Specific Claims Implementation Working Group

Proposed Independent Centre for the Resolution of Specific Claims

Discussion Paper

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Elements of a Proposed Centre for the Resolution of Specific Claims Prepared for the AFN/Canada Specific Claims Implementation Working Group¹

This document describes the basic elements of a proposed Centre for the Resolution of Specific Claims (the "Centre") that is being co-developed by the Assembly of First Nations (AFN) and Canada for further discussion and engagement with First Nations.

The AFN and Canada formally began the ongoing Centre discussion as part of the co-development process initiated on November 3, 2022. Through the AFN, First Nations provided direction for the development of a transformed specific claims process, including potential development of and roles for a Centre, through *Resolution 09/2020 - Jointly Develop a Fully Independent Specific Claims Process*. Canada provided direction for changes to the specific claims process and a Centre in Action Plan item 2.3 established pursuant to the *United Nations Declaration on the Rights of Indigenous Peoples Act:*

Continue to co-develop options for reform of the Specific Claims program, and the development of a reformed specific claims resolution process, including a Centre for the resolution of specific claims, to administer and oversee the process presently performed by Crown-Indigenous Relations and Northern Affairs Canada. As part of this process, co-develop changes to the Specific Claims Policy and amendments to the Specific Claims Tribunal Act as necessary to implement a reformed Specific Claims resolution process that is consistent with the UN Declaration.

The co-development process is supported by a Council of Experts on Indigenous Laws made up of leading experts and scholars in Indigenous laws.

While this document identifies the core elements of the Centre, it does not specify every detail that may necessarily be the subject of engagement and dialogue. There remain certain aspects of the core elements which have not been fully fleshed out or agreed upon by the AFN and Canada, including aspects related to the structural independence, governance, and practical administration of the Centre.

As well, there remain outstanding issues that are under discussion between the AFN and Canada, including the current \$150 million dollar limit on compensation that may be awarded by the Specific Claims Tribunal, and the definition of who may bring a claim within the meaning of Specific Claims policy and process.

1. Why develop a Centre for the Resolution of Specific Claims?

The current effort to transform the Specific Claims process builds on decades of advocacy and dialogue about needed improvements. While some reform efforts have taken place, including the formation of the Specific Claims Tribunal in 2008, it has always been recognized that more reforms were needed to

¹ The AFN/Canada Specific Claims Implementation Working Group (SCIWG) is a joint mechanism established in 2022 that is engaged in ongoing co-development discussions to develop options for an independent Centre for the Resolution of Specific Claims. This document was prepared for the SCIWG by Dr. Roshan Danesh, KC to describe, based on the co-development process of the SCIWG to date, the basic elements of a proposed design of a Centre for the Resolution of Specific Claims.

properly and appropriately address these historical wrongs. In recent years, the dialogue on reforms has also included working to ensure that the resolution of claims is aligned with the *United Nations Declaration on the Rights of Indigenous Peoples*, including Articles 27 and 40:

Article 27

States shall establish and implement, in conjunction with indigenous peoples concerned, a fair, independent, impartial, open and transparent process, giving due recognition to indigenous peoples' laws, traditions, customs and land tenure systems, to recognize and adjudicate the rights of indigenous peoples pertaining to their lands, territories and resources, including those which were traditionally owned or otherwise occupied or used. Indigenous peoples shall have the right to participate in this process.

Article 40

Indigenous peoples have the right to access to and prompt decision through just and fair procedures for the resolution of conflicts and disputes with States or other parties, as well as to effective remedies for all infringements of their individual and collective rights. Such a decision shall give due consideration to the customs, traditions, rules and legal systems of the indigenous peoples concerned and international human rights.

In 2019, following the Office of the Auditor General's 2016 report on Canada's failure to fully implement *Justice at Last*², the AFN tabled a reform proposal detailing an approach to the creation of an independent Centre. In 2022, when Canada joined the AFN in co-developing the proposed design of the Centre, a focus was placed on making substantive efforts to advance reforms that respond to these decades of advocacy.

Reflecting this, there are two main reform pillars that are core rationale for the Centre: timeliness and fairness.

