Exempting developments within SEZs from having to adhere to municipal bylaws that support community safety and well-being (like the Noise Bylaw).
- Impacting municipalities' ability to plan for and support sustainable, strategic growth, specifically the optimal use of employment lands.
- Decreasing community involvement and transparency in the decision-making process.
- Impacting the municipalities' ability to collect development charges to fund infrastructure required for a growing community.

Staff recognize that in the past existing provincial bodies or legislation have impacted the ability for the County to be competitive for some large-scale economic development projects. Other legislative changes made prior to Bill 5 have helped to reduce these barriers, such as increasing the value of projects which trigger a review from the Ontario Energy Board for the extension of energy utilities. This update has helped support the competitiveness of the County of Brant and Ontario more broadly when in direct competition with other North American sites. Streamlining requirements can make the province a more attractive place to do business, especially in the face of heightened competition associated with tariffs focused on driving companies to the United States.

Overall, the *Special Economic Zones Act* grants the province the authority to dictate specific areas and projects where proponents can circumvent provincial and municipal legislation. This change awards the province with a significant amount of power to dictate where and how economic development will occur in Ontario. As noted above, it is challenging to specifically identify the exact impacts of this Act without knowing the types of bylaws and standards that the province will exempt proponents from within SEZs. While staff anticipate

that SEZs will predominantly be used to fast-track development projects related to energy and mining within Northern Ontario, without formal criteria the impacts could be far reaching and affect the County's ability to effectively plan for sustainable growth of communities and ensure the long-term protection of agricultural land and other natural resources. Moving forward, staff will monitor the implementation of this Act and the development of regulations.

Repeals the Endangered Species Act, 2007, and introduces the Species Conservation Act, 2025

Bill 5 repeals the *Endangered Species Act, 2007* and replaces it with the *Species Conservation Act, 2025*. One of the most significant changes within this new Act involves an updated definition of the term 'habitat.' Under the *Endangered Species Act, 2007*, habitat is defined to include any area a species depends on, directly or indirectly, to carry out its life processes, such as migration, feeding, or overwintering. The definition in the new *Species Conservation Act, 2025* limits the term habitat to the physical dwellings (for example dens and nests) and the immediate surrounding area necessary for breeding, rearing, or hibernation. Conservation experts note that this change will reduce the amount of land subject to protection, lead to the fragmentation of critical habitats for species at risk, and ultimately result in negative repercussions for Ontario wildlife.

The responsibility for determining the list of protected species also shifts within the new legislation. Previously, this was done by an independent committee of scientists (Committee on the Status of Species at Risk in Ontario) and now, the government has gained the discretion to review the list and add/remove species.

A focal point of the new Act is the shift to a registration-first authorization model. Under this approach, most activities that may impact listed species would be authorized through an online registration process, provided applicants comply with prescribed regulatory conditions. This would allow projects to move forward with a regulated activity immediately after completing the registration, without waiting for the Ministry of Environment, Conservation and Parks to approve their permit application. The intent is to streamline approvals and reduce project delays. Notably, many activities affecting protected species were already regulated through registration rather than permitting under the previous *Endangered Species Act, 2007*.

Overall, the new Act aims to provide the provincial government with the power to speed up development by amending the processes for protecting endangered and threatened species.

Impacts on the County

This shift will reduce protection for critical natural assets throughout the County, like wetlands, woodlots, and other ecosystems that serve as habitats for species at risk. Staff will continue to monitor how this new approach will impact planning and development.

Amendments to the Mining Act

Bill 5 includes amendments to the *Mining Act* aimed at streamlining the permitting process for mining operations in Ontario. The changes are anticipated to introduce a new, faster process in which designated mine projects that are at the advanced exploration or development stage could have permits from multiple ministries reviewed at the same time. In addition, a dedicated government office will be established to assist companies in obtaining the necessary authorizations more efficiently.

Impacts on the County

Given the County's location and the absence of an active mining industry, these legislative changes are not expected to have a direct impact on the municipality. Staff note that some County of Brant manufacturers do supply this industry and therefore these local businesses could see positive impacts associated with heightened mining activity.

Changes to the Ontario Heritage Act

Updates to the Ontario Heritage Act (OHA) aim to increase the speed of development and reduce red tape, specifically as it pertains to archeological assessments. Schedule 7 of the bill outlines that the province can exempt any property from an archeological assessment if they are of the opinion that an exemption could potentially advance one or more of the following provincial priorities:

- Transit,
- Housing,
- Health and long-term care,
- Other infrastructure, and/or
- Such other priorities as may be prescribed.

The province has shared that exemptions would not apply to burials, Indigenous sites, or former Residential Schools. Specific criteria for exemptions would be set through future regulations.

Impacts on the County

In a briefing note shared with the County of Brant Heritage Committee, staff outline that the focus of the bill appears to be on mining opportunities in Northern Ontario and other large infrastructure projects, and thus staff do not anticipate many direct impacts within the County. Staff will continue to monitor the development of regulations and evaluate how this will influence the County moving forward.

Staff note that the County is rich in archaeological resources, with a landscape shaped by thousands of years of Indigenous presence along the Grand River and its tributaries. Sites within the County reflect the deep cultural, spiritual, and historical significance of the land to Indigenous Communities, particularly the Haudenosaunee and Anishinaabe peoples. Many areas hold archaeological importance related to settlement patterns, traditional practices, and sacred spaces. It is the County of Brant's current minimum standard, which is reflected in the policies of the Official Plan, that applications made to the County for development under the *Planning Act* or site alteration made under the *Municipal Act* that would result in the disturbance of soil are required to undertake archeological assessments.

Specific Exemptions from the Environmental Assessment Act

Bill 5 terminates the requirement for completing comprehensive environmental assessments for two specific projects: 1) the proposed Eagle's Nest mine as part of the Ring of Fire in Northern Ontario and 2) the proposed Dresden Landfill.

Impacts on the County

While these changes do not directly affect the County, the practice of passing legislation to exempt specific projects from these assessments is an important development. This could set a precedent for how future projects, like landfills, within the County and surrounding municipalities are advanced.

Summary and Recommendations

Overall, Bill 5 is a sweeping piece of legislation that amends seven Acts and introduces two new Acts (the *Special Economic Zones Act* and the *Species Conservation Act*). The provincial government shares that these changes aim to strengthen development and resiliency throughout the province in the face of an increasingly tenuous economic relationship with the United States.

Despite the economic growth opportunities, legislative changes included in Bill 5 reduce municipal authority and could affect how the County plans for sustainable growth and development. Moving forward, staff will continue to monitor how the legislation is implemented across the province as the comment period to provide feedback on the legislation has passed (open from April 17-May 17).

Several of the existing Acts amended or repealed in Bill 5, work in tandem with processes under the *Planning Act*, such as the *Endangered Species Act* (replaced with *Species Conservation Act*) and the *Ontario Heritage Act*. Planning staff will continue to monitor and advise of any changes that may directly impact the implementation of existing land use planning requirements.

Attachments

N/A

Reviewed By

Alison Newton, Chief Administrative Officer
Adam Crozier, Director of Corporate Strategy
Alysha Dyjach, General Manager of Development Services
Melissa Connor, General Manager of Strategic Initiatives

Copied To

Senior Management Team

By-law and/or Agreement

By-law Required	No
Agreement(s) or other documents to be signed by Mayor and /or Clerk	No