

Ontario Federation of Agriculture Submission to Standing Committee on the Interior

Regarding Consideration of Bill 5, *Protect Ontario by Unleashing our Economy Act, 2025*

May 26, 2025

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Aris Babikian
Chair, Standing Committee on the Interior
Whitney Block
Room 1405
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Submitted online and via sci@ola.org

Dear Standing Committee Chair and Members:

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

The Ontario Federation of Agriculture (OFA) is the largest general farm organization in Ontario, proudly representing more than 38,000 farm family members. OFA has a strong voice for our members and the agri-food industry on issues, legislation and regulations administered by all levels of government. We are passionate and dedicated to ensuring that the agri-food sector and rural communities are considered and consulted with for any new or changing legislation that would impact the sustainability and growth of our farm businesses.

Ontario's agri-food sector is an economic powerhouse – producing more than 200 farm and food products, fuelling rural communities, generating nearly 750,000 jobs, and contributing over \$50 billion to Ontario's annual GDP. The province's agri-food strategy, Grow Ontario, aims to strengthen the agri-food sector, support economic growth, and ensure an efficient, reliable and responsible food supply. By removing barriers, unnecessary costs and red tape, Ontario farmers will be positioned to seize opportunities and rise to the challenge of an ambitious growth strategy, allowing the agri-food sector to drive the economy forward.

OFA appreciates the opportunity to provide input on Bill 5, *Protect Ontario by Unleashing our Economy Act, 2025*.

Schedule 2: *Endangered Species Act, 2007*

Schedule 10: *Species Conservation Act, 2025*

OFA reaffirms its longstanding view that there is only one Ontario landscape - home to a diverse range of landforms and uses, from urban and rural to agricultural, natural heritage, and aggregate operations. Agriculture is an essential part of this landscape, contributing not only food, fibre, and fuel, but also vital environmental and ecological goods and services, including habitat for species at risk.

For many Ontario farmers, the presence of species at risk on and around their farms is a daily reality. This should be seen as a testament to the compatibility of agriculture with biodiversity – not a justification for restrictive policies that jeopardize farmers' ability to produce safe, local, and affordable food.

Ontario's agricultural land is a finite and shrinking resource. While farmers support the protection and recovery of species at risk, this must not come at the expense of agricultural viability. The *Endangered Species Act* (ESA) was introduced in 2007 to protect vulnerable species and promote stewardship to protect these plant and animal species - an approach many farmers have embraced. It is the primary source of protection for over 200 vulnerable species in Ontario, including mammals, birds, fish and plants.

OFA supports a balanced and evidence-based approach to environmental legislation - One that respects the need to protect species at risk while ensuring farmers have the clarity, tools, and support to continue producing food and managing land sustainably. However, OFA has significant concerns that Schedule 2, proposed amendments to the ESA, and Schedule 10: repeal of the ESA and enactment of the *Species Conservation Act, 2025* (SCA) dilutes and misses the purpose of protecting species in Ontario. While the proposed amendments and eventual repeal of the SCA are positioned to streamline regulatory processes and promote economic development, they pose serious risks to biodiversity protection, long-term agricultural viability, and the integrity of conservation efforts in Ontario.

Purpose of the Act

The purpose of the current ESA is to identify species at risk based on the best scientific information, protect habitats vital to their survival, and promote the recovery of those species and stewardship activities. Protection decisions under the present-day ESA are made by an independent body, based on current scientific information.

The proposed new purpose of the ESA would balance protection and conservation of species with social and economic considerations including the need for sustainable economic growth in Ontario. OFA has long believed that the social and economic consequences of listing species have been long overlooked and ignored. Decisions on listing a species, its habitat, potential recovery actions, and government response statements need to include social and economic consequences to make fully informed decisions. OFA acknowledges that actions need to be taken to minimize impacts on species at risk and their habitats, however, recovery strategies, government response statements, and habitat regulations need to reflect the reality that a single-minded focus on species restoration to the exclusion of all other factors is unsustainable.