Timeliness

It has long been recognized that the resolution of specific claims takes too long, and that elements of the process have been ineffective and inefficient. In particular, the amount of time involved in Canada reviewing and deciding whether to negotiate settlement of a claim, as well as the length of time that the negotiations can take have been a source of long-standing struggle and frustration, and raises concerns about access to justice and the honour of the Crown.

The effects and costs of such ineffectiveness and inefficiency are not just measured in how processes may become more cumbersome, expensive, and at times divisive. When claims are not resolved in a timely manner there can also be real effects on individuals and communities. In some instances, essential knowledge and evidence of the circumstances of a wrong that is subject of a claim may be lost as individual knowledge holders pass on prior to a claim being resolved. At the same time, individuals who may have been directly impacted and experienced the wrong may not survive to see the resolution

² <u>Specific Claims: Justice at Last</u> was an action plan released by the Government of Canada in 2007 that committed to reform of the specific claims process, including the creation of an independent Specific Claims Tribunal.

of the claim. Further, a delay in claims resolution in some contexts can also hold back necessary economic, social and cultural opportunities that support a Nation's well-being.

Addressing these very real consequences from delays in achieving a just resolution of claims has been one central rationale for the development of the Centre. Independence will protect against delay because neither party will unilaterally control timelines and supports accountability throughout the settlement process. The proposed design of the Centre is intended to make the resolution of specific claims more effective and efficient, increase access to justice, and reduce the costs and consequences that have been too often experienced in the process of settling claims.

Fairness

The development of the Centre is also to make the resolution of specific claims fairer. There are two foundations of fairness – independence and ensuring space for Indigenous laws in the specific claims process.

Canada has always played multiple roles in the specific claims process – deciding funding for First Nations participation in the process, determining whether a claim should be negotiated, conducting negotiations, and deciding whether to settle a claim. Over many years these multiple roles have raised significant concerns for First Nations that it skews and distorts the settlement process, including by placing too much influence and control in Canada's hands.

Related to this, are concerns about lack of transparency, lack of access, and lack of flexibility. First Nations have identified that Canada's multiple roles in the process contribute to a reality where First Nations find the doors to negotiation and settlement closed or access to justice to be limited, and that even where negotiations take place there is more often than not a "one size fits all" approach to negotiations.

To address these realities, and others, the design of the Centre emphasises independence, while also creating mechanisms for greater transparency, access, and flexibility throughout the specific claims process. While the Centre will be a legislated institution, the Centre's governance, structure, and functions have been designed to uphold independence. While the legislation would confirm the mandate for the work of the Centre, what actions the Centre takes and how it does its work within its mandate is for the Centre to decide. The Centre will be free from direct control or influence by Canada meaning, amongst other things, that how the Centre's governance is structured, and how it performs all of its roles and functions, is "arms-length" from federal Ministers and Departments. Specific expressions of this are reflected in all elements of the Centre's design, including the Centre being led by a Leadership Circle that includes both First Nation and federal appointees, and mechanisms for public reporting, accountability, and transparency that include reporting to First Nations. As well, the Centre will function impartially between First Nations and Canada involved in the negotiation of claims.

The second foundation of fairness is upholding the space for Indigenous laws to play a role in all aspects of the specific claims process. While Indigenous laws are always operating and being applied by First Nations, the specific claims process has not recognized a role for these laws in determining the nature of a claim, what the wrong has been, how settlement should be negotiated, and what the remedy may be. The Centre has been designed to create the space for First Nations to use and apply their laws throughout the specific claims process, in the ways they determine are appropriate. This includes the space for choosing to include information and evidence about Indigenous laws in developing and submitting a claim, bringing this information into the negotiations process, utilizing Indigenous methods

of dispute resolution during the negotiations, and having these laws be considered in matters before the Tribunal.

Given the diversity of First Nations legal orders, and that the ways in which First Nations will utilize their laws in the process will also be diverse, the design of the Centre is focused on enabling the space for these uses, but by no means prescribing them. It is also emphasized that moving into an era of true recognition of legal pluralism, and how First Nations and Canadian laws and legal orders may interact and intersect, is evolving, dynamic, and requires ongoing education and learning. As such, the design of the Centre includes mechanisms – and, in particular, an Advisory Committee on the Application of Indigenous Laws – to support this evolution.

