

NORTHWATCH

May 17, 2025

Ministry of Economic Development, Job Creation and Trade
College Park
777 Bay Street, 18th floor
Toronto, Ontario M5G 2N4

[ERO number 025-0391](#)

Sent by email SpecialEconomicZones@Ontario.ca

Re. **Special Economic Zones Act, 2025**

On April 17 2025 the Ministry of the Environment, Conservation and Parks posted notice #025-0391 on Ontario Electronic Registry, giving notice of a 30-day comment period on a proposed new law called the Special Economic Zones Act, 2025. According to the ERO posting, if approved the Ontario government would be able to designate areas of the province as exempt from regulatory standards. The posting described these as “*special areas that are critical to Ontario’s economy and security, where selected projects could move faster as a result of simplified rules, faster approvals, and one-window access to services.*”

ERO posting #025-0391 is one of a suite of postings related to Bill 5, the proposed *Protect Ontario by Unleashing Our Economy Act, 2025*. The comment period for each of these postings was limited to 30 days, and only two days have been scheduled for public hearings of the Standing Committee on the Interior, which means many who have requested to appear before the committee will be denied (including Northwatch, who applied on April 30th but at time of writing on May 17th had received only an auto-acknowledgement of our application). Bill 5 and its ten schedules, if enacted, will have far reaching environmental and social impacts. If the government – and this Ministry – are confident of their proposed course of action, they would be prepared to engage in a public discourse with Indigenous people and the public. To do so would require extending the comment period on the Environmental Registry and adding several additional hearing days, including hearing days in northern Ontario communities.

The ERO posting states that The *Special Economic Zones Act, 2025* is meant to quickly advance strategically important economic activity and priority projects within designated zones and claims that by “building faster and more strategically, Ontario can protect its industries, mitigate the impact of trade disruptions, and ensure the long-term prosperity and security of the economy.”

The Ministry provides no evidence to support this claim or any analysis upon which can demonstrate that they have designed this new and very special piece of legislation.



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The *Special Economic Zones Act, 2025* will give government the power to designate zones through regulation if certain criteria are met, but no criteria is provided. Purportedly, this criteria will be developed at a later date. The consultation or ability of the public and Indigenous peoples to review, comment, and affect on any future proposed criteria is unknown. This is also missing from the technical notes and from the proposed Act.

The posting describes a “zone” as being “a geographic area that could include one or more projects of critical or strategic importance” but provides no basis for selecting, defining or delineating a “zone”. This is also missing from the technical notes and from the proposed Act.

The posting states that “*once a zone is set up, vetted projects in the zone with reliable proponents that meet high standards for operation, safety, and the environment can benefit from things like... faster permitting, streamlining some permits and approvals, simplified requirements, and priority access to one-window services.*”

There is no information provided in the posting, the technical notes or in the proposed Act about how projects would be “vetted” or how proponents would be deemed to be “reliable”.

There is no information about what changes would be made to the permitting and approvals process, or how that would impact the rigour of the review process or the rights and opportunities of Indigenous peoples, municipalities, other agencies and the public to review, comment or otherwise engage in the permitting process.

In principle, we do not object to the concept of a “one-window” review process, where various permits required for an operation are reviewed concurrently and in an integrated and interactive fashion. For example, if a facility requires permits to discharge to air and to discharge to water, those permits could be reviewed concurrently. This would create some efficiencies for the proponent, the government bodies, and the public and Indigenous people engaged in the comment and review processes. It would also assist in determining if the project proposal was complete and being presented consistently across jurisdictions.

This is an approach that Northwatch has recommended in the past, when we have observed that projects were described quite differently in different permit applications. For example, a number of years ago the proponent described the Montcalm Mine project quite differently in the effluent discharge permit application that it did in the closure plan application a number of months later. This suggested that there project descriptions and plans were either unreliable or immature.

This problematic result could be avoided with a coordinated review process where the proponent presents a project which is well thought out and has reached an operational design stage prior to applying for operating permits (we make the distinction here between operating permits and mineral exploration permits, which of necessity are in the early stages of the process of developing a project).

This one-window approach could be further improved upon by applying the principle of environmental assessment where engagement with the public and Indigenous people begins early in the project design, well in advance of the permit application stage. There is nothing to prevent proponents from taking this approach independent of government direction to do so, but if the provincial government is sincerely interested in making the review and permitting processes more efficient and more effective with shorter timelines for the formal review stage, they should consider applying a framework where early engagement by the proponents migrates from optional to required.