Definition of Habitat

The proposed changes to the definition of "habitat" under the ESA narrows the scope of what counts as protected habitat for species at risk, limiting it to areas currently occupied by the species. Currently, "habitat" under the ESA includes both the areas currently occupied by the species and areas required for recovery. The proposal removes the requirement to protect areas on which species are *indirectly* dependent on for their survival to areas and excludes areas critical to recovery or future expansion of the species. The proposed definition of "habitat" may weaken long-term recovery efforts by excluding key unoccupied, but ecologically necessary areas, such as breeding grounds or future habitats under climate change.

OFA is concerned that a narrower definition of habitat may also reduce protections for wetlands, woodlots, and pollinator corridors essential to agricultural resilience and productivity. Farmers depend on healthy ecosystems, and biodiversity loss is not just an environmental issue, it is an economic risk. The changes could lead to fragmentation and degradation of natural areas relied

upon by agriculture for ecosystem services, including pollination, water quality, and pest control. OFA is concerned that these changes could prevent proactive conservation, undermine efforts to restore species populations, and introduce uncertainty and inconsistency in habitat protection across different landscapes.

Furthermore, the proposal also allows the Minister to prescribe what constitutes “habitat” in regulation, potentially overriding science-based definitions. OFA is concerned that this opens the door to economic or political pressures influencing habitat designations, rather than basing them on ecological necessity or science. This could result in increased land development pressures on previously protected areas.

The provisions contained in the SCA allow for more flexibility in habitat protection, such as scoping habitat regulations to specific geographies or circumstances, which could mitigate impacts on farmers and their farming businesses. Additionally, the SCA removes the requirement to develop new habitat regulations for every newly listed species, making it easier for farmers to continue operations without constant regulatory adjustments. OFA sees this as a potentially beneficial change if used appropriately, as it may reduce the frequency of regulatory changes that would directly impact land use. Farmers could have clearer guidelines for when and how their operations could be affected by new species listings. OFA believes the best use of arable land is agriculture. Arable farmland is our most important resource; it is vital to our well-being and survival and must be treated as such. While potentially beneficial, OFA is concerned that offering more flexibility in habitat protections could allow more land to become open for development and resource extraction, especially in areas of economic interest. This could create a regulatory loophole that prioritizes short-term development over long-term species recovery.

OFA recommends a balanced, practical definition of “habitat”, based on clear, science-based criteria. The definition needs to include areas essential for the survival and recovery of species, including transitional, migratory, and future-use habitats that are based on transparent, scientific and ecological data. Recovery habitat must be ecologically justified, and its designation should be limited to areas where species recovery is realistically achievable and compatible with existing agricultural activities. Actively used and maintained agricultural land should be excluded from automatic designation as habitat, unless there is a demonstrated, site-specific ecological necessity. This would recognize that well-managed farmland already contributes to biodiversity and species conservation through stewardship activities, without requiring restrictive habitat designations.

Registration-First Approach

OFA supports reducing administrative burden and red tape but has concerns about the shift from a permit-based system to a registration-first model. While this streamlines processes, potentially allowing faster approvals for agricultural projects, it could also see industrial and urban development proceed without adequate review, and at the expense of our ecosystems and species at risk. The registration-first approach under the SCA significantly reduces oversight and accountability in activities that may impact species at risk. Under this system, activities may proceed without formal government review or assessment, increasing the risk of unintended environmental harm, especially in ecologically sensitive or agricultural-valuable areas. The burden of compliance and interpretation would be placed more heavily on individual landowners, with reduced opportunities for tailored guidance or input. Farmers are stewards of the land; While streamlining processes is beneficial for farmers who wish to undertake agricultural activities, there

is concern that a registration-first system may erode public trust in farming, farmers, and the entire system. OFA believes that such a system could lead to inconsistent application of protections and introduce uncertainty for farmers who rely on regulatory clarity and predictability in managing their land. If a registration-first approach is implemented, it must include transparent, science-based eligibility criteria, clear communication to landowners, strong monitoring and enforcement mechanisms, and a commitment to regularly evaluate ecological outcomes. OFA supports modern, effective environmental legislation, but it must ensure that biodiversity protection and sustainable land use are not compromised in the name of efficiency.