2. What will the Centre do?

The Centre will support the resolution of specific claims from before they are fully researched and submitted, to their final settlement. This will be achieved through the Centre performing four main functions: Registrar; Resource Hub; Funder; and Alternative Dispute Resolution (ADR) Provider. In addition, the Specific Clams Tribunal will be supported by the Centre and not the Administrative Tribunal Support Services of Canada. The Centre will also report publicly to both Parliament and First Nations.

In addition to the above, it is contemplated that over time, if mandated by Canada and First Nations, the role of the Centre may evolve to deliver additional services.

The core responsibilities of the Centre in each of these functions is outlined below. Details of what First Nations and Canada can expect to be done by the Centre in each stage of a specific claim is provided in the next section outlining the resolution process for claims through the Centre.

Registrar

Through a Registrar, the Centre will independently provide the administrative infrastructure for the intake and administrative management of specific claims, with the goal of advancing and supporting the timely and fair resolution of claims.

The duties of the Registrar include the following:

- Receiving inquiries and providing information about the Centre to First Nations who are considering filing a claim.
- Receiving notification from First Nations of their intent to develop and file a claim.
- Receiving specific claims from First Nations for filing. In other words, claims will no longer be filed with Canada through the specific claims branch.
- Providing filed claims to Canada.
- Organizing the initial meetings between the Parties within 6-8 months of claim filing as part of the co-operative review and assessment of a claim once it is filed.
- Providing administrative support to, and tracking progress of, negotiations between the Parties as part of case management.

- Maintaining a public database tracking specific claims throughout the resolution process.
- Performing registrar functions for the Tribunal when a specific claim reaches the Tribunal, whether on a discrete issue as part of assessment or negotiations of a claim, or where a claim is submitted to the Tribunal for adjudication.

Funder

The Centre will provide funding to First Nations through all phases of a claim, from research and development, to filing, assessment and negotiation, and to settlement whether by agreement or through the Tribunal. In other words, First Nations will no longer have to go to Canada to seek funding for specific claims, or report to Canada about their expenditures – the funding and reporting relationship will be between First Nations and the independent Centre. Further, funding will no longer be loan funding.

This change in funding arrangements is one aspect of the Centre that is intended to support independence. Additionally, this change is designed to enhance flexibility in funding, allowing the Centre to fund claims work in ways that is more responsive and aligned with the particular needs and focus of the First Nation involved and the nature of the claim(s) they are pursuing.

Resource Hub

Through the Resource Hub, the Centre will provide support to First Nations in their research, development, negotiation, and adjudication of specific claims. There will be no change in how claims are researched and prepared or any duplication or replacement of the role of Claims Research Units (CRUs). Claims will continue to be researched and developed by First Nations directly, as they determine, (though with access to funding from the Centre). However, the Resource Hub will be available to support this work in a number of ways, including:

- Becoming an accessible repository for claims research materials that have been voluntarily shared with the Centre and agreed to be available in accordance with confidentiality requirements.
- Assisting First Nations in accessing government or other relevant (e.g., Hudson's Bay Company Archives) repositories of information as part of the claims research process.
- Developing and disseminating written materials that can assist First Nations in developing their claims, including research and resource guides, learnings and best practices in the format and presentation of claims, and developing draft templates that may assist First Nations in aspects of the process.
- Providing training and workshops for First Nations on the specific claims process and activities that support the development of specific claims, and the role of the Centre.

- Working under the guidance of the Advisory Committee on the Application of Indigenous Laws, to develop background materials and supports on working with Indigenous laws in the specific claims process.
- Assisting in contracting research of particular claim topics where requested by a First Nation or jointly with Canada.
- Facilitating research on general or cross-cutting issues that relate to numerous claimants or claims.
- Supporting public reporting by the Centre, including by conducting research and gathering data
 on the overall progress in the resolution of specific claims and reporting on opportunities for
 innovation and improvement.

ADR Provider

Part of advancing the goals of timeliness and fairness in the specific claims process is to make the assessment and negotiation of claims more transparent, co-operative, inclusive of Indigenous laws, and flexible. To this end, the Centre will provide access to facilitation and mediation services that can help with the resolution process of claims through the Centre.

Every claim that is filed with the Centre will have a facilitator appointed who is available to assist and support the Parties as requested. Where mediation services are requested, these will be provided by the Centre, whether through contracting external mediators or through mediators who are on staff.

