

City Planning

City Hall
100 Queen Street West
12th Floor, East Tower
Toronto, Ontario M5H 2N2

Tel: 416 392-8772
Jason.Thorne@toronto.ca
www.toronto.ca/planning

May 15, 2025

Ministry of Economic Development, Job Creation and Trade
SpecialEconomicZones@Ontario.ca

RE: Special Economic Zones Act, 2025 ([ERO 025-0391](#))

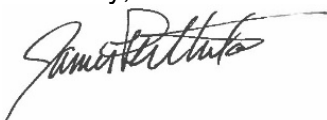
On behalf of the City of Toronto, I am pleased to submit the City's comments and recommendations on the *Special Economic Zones Act* introduced by the *Protect Ontario by Unleashing our Economy Act, 2025* (Bill 5). Below is a summary of the City's comments.

- The *Special Economic Zones Act* (SEZA) is a significant and sweeping legislative regime that would exempt certain proponents and/or projects from unnamed/unidentified laws in the Province, including municipal by-laws.
- As currently drafted the SEZA leaves too many questions unanswered. The legislation has the potential to be overbroad, unclear and vague given that it lacks precision regarding what activities it applies to and how any exercise of government action is connected to the SEZA's purpose (which is notably absent from the Act).
- Due to the SEZA's overbroad, unclear and vague legislative regime, the SEZA will likely have unintended consequences that may perpetuate delays or challenges to the use of authority under this legislation.
- The SEZA, as currently drafted, would result in decision making that lacks public transparency and leaves the potential impacts of the legislation and future regulations unknown to municipalities, stakeholders, and the public.
- As such, **the City is not currently supportive of the SEZA**. In response to the City's key concerns, the following recommendations have been provided:
 - SEZA should be amended to include a clear stated purpose to provide legislative certainty regarding how the powers under the SEZA are to be used and for what types of activities the legislation could apply to.
 - How a "Special Economic Zone" is evaluated and designated should not be dealt with by Regulation. The criteria for designating an area of the Province as a Special Economic Zone should be identified within the SEZA itself to provide certainty on how the government will evaluate whether an area of the Province is suitable for the designation.
 - The term "designated project" should be defined in the SEZA, and at a minimum, the process and criteria of identifying and/or selecting such designated project(s) should be stated in legislation, and not in a regulation. The regulation can identify the specific project, should the statutory criteria be met.

- It remains unclear why the provisions for a “trusted proponent” are required considering that the SEZA already provides for the identification of a “designated project”. This creates ambiguity around intent of the SEZA when a “trusted proponent” could be disconnected from a particular project.
 - The use of a “trusted proponent” also has the potential to establish unequal/inequitable treatment between proponents who are able to do the same/similar work, but are treated differently by legislation based on their designation as a “trusted proponent”. It is recommended that the provisions dealing with “trusted proponents” be removed from the SEZA.
- Designated projects within Special Economic Zones that are within an “area of employment” as defined by the Planning Act should be limited to projects that are aligned with the list of businesses and economic activities permitted in an “area of employment”.
- To continue to support transparency in decision making and ensure affected persons/public bodies are aware of the exercise of power under SEZA, it is recommended that provisions be added that require any proposed regulations be expressly subject to Part II of the *Environmental Bill of Rights, 1993* to provide an opportunity for the public/stakeholders to review any potential regulations and provide feedback.
- To continue to support municipal understanding, engagement, and where appropriate, support for exercise of provincial authority under a revised SEZA, it is recommended provisions be included that require the Province to send written notice to, and engage in consultation with, any affected municipalities/local boards when an exercise of provincial authority may impact any municipal decision making/exercise of powers under municipal by-laws. This advanced notice should be provided at least thirty days prior to the general public notice provision recommended above.
- These above principles should help clearly identify the potential scope and application of the SEZA and to support greater public transparency on what provincial laws and/or municipal by-laws may be impacted by provincial decisions under the SEZA.

Should you have any questions regarding the City’s submission or would like to arrange a meeting with City staff, please contact me directly or Corwin Cambray, Director, Strategic Initiatives, Policy & Analysis Section (Corwin.Cambray@toronto.ca or 416-338-1910).

Sincerely,



On behalf of,

Jason Thorne, MCIP, RPP
Chief Planner and Executive Director
City Planning