Species Listing After Scientific Assessment

Under the current ESA, species are assessed by the Committee on the Status of Species at Risk in Ontario (COSSARO), an independent body, and automatically listed with immediate legal protections. The proposed amendments to the ESA and the SCA give Ministerial discretion to delay the automatic listing of species assessed as at-risk by COSSARO for up to two years. OFA is concerned that species scientifically identified as at risk may remain without legal protections for extended periods, increasing their vulnerability during critical periods. This delay potentially opens the door to non-scientific considerations, such as economic or development pressures, into what should be a science-based process, potentially overriding urgent conservation needs. Legal uncertainty would be created for farmers managing their land near known critical habitats without clear timelines for when protections would apply.

Further ESA amendments grant the Minister greater discretion over how and whether to act on COSSARO's recommendations. Shifting authority from an independent scientific committee to political decision-makers may erode public trust in the species at risk process. Decision-making may become inconsistent or unpredictable, complicating land-use planning for farmers and others.

COSSARO

COSSARO is currently comprised of members with scientific expertise in species at risk. OFA has long believed that a rural/agricultural perspective is missing, to help consider the socio-economic implications of listing a species. OFA supports ESA amendments that would extend COSSARO membership to individuals without ecological or biological science background, to ensure a rural lens is considered when listing a species. However, OFA believes the majority of the committee should continue to be comprised of scientific experts with relevant scientific expertise, to continue classifying species based on the best available scientific information. OFA is concerned that a committee without relevant scientific expertise could create a less rigorous or more politicized species listing process, reduce the objectivity and credibility of species assessment, and reduce transparency if scientific decisions are subject to economic or development-based influence. OFA recommends maintaining COSSARO as an independent, science-based body, with the ability to add individual members with relevant expertise in other areas, including agriculture.

Under the SCA, COSSARO would continue to assess species, however, the Minister has the authority to temporarily suspend protections for up to three years for newly listed species. The flexibility in the SCA could allow for better planning, potentially reducing the negative impact on farming operations, especially during transitional periods when species are newly listed. However, OFA is concerned that shifting species listing decisions from the independent COSSARO to

political discretion undermines transparency and consistency. Farmers need science-based, stable regulations to make long-term land-use decisions.

OFA recommends ensuring that COSSARO remains an independent, science-based body with mandatory timelines for listing species based on current science and evidence. Ministerial discretion to delay or override listings without clear ecological justification and accountability should be limited. Processes should be clear, consistent, and transparent so landowners can understand their responsibility and obligations under the Act and participate in species recovery.

Species at Risk Conservation Trust

The SCA establishes a new legislative framework for the Species at Risk Conservation Trust, allowing project proponents to make payments in lieu of fulfilling on-site species protection or habitat restoration requirements. OFA believes the Trust introduces a shift in how species at risk are protected, moving away from site-based avoidance to offset-based mitigation. The “pay-to-impact” model risks enabling habitat destruction through financial offsets, with no assurance of real or timely conservation outcomes.

Under the current ESA, developers are required to undertake on-the-ground activities to mitigate harm to species at risk. However, the Trust would permit developers to pay a charge instead of completing on-the-ground activities, substituting financial contributions for avoiding or mitigating harm on the ground. This would shift emphasis away from preventing harm at the site level, reducing incentive to design projects that minimize habitat damage. OFA is concerned about the impacts the Trust would have on environmental stewardship, transparency, and land use. The model may incentivize habitat destruction by offering a financial pathway to proceed with harmful activities.

OFA is also concerned that there may be disproportionate impacts on rural areas, as agricultural landscapes may face increased ecological degradation if habitat protections are relaxed through offset payments. While this may reduce regulatory burdens in the short term, it risks weakening habitat protections and offloading long-term environmental costs onto farmers and rural communities.

OFA is also concerned that there is limited transparency and accountability regarding how fees collected by the Trust would be used, timeliness for actions, and whether those actions would result in meaningful conservation outcomes.