While the use of facilitation and mediation through the Centre will almost always be voluntary and at the request of the Parties, there will be a few exceptions. As described more in the next section, once a claim is submitted by a First Nation and Canada has had an opportunity to review the claim, the Centre will convene and help facilitate an initial meeting(s) of the Parties as part of advancing a co-operative review of the claim and the determination by Canada if it will enter into negotiations to settle the claim. As well, in the process described below, late in the negotiation process there is the opportunity for a First Nation or Canada to request a mediation, and in that circumstance mediation will be mandatory.

A focus on provision of facilitation and mediation services will also be ensuring that Indigenous approaches and methods to dispute resolution are utilized. To this end, the Advisory Committee on the Application of Indigenous Laws will also be providing guidance to the Centre on how to incorporate approaches to dispute resolution that respect Indigenous legal orders into its provision of services.

As an ADR Provider, the Centre will:

- Convene and help facilitate the initial meeting(s) of the Parties.
- Provide facilitation and mediation services throughout the negotiation of a specific claim whenever agreed to by the Parties, or required at a specific stage in the process.
- Work with the Advisory Committee on the Application of Indigenous Laws to ensure approaches to dispute resolution are appropriate and effective.

• Determine, with the Parties to a specific claim, where additional external expert mediation support may be necessary.

Specific Claims Tribunal

The Tribunal will continue to fulfill its function as an independent adjudicative body, but with some changes to its structure and functioning as identified below. As well, Canada and the AFN do not yet have alignment on some issues, such as the current \$150 million limit on compensation and more discussion is required.

- The Tribunal will receive administrative services from the Centre's registrar, which will bolster trust in the efficiency, effectiveness, and fairness for claims that need to access the Tribunal.
- Funding support for First Nations accessing the Tribunal will be provided by the Centre.
- First Nations will be able to access the Tribunal earlier than currently available for final adjudication of their claims. For example, under the Centre model, if Canada has not agreed to negotiate resolution within two years (as opposed to the current three years), a First Nation may file the claim with the Tribunal. Similarly, anytime after two years of negotiations a First Nation may file the claim with the Tribunal. Further, at any time a First Nation may inform the Centre that there is no reasonable likelihood of a negotiated resolution. When this occurs the Centre will engage with Canada and the First Nation, and may refer the claim to the Tribunal. In addition to all of the above, at any point in time, by consent of the Parties, a claim may be referred to the Tribunal for adjudication.
- The Tribunal may be engaged earlier in the process, for a number of reasons beyond final determination of a claim. This includes, for example, seeking Tribunal guidance where Canada may take the position that some or all of a claim is outside of the scope of being a specific claim (e.g., the issue of whether the claim is within jurisdiction of the specific claims process would be referred to the Tribunal for an early opinion on that discrete issue). Further, during negotiations, there will be opportunities to refer discrete issues that are impacting the negotiations to the Tribunal for an opinion. Both the specific types of discrete matters that may be referred to the Tribunal, as well as the nature of the determination the Tribunal may make (e.g. is it an 'opinion' to inform and guide negotiations? Is it a binding decision of the Tribunal?) remains a subject of discussion.

3. What will be the resolution process for claims through the Centre?

In addition to the functions that the Centre will play, greater fairness and timeliness in the resolution of claims will also take place through shifts in how claims are developed, assessed, negotiated, and settled. These changes introduce greater flexibility in how claims resolution takes place, expands opportunities for the use of facilitation and mediation, shortens timelines, and places a priority on finding co-operative and just outcomes.

The specific claim "life-cycle" through the Centre is viewed as being in four general stages: Claims Development; Claims Review; Claims Negotiations; and Claims Adjudication.

Claims Development

Claims Development is the stage of the process where a First Nation researches and writes their specific claims. In fundamental ways, this stage does not change from what currently takes place. First Nations are responsible to research and prepare their claims. However, a First Nation may now submit an intent to file a specific claim with the Registrar. Once this occurs, a First Nation has access to funding opportunities from the Centre to support the development of their Claim. As well the Resource Hub is available to provide information and resources to the First Nation that can assist in the preparation of a Claim.

While Canada will not be notified by the Centre where a First Nation submits an intent to file a claim, the Centre will support, and even facilitate, early engagement between the First Nation and Canada where the First Nation requests it.

