

Climate Action Newmarket Aurora Submission on the Draft Regulation under the Special Economic Zones Act, 2025

While the SEZ legislation may be intended to help build Ontario's future net-zero capacity, this purpose has not yet been clearly articulated in the *Protecting Ontario by Unleashing Our Economy Act* or in any updated provincial climate plan since 2017. Climate Action Newmarket-Aurora respectfully encourages the Ministry to strengthen this alignment by including **explicit legal protection** for the Greenbelt, Oak Ridges Moraine, and Niagara Escarpment within the SEZ regulation, ensuring that economic innovation goes hand-in-hand with environmental protection and climate responsibility.

Any regulation that allows SEZs to bypass or weaken these protections would directly contradict those statutes and the intent of the Greenbelt Statute Law Amendment Act (2023), which codified the Greenbelt boundaries in law; the Premier's promise notwithstanding. The SEZ framework must not become a backdoor mechanism to erode environmental safeguards, public trust, or Indigenous rights. We recommend that the regulation clearly state:

"All designations, developments, and operations within Special Economic Zones shall be consistent with Ontario's and Canada's legislated commitments to achieve net-zero greenhouse gas emissions by 2050, ensuring that economic growth aligns with climate action and environmental stewardship.

Furthermore, no Special Economic Zone shall be designated, developed, or operated in a way that infringes upon or diminishes the constitutionally protected rights of Indigenous Peoples as affirmed in Section 35 of the *Constitution Act, 1982*, nor in a manner inconsistent with the principles of free, prior, and informed consent as outlined in the *United Nations Declaration on the Rights of Indigenous Peoples* (UNDRIP)."

Rationale

Given what's already been shared in the 'Protecting Ontario By Unleashing Our Economy Act', research done by the World Bank: [Special Economic Zones](#), and based on common concerns expressed by Indigenous communities, environmental groups, and local residents in similar consultations, there is room to suggest here that more emphasis will be placed on the project completion rather than effectively maintaining strategic guardrails. Key recommendations, therefore, to strengthen fairness, accountability, and environmental protection under the proposed Special Economic Zones (SEZ) framework are:

1. Cumulative Impact and Climate Accountability

- Assess cumulative impacts, not solely individual project impacts before approval.
- Ensure all SEZ projects align with Ontario's and Canada's climate commitments, including federal 2050 net-zero goals.

- Reject SEZ proposals that lock in fossil fuel infrastructure or pollution-intensive industries like cement, concrete, steel and iron production, chemicals and methane-heavy agriculture.

2. Environmental Safeguards

- Mandate environmental, climate and health impact assessments before any SEZ designation.
- Prohibit SEZs in sensitive ecosystems and carbon sinks such as peatlands, wetlands, watersheds, and areas with species at risk.
- Include clear, measurable environmental criteria (e.g., limits on air, water, and soil pollution).
- Require ongoing monitoring and public reporting to ensure environmental standards are upheld.

3. Indigenous Rights and Jurisdiction

- Follow United Nations Declaration on the Rights of Indigenous Peoples Act (UNDRIP Act), 2021 and obtain free, prior, and informed consent (FPIC) before any SEZ is designated on or near Indigenous lands.
- Respect Indigenous Protected and Conserved Areas (IPCAs) — no SEZ should overlap with or undermine them.
- Ensure Indigenous governments are equal decision-makers, not just consulted after decisions are drafted as per: Section 35 of the Constitution Act, 1982; The Crown's Duty to Consult with Aboriginal Peoples – Ontario Policy (2013)
- Publicly release all Indigenous feedback and demonstrate how it directly changed the draft regulation.
- Include timelines for periodic public review of each SEZ's impacts and performance and updates if for some reason these targets are not met.

4. Economic and Social Considerations

- Prioritize sustainable economic opportunities, especially for youth.
- Require proponents to demonstrate long-term community benefits (jobs, training, infrastructure).
- Ensure SEZ incentives don't undermine existing labour or environmental standards.

5. Health Protection

- Require health impact assessments, especially in areas near schools, homes, or vulnerable populations.
- Monitor air and water quality continuously, with results made public in real time and any required actions in the event that the results are considered below acceptable standards, as per Impact Assessment Act (IAA, 2019) and Canadian Environmental Protection Act (CEPA, 1999).

6. Transparency and Public Accountability

- Publish proposed SEZ applications and rationales for public review before approval.
- Disclose all data, studies, and agreements related to SEZ designations.
- Establish an *independent* oversight body to review SEZ decisions and investigate complaints.

Summary Recommendation

Economic growth cannot come at the expense of Indigenous rights, public health - and the taxpayer costs attached to that - climate or the environment. The regulation should make environmental safeguards, Indigenous partnership, and transparency legal requirements.