The SCA does not mandate that the conservation projects funded by the Trust occur near the site of impact or benefit the same species or ecosystems directly affected. OFA does not oppose focusing on beneficial recovery actions in suitable locations or in places with enough potential habitat to make a positive impact on species numbers and populations. However, offsetting projects may be far removed from the area of impact, with no guarantee of equivalent ecological function or species recovery, leaving local ecosystems degraded. Farmers and rural communities may see negative effects on local biodiversity without corresponding benefits nearby.

OFA does not support offsetting habitat destruction in one place by endeavouring to recreate that habitat somewhere else. As habitat becomes offset-based rather than site-based, there may be pressure to concentrate both development and offsets in rural areas. Prime agricultural land is the one land use designation that is sacrificed for all other uses, be that offsetting habitat for

species at risk, wetland offsetting, or urban settlement expansions. The principal cause of the loss of agricultural land across Ontario has been urban expansion. Urban areas have grown, consuming not only Ontario's prime agricultural land but also its natural heritage features and areas, depriving flora and fauna of the habitats they depend upon for their survival. Species decline is largely driven by urban expansion, not by agricultural activity. OFA doubts created habitat features function as well as naturally occurring ones, and valuable natural features should be protected where they are. Lands required to create species-at-risk habitat would come from our finite and shrinking reserves of agricultural land. Prime agricultural land is a shrinking resource; one that must be retained for its ability to produce food, fibre, and fuel.

OFA is also concerned that there is little information on how the Trust will be governed, how priorities will be set, or how effectiveness and success will be evaluated. Without strong transparency measures, the public and stakeholders cannot ensure that funds are being used effectively or that recovery actions are being achieved. The absence of independent oversight raises concerns about political or administrative influence, rather than based on ecological need. Delays in timing and insufficient oversight and monitoring could lead to lag times between habitat destruction and recovery efforts. Delays in implementing recovery actions could harm species whose survival depends on immediate action. Furthermore, species loss and ecological degradation can affect pollination, natural pest control, and soil health - functions vital to farm productivity and sustainability.

Farmers and the public require a system that builds confidence, is credible, and is results-oriented. Robust public reporting, adequate oversight, timeliness, and performance metrics are necessary to ensure accountability in how Trust funds are spent, and not erode trust from public and stakeholders, including the agricultural community.

The proposed amendments to the ESA and the introduction of the SCA raise several significant concerns related to conservation, agricultural land use, stewardship, and environmental accountability. The changes will weaken protections for species at risk and allow for the prioritization of development interests over conservations. Reduced habitat protections and less stringent recovery requirements would put vulnerable species at greater risk. The amendments to the ESA and introduction of SCA, and provisions therein, risk turning species protection into a transactional process, where ecological loss is treated as a cost of doing business, not something to be prevented.

Ontario's farmers are already deeply committed to environmental stewardship; Farmers depend on biodiversity for the viability and profitability of their businesses. To strengthen biodiversity while supporting agricultural sustainability, the government must avoid policy that centralizes control, dilutes protections for vulnerable species, and excludes those working directly on the land.

Schedule 9: *Special Economic Zones Act, 2025*

OFA understands the proposed *Special Economic Zones Act, 2025 (SEZA)* would exempt "trusted proponent[s] or designated project[s] from [other] requirements," such as Ontario legislation, policy, and local regulatory by-laws and official plans. The proposed SEZA includes broad powers. OFA requests safeguards be added to protect agricultural systems and areas from developments and the environmental effects thereof.

In a world of increasing uncertainty, Ontarians will be looking to the province for stability. A cornerstone of Ontario's stability is its agricultural sector. Accordingly, as a part of unleashing Ontario's economy, Ontario must act responsibly by respecting agricultural systems, protecting agricultural lands (especially prime agricultural areas), and promoting the agricultural sector's economic output. Ontario's agricultural and food sectors contribute \$50 billion to the provincial economy every year and employ 10% of the province's workforce—more than 750,000 people. Farms contribute significantly to local tax revenue while having negligible impacts on most municipal service expenses and augmenting other services, such as drainage. In short, keeping farmland in agricultural use helps:

- To deliver safe, nutritious, affordable, and reliably available food to millions of Ontarians;
- To balance municipal budgets and deliver services at affordable rates;
- To mitigate the effects of climate change by buffering weather events and absorbing carbon emissions from the atmosphere; and
- To provide exceptional quality food, fiber, fuels, and flowers to Canada and the world.