The Registrar will play an administrative role with respect to the filing of claims. In this capacity, the Registrar may develop guides regarding filing a claim, including guidance on who can file a claim, and its form. It is not within the scope of the Registrar to act as a gatekeeper, meaning it does not conduct any substantive review of the claim, or in any way engages with or considers the merits of a claim. Once a claim is filed with the Registrar, the Registrar may engage with the First Nation to ensure all relevant documents are clearly provided. The Registrar will provide the claim to Canada within a short, fixed, timeframe and schedule the initial meeting of the parties.

Claims Review

Claims Review is the stage in the process where Canada determines whether it will negotiate settlement of a claim. To support greater fairness and timeliness this stage would be fundamentally changed from the current status quo. It has long been a concern of First Nations that once Canada receives a specific claim, an assessment of the "validity" of the claim takes place through a process that is not transparent, that First Nations cannot access, and that determines the availability of funding. This will change through the Centre.

Specifically, once Canada receives a claim, it will have six to eight months to conduct an initial review of the claim. At that point, or earlier if the parties are ready, an initial meeting of the First Nation and Canada will be planned by the Registrar and facilitated by ADR function of the Centre. This meeting is mandatory. The purpose of the meeting (which may in practice consist of a number of meetings) is to share initial perspectives and information regarding the claim and is to be the commencement of a cooperative and iterative process to determine if Canada will enter into negotiations to resolve the claim. Through this process, issues such as historical information, evidence, and understandings of Indigenous

legal principles and common law principles relevant to the claim, may be explored and discussed. As well, the Tribunal may be accessed in this period to provide an opinion if issues arise regarding whether a claim falls within the jurisdiction of the specific claims process.

If Canada has not agreed to enter into negotiations to settle the claim within two years of the date of the initial meeting, the First Nation may submit the claim to the Tribunal.

Claims Negotiations

Where Canada has agreed to enter into negotiations to settle a claim, fairness and timeliness will be supported through an emphasis on a co-operative and flexible process, that is culturally appropriate, and supported by facilitation and mediation. A focus of the negotiations process is on ensuring that all efforts are made to achieve a negotiated outcome while, at the same time, not forcing First Nations to wait to access the Tribunal if there is no reasonable likelihood of a negotiated outcome.

To support this, the following are some elements of the negotiation of claims through the Centre:

- Throughout negotiations voluntary use of facilitation and mediation services delivered by the Centre will be available to the Parties. In addition, at any time after 18 months of negotiations, either the First Nation or Canada may request the appointment of a mediator, and participation in mediation at this stage is mandatory on the Parties.
- The First Nation may inform the Centre where it is of the view that it is clear there is no
 reasonable likelihood of a negotiated outcome, and request the claim be referred to Tribunal. As
 well, the Parties may by consent, at any time, refer the claim to the Tribunal for final
 adjudication.
- Throughout negotiations the Parties may, by agreement, refer discrete issues to the Tribunal for an opinion. As noted, the definition of such issues, as well as the nature of the Tribunal's opinion, remains under discussion.
- At any time after two years of negotiations has elapsed, the First Nation may refer the claim to the Tribunal.

The general timelines under this proposed process would be shortened from the current specific claims process. Currently, a First Nation may submit a claim to the Tribunal if Canada has not accepted to negotiate a claim within three years, or if negotiations are commenced, after three years of negotiations. Under the proposed new process, the timelines for a First Nation proceeding to the Tribunal are two years after the initial meeting if Canada has not agreed to negotiate, or, if negotiations do commence, after two years of negotiations. In addition, as noted above, there would be mechanisms through the Centre, or by consent, where a First Nation may access the Tribunal even sooner.

Where negotiations succeed, the settlement will be ratified and executed, and reported to the Centre.

Claims Adjudication

Where a claim is filed with the Tribunal for resolution, the claim will be processed in accordance with Tribunal processes and procedures. A Tribunal decision is final and is subject to judicial review only.

