



November 13, 2025

Electronic Submission only

ATTENTION:

Minister of Municipal Affairs and Housing
777 Bay Street, 17th floor
Toronto, ON M7A 2J3

SpecialEconomicZones@Ontario.ca

Consultation on Proposed Special Economic Zones Criteria

On October 2, 2025, the Proposed Special Economic Zones (SEZ) Criteria was posted to the Environmental Registry of Ontario ([ERO number 025-1077](#)) with a 45-day commenting period (comments due by November 16, 2025).

Background and Previous Submission

In April 2025, the Province released a posting ([ERO 025-0391](#)) regarding the *Special Economic Zones Act, 2025*. City staff provided comments on this posting on May 16, 2025 and this submission was posted as [Appendix C](#) to [DGM-50-25](#) in a Council Information Package on May 23, 2025.

Comments prepared by City staff highlighted the following concerns related to municipal regulations, environmental protections, labour laws, and regulations relating to criteria, designation of special economic zones and designated proponents and projects:

- The City of Burlington does not support legislative changes that would allow the Province to suspend municipal regulations, environmental protections, or labour laws without public scrutiny or consultation with municipalities and Indigenous communities.
- Limited information on the proposed *Special Economic Zones Act* makes it difficult for municipalities to provide meaningful feedback. Further details are required on how regulations will define criteria, designate zones, and identify proponents
- The City requests continued engagement as the framework develops and seeks clarity on the criteria for strategically important economic activities, priority projects, and trusted proponents, as well as on how municipalities will be involved in the designation process and how recommendations from the 2024 [Performance Audit: Minister's Zoning Orders](#) prepared by the Office of the Auditor General of Ontario will be incorporated.

Current Engagement

Through this notice, the Province has outlined the proposed regulatory framework under the *Special Economic Zones Act, 2025* (SEZ), including the criteria for the designation of zones, projects, and proponents and provides guidance related to consultation with Indigenous communities.

Under the SEZ Act, laws or regulations may only be amended or modified if they are specifically identified in a regulation made under Sections 5 or 6 of the Act. Until such exemption or modification regulations are established, all existing laws and requirements remain in effect.

Provided Materials

The following materials have been provided to consult the public on the regulatory framework under the SEZ Act, ([ERO number 025-1077](#)) on October 2, 2025:

1. [Draft Policy Intent for SEZ Criteria and Guiding Questions](#)

The Ministry initially shared a draft policy intent with Indigenous communities outlining proposed criteria and guiding questions for designating zones, projects, and proponents. Feedback from those consultations informed the development of the current draft regulation, which is now open for comment as the most up-to-date version.

2. [Indigenous Communities Consultation Feedback](#)

The document summarizes feedback received from Indigenous communities on the proposed criteria, which the ministries continue to review while ongoing input is being collected.

3. [SEZ Draft Regulation \(Designation Criteria\)](#)

The draft regulation outlines the proposed criteria for Special Economic Zones, incorporating feedback from Indigenous communities, and is being circulated to support ongoing consultation and informed public and Indigenous input.

Feedback

In principle, the City does not support legislative changes that would allow the Province to unilaterally suspend municipal regulations, environmental protections, and labour laws without scrutiny from the public through the legislative process, and without consulting with key parties like municipalities.

The summary of feedback to-date provided in the current posting is reflective of many of the City's comments on the original ERO posting from May 2025. The City supports the comments reflected in the Indigenous Communities Consultation Feedback document. It is encouraging to see that the Ministry continues to consider feedback received from Indigenous communities on the criteria for designating zones, projects and proponents.

Draft Policy Intent for SEZ Criteria and Guiding Questions

Staff are generally supportive of the proposed approach requiring the three core elements — Project, Zone and Proponent — to structure SEZ designations and enable exemptions.

The proposed criteria are qualitative in nature and do not include measurable metrics or analytical methodologies. It may be beneficial to consider incorporating quantitative metrics or analytical approaches to demonstrate how a proposed Zone, Project, and Proponent would support and strengthen local economies. The proposed criteria related to “strengthening local communities” speak generally to “communities” within the zone. Suggest that specific reference to municipalities and Indigenous communities in the proposed project criteria would be appropriate.

In addition to the Project, Zone and Proponent criteria a fourth category of criteria related to defining the intent of, and the success of, any given SEZ should be considered. Building on the current approach, the final regulations should require the demonstration of how the three core elements together produce an opportunity that can be supported by the Province, the municipality or municipalities and Indigenous communities. In a given SEZ, the opportunity must not be all to the benefit of the proponent at the expense of the Indigenous community or the municipality. This will provide a means of measuring how well the SEZ delivered against the stated intent and expected results.

As the proposed criteria are high-level and primarily qualitative, additional criteria and details would be valuable to assist local municipalities in understanding and informing the development of future regulations and the City is looking forward to future engagements with the Province on these matters:

- Alignment with Provincial and Municipal long-term planning frameworks;
- An evidence-based economic feasibility assessment;
- Confirmation of infrastructure/servicing readiness;
- An assessment of local community impacts;
- Municipal engagement requirements/plan; and
- Establishing a time-based review/sunset period for SEZ designations

General Comments

Under the proposed draft regulation, municipalities are identified as potential proponents, while the Lieutenant Governor in Council (LGIC) would determine whether an area meets the criteria to be designated as a Special Economic Zone (SEZ), and the Minister would determine whether a project and proponent meet the designation criteria under the SEZ Act. In line with the comments above related to defining the intent and the success of a given SEZ, engagement with all municipalities and IC would be valuable and should be part of the LGIC’s consideration in designating a SEZ.

At this time, it is challenging to provide detailed comments on potential exemption or modification regulations, as such provisions have not been included in the SEZ Draft Regulation

or the accompanying consultation materials. Staff note that, as stated above, the ERO posting and materials are clear, until a SEZ is designated and only if the laws or rules are specifically named in a future regulation, would any exemptions or modifications to permits, approvals, or other requirements be brought into effect.

Further clarification as to when the use of an SEZ designation would be considered necessary, as well as the duration for which such a designation would remain in effect would improve public understanding and transparency.

Next Steps

Please accept this letter as the City of Burlington's submission on [ERO posting 025-1077](#). Given the short period for consultation the attached comments have not been approved by City Council. This letter will be shared within a Council Information Package at the earliest opportunity. Should Council determine any additional comments or refinements to these comments are required the Province will be advised at the earliest opportunity.

Sincerely,

Community Planning Department
City of Burlington