OFA understands and appreciates that this Act is intended to expedite large and intensive projects, including but not limited to the "Ring of Fire" mining project, the 401 tunnel, and oil and gas pipelines. However, as proposed, SEZA has no limits on what areas or projects may be designated. SEZA should be amended to limit its scope to critical natural resources and nation-building projects.

Ontario has lost over 2.1 million acres of farmland since 1996 in the pursuit of urbanized settlement and employment areas. Without the proper planning tools in place SEZA has the potential to accelerate this already unsustainable trend of farmland loss. If SEZA is used to expedite settlement or employment area developments, that purpose should be limited to existing urbanized areas and prioritize the efficient use of land, rather than enable urban sprawl. It's imperative that SEZA respect minimum distance separation between livestock facilities and residential uses (and other sensitive land uses). SEZA must also not be used to override the right to farm under the Farming and Food Production Protection Act (1998), which protects farmers from complaints about normal farm practices.

Ontario's farmers and rural residents deserve to have their livelihoods protected and their quality of life sustained. OFA recommends the Act be amended by prohibiting the creation of special economic zones that would have negative impacts on the agricultural system. Farmers depend on long-term certainty in order to plan not just what crops to grow, but how their farm businesses should grow for decades to come. The Ontario Ministry of Agriculture, Food and Agri-Business (OMAFRA) is in the process of creating an agricultural impact assessments guideline that would require the strategic placement of non-agricultural developments, and the mitigation or minimization of negative effects on the agricultural system. Ontario should take advantage of the work being done by OMAFRA and require special economic zones that affect agricultural systems (especially prime agricultural areas) to conform to an agricultural impact assessment.

Unleashing Ontario's economy must involve supporting Ontario farmers. OFA continues to advocate for economic development and investment opportunities that the agricultural sector can provide through an urgent need for processing and distribution plants. A significant portion of Ontario's crops and livestock products are processed in the United States, then shipped overseas or returned to Canada—something that could be more efficient if done domestically in Ontario.

Our agricultural sector is waiting for the opportunity to access new markets, both domestic and international and by protecting the land that sustains us, building or expanding processing facilities and distribution facilities we can continue to Grow Ontario and be the leading economic drive that Ontario should be proud of, producing \$50 billion of agriculture-related products and services.

OFA is opposed the notion that the government should bestow *trusted* status on a person. The idea of a *trusted proponent* status goes against the concept that the government treats all residents equally before the law. The term *trusted proponent* should be removed from the SEZA framework. Ontario residents are treated equally before the law and must apply for exemptions to specific provisions or policies. In order for the public to continue trusting the legal system in Ontario, it is imperative that Ontario continue to treat all residents as equals and the statutory requirement to conduct public consultation regarding any proposed *designation* or *regulation* under the Act should be included in SEZA in order to ensure that that the principles of transparency and accountability are upheld.

We live in unprecedented times that have underscored the importance of doing things right and supporting our fellow Canadians. Our province delivers safe, affordable, and reliably available food, fiber, fuels, and flowers for Ontario, Canada, and the world. We can continue to do this if we protect our *agricultural systems* and lands, build developments strategically, and provide Ontarians the certainty they need to invest, build, farm, and thrive.

OFA appreciates the opportunity to provide our perspective on **Bill 5, *Protect Ontario by Unleashing our Economy Act, 2025***. We are committed to working collaboratively with the provincial government, municipalities, and other stakeholders to support fair, transparent, and accountable legislative and planning frameworks, while fostering a thriving and sustainable agri-food system that benefits Ontario's farm families, rural residents, and communities.

Sincerely,



Drew Spoelstra
President