4. How will the Centre be governed?

The governance and structure of the Centre has been designed to support the independent functioning and operations of the Centre and ensuring that the space for the role of Indigenous laws is upheld in all aspects of the Centre's work. For these reasons, it is also recognized that the Centre must have substantive and significant control over how it designs its operations to meet the mandate and functions it has been given, while upholding certain priorities including maximizing Indigenous employment throughout the organization and maintaining Centre independence in all operations. As such, while core elements of the governance and structure of the Centre have been identified, a focus has also been placed on confirming the Centre has control and flexibility to design its operations.

The Centre will be created by federal legislation, supported by any necessary agreements and understandings, including in relation to the budget for the Centre. At the same time, the governance structure of the Centre will be unique and distinct, different from any institution that has been previously co-developed between First Nations and Canada. This unique governance structure is specifically designed to ensure that the challenges the Centre is being created to fix – the need for greater timeliness and fairness in the resolution of specific claims – are addressed.

The Centre's governance structure will consist of: Advisory Committee on the Application of Indigenous Laws; Leadership Circle; Chair/Chief Executive Officer; and the Chair of the Specific Claims Tribunal. The Centre will be organized internally to deliver its core services, with the Centre having flexibility to design the best way to achieve this. A priority at all levels of the organization, including in all staffing, will be on Indigenous appointments and employment. To support this, it is also anticipated the Centre will be housed on-reserve. As well, once established the Centre will publicly report to both Parliament, through a responsible Minister who does not have direct role or responsibility with respect to specific claims, and First Nations, through a process to be established by First Nations.

The attached diagram illustrates details of each of these roles and responsibilities. Some of main elements of each of them are described below.

Advisory Committee on the Application of Indigenous Laws

Indigenous laws are to inform all aspects of the Centre and the specific claims process. To this end, a Advisory Committee on the Application of Indigenous Laws will be established with the following roles and responsibilities:

- The Committee is an advisory body of experts, scholars, and practitioners in Indigenous laws that provides guidance, advice, teachings and education throughout the Centre, and in all aspects of the Centre's work.
- Members of the Committee will be reflective of the diversity of First Nations laws, legal orders, and languages.

Leadership Circle

The Centre will be governed by Leadership Circle that includes both Canada and First Nation appointees, and has a clear mandate to support independence. The Leadership Circle will have the following roles and responsibilities:

- The Leadership Circle is the core governing body of the Centre, responsible for oversight and direction of the Centre, and ensuring the goals of timeliness and fairness in the specific claims process are achieved.
- The Leadership Circle is made up of Chair, plus an equal number of First Nation and Canada appointees, and who are esteemed, prominent, and acknowledged leaders in subject-matter and work relevant to the Centre.
- The Leadership Circle may establish a smaller "Oversight Committee" or other committees to enable its effective functioning.

Chair and Chief Executive Officer

The Chair of the Leadership Circle will also serve as the Chief Executive Officer of the Centre. The roles and responsibilities of the Chair/CEO include the following:

- The Chair/CEO is a member of the Leadership Circle that serves as Chair and Spokesperson
 of the Circle, as well as fulfills delegated responsibilities from the Leadership Circle to
 implement their direction and administer the Centre.
- The Chair/CEO has operational responsibility for the Centre.
- The Chair is a Governor in Council (GIC) appointment, made through a co-operative process with First Nations.

Chair, Specific Claims Tribunal

The Chair of the Specific Claims Tribunal continues in their role as it is currently. However, the Tribunal will be supported by the Centre while maintaining necessary judicial independence. To this end, the Chair of the Tribunal will sit as part of the Leadership Circle where appropriate and relevant to the work of the Tribunal, and similarly interact with the Chair/CEO on operational matters relevant to the Tribunal.

Staff

The operations of the Centre will be structured around its main functions - Registrar, Resource Hub, Funding Services, and ADR Provider. How these functions will be organized and staffed is a matter for the Centre to determine in accordance with certain fundamental priorities including: maximizing the number of Indigenous staff throughout the Centre; locating the Centre on-reserve; upholding Centre independence; and ensuring organizational stability.

5. Finalizing Centre Design

The final design of the Centre will be informed by the perspectives and feedback shared by First Nations during the engagement process. As well, as noted, there remain issues – such as the limit on compensation by the Specific Claims Tribunal, the definition of who can bring forward a specific claim, and the scope and nature of an increased role for the Tribunal – that remain under discussion. The status of these discussions will be updated throughout the engagement process, and reflected in the final design of the Centre.