

Greenwashing rules may get a makeover in Canada's 2025 budget

November 12, 2025

The federal government's [2025 budget](#) proposes significant changes to Canada's greenwashing provisions under the Competition Act (Act). The federal government recognized that the greenwashing provisions are creating investment uncertainty and causing some parties to slow or reverse efforts to protect the environment. Aiming to provide greater clarity and certainty for businesses, the proposed measures would:

- Remove the requirement to use internationally recognized methodologies when substantiating environmental benefit claims about a business or business activity; and
- Eliminate private access to the Competition Tribunal for greenwashing complaints.

These changes follow [recent amendments](#) to the Act that expanded the Commissioner of Competition's ability to take enforcement action against misleading environmental claims. Under the current framework, companies must ensure that:

- Environmental benefit claims about a product are supported by adequate and proper testing; and
- Claims about a business or business activity are based on adequate and proper substantiation.

The amendments also introduced a private right of action before the Competition Tribunal, allowing private parties to bring greenwashing-related claims directly, increasing potential exposure for businesses.

While the regulatory landscape for environmental benefit claims continues to evolve, companies should remain vigilant. Environmental benefits claims should be truthful, specific, and well-substantiated to comply with current legal requirements and prepare for any changes under the proposed 2025 budget.

By

[Candice Kloes](#), [Roark Lewis](#)

Expertise

BLG | Canada's Law Firm

As the largest, truly full-service Canadian law firm, Borden Ladner Gervais LLP (BLG) delivers practical legal advice for domestic and international clients across more practices and industries than any Canadian firm. With over 800 lawyers, intellectual property agents and other professionals, BLG serves the legal needs of businesses and institutions across Canada and beyond – from M&A and capital markets, to disputes, financing, and trademark & patent registration.

blg.com

BLG Offices

Calgary

Centennial Place, East Tower
520 3rd Avenue S.W.
Calgary, AB, Canada
T2P 0R3

T 403.232.9500
F 403.266.1395

Ottawa

World Exchange Plaza
100 Queen Street
Ottawa, ON, Canada
K1P 1J9

T 613.237.5160
F 613.230.8842

Vancouver

1200 Waterfront Centre
200 Burrard Street
Vancouver, BC, Canada
V7X 1T2

T 604.687.5744
F 604.687.1415

Montréal

1000 De La Gauchetière Street West
Suite 900
Montréal, QC, Canada
H3B 5H4

T 514.954.2555
F 514.879.9015

Toronto

Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON, Canada
M5H 4E3

T 416.367.6000
F 416.367.6749

The information contained herein is of a general nature and is not intended to constitute legal advice, a complete statement of the law, or an opinion on any subject. No one should act upon it or refrain from acting without a thorough examination of the law after the facts of a specific situation are considered. You are urged to consult your legal adviser in cases of specific questions or concerns. BLG does not warrant or guarantee the accuracy, currency or completeness of this publication. No part of this publication may be reproduced without prior written permission of Borden Ladner Gervais LLP. If this publication was sent to you by BLG and you do not wish to receive further publications from BLG, you may ask to remove your contact information from our mailing lists by emailing unsubscribe@blg.com or manage your subscription preferences at blg.com/MyPreferences. If you feel you have received this message in error please contact communications@blg.com. BLG's privacy policy for publications may be found at blg.com/en/privacy.

© 2026 Borden Ladner Gervais LLP. Borden Ladner Gervais LLP is an Ontario Limited Liability Partnership.