The *Special Economic Zones Act, 2025* is to include regulation-making authority to make criteria for designating special economic zones, for what would be considered “vetted projects” and “trusted proponents” and to identify which regulations, permits, processes, approvals, and similar requirements will be exempted, altered or continue to apply. The Province may exempt a ‘trusted proponent’ or ‘designated project’ from certain requirements, provided they meet any (as yet unknown) criteria established via the regulation. The Province may also choose to modify the application of these requirements to a ‘trusted proponent’ or ‘designated project’, rather than exempt them entirely. Again, criteria is unknown.

The promise of such a regulation-making process through which these definitions and criteria would be developed is too little, too late. Neither the ERO posting or the technical note provide any supporting case for the Act itself, but the Act would come into effect on Royal Assent of the Protect Ontario by *Unleashing Our Economy Act, 2025* with regulation-making still off in the future.

The measures being introduced through the *Special Economic Zones Act* are extremely broad and wide ranging and lack enough detail or explanation to reliably assess the extent of their effect or to avoid unintended consequences.

There is no discussion in the Act, the technical briefing or the ERO posting that discusses or describes what conditions, situations, or proposals would “qualify” an area to be designated as a Special Economic Zone, and there is equally little to no discussion of how proponents would be evaluated and then deemed “trusted” (or not).

Given our lower population and past practice (such as having lower environmental standards for the north than for the south), Northwatch has a serious concern that northern Ontario will largely, repeatedly or even *carte blanche* be declared a “special” economic zone.

The *Special Economic Zones Act, 2025* presents the worst of Bill 5. The Act would result in:

- the erosion of public rights to participate in environmental decision-making
- seemingly unfettered discretionary power, including to exempt areas or proponents from any rules or regulations
- intrusion or overriding the authority and responsibilities of other levels of government, namely municipalities and other authorities

- the erasure of Indigenous rights to affect decisions related to the health and well-being of their territories, people and communities
- a lack of transparency with respect to the decisions to designate either areas or proponents under the Act

Further, Northwatch has often heard industry in Ontario – particularly in the mining and forestry sector – state that what they want in law and regulation is predictability, certainty and fairness. The *Special Economic Zones Act, 2025* creates a situation where the same industry – even the same company – can be operating under very different rules in one area of the province compared to another. That is not the predictability and certainty that industry has repeatedly said it wants.

The *Special Economic Zones Act, 2025* also creates a situation where the one company can be required to operate under very different rules than another company, even another company with a very similar operation or product. That is not the fairness that industry has repeatedly said it wants.

Northwatch wholly supports and commends to the Government of Ontario statements made by Anishnabek Nation leadership with respect to Bill 5, which are wholly applicable to the proposed *Special Economic Zones Act, 2025*, including:

Bill 5 reflects a dangerous and false narrative that presumes the Government of Ontario has unilateral authority to legislate over lands and resources without consultation or consent from the rightful Anishinabek title holders. This assertion stands in direct violation of Section 109 of the British North America Act, which states that the beneficial interest in lands and resources is subject to “any Interest other than that of the province in the same.” The Honour of the Crown, as interpreted by the courts, requires that these interests include the constitutionally protected Aboriginal and treaty rights of our First Nations across Ontario...

Under Bill 5, the Government of Ontario disregards the Nation-to-Nation relationship between the Anishinabek and the Crown and continues to undermine the treaties as living agreements built on mutual recognition and respect. The provincial government’s failure to meaningfully engage the Anishinabek First Nations in decisions that may impact Anishinabek territories, rights, and resources erodes the legitimacy of this government and its legislative processes.¹

In closing, we find that the proposed “Special Economic Zones Act, 2025” has no redeeming qualities and should simply be withdrawn. The decision on the ERO-based consultation must be to not proceed with the new Act.

¹ Anishinabek Nation calls upon provincial government to halt advancement of Bill 5, engage in meaningful consultation with First Nations, dated May 13, 2025, as found at <https://anishinabeknews.ca/2025/05/13/anishinabek-nation-calls-upon-provincial-government-to-halt-advancement-of-bill-5-engage-in-meaningful-consultation-with-first-nations/>

Thank you for your consideration.

A handwritten signature in purple ink, appearing to read 'Brennain Lloyd', with a stylized, cursive script.

Brennain Lloyd
Northwatch Project Coordinator