



A Summary of the 2015 Settlement Agreement

Background: The Lawsuit

- Nunavut Tunngavik Inc. (NTI) began negotiations with the Government of Canada and the Government of Nunavut (GN) to renew the implementation contract for the Nunavut Land Claims Agreement (NLCA) for the period of 2003 to 2013 began in May 2001.
- The negotiations reached an impasse as of Nov. 2004. The Government of Canada vetoed all 17 attempts by NTI to refer disputes to the Nunavut Arbitration Board
- In May 2005, former Justice Thomas Berger was appointed conciliator by NTI, Government of Canada and the GN.
- In Aug. 2005, Justice Berger released his Interim Report, making recommendations on funding for education and the Institutes of Public Government (IPGs), and to improve the implementation process by putting in place a dispute resolution process that is not subject to a party's veto.
- The Government of Canada refused to accept and implement Justice Berger's set of key recommendations.
- On Dec. 6, 2006, NTI filed a lawsuit against the Government of Canada for failure to live up to its obligations to implement the NLCA.
- The Government of Canada added the GN as a third party to the lawsuit in May 2008.
- The trial of the lawsuit was scheduled to start on March 9, 2015, but was adjourned after negotiators of the three parties initialed a settlement agreement on March 5, 2015.
- The settlement agreement was signed in Iqaluit, Nunavut on May 4, 2015 by NTI President Cathy Towtongie, Aboriginal Affairs Minister Bernard Valcourt and Nunavut Premier Peter Taptuna.

Details of the 2015 Settlement Agreement

- The Government of Canada will pay NTI \$255.5 million (including legal fees) no later than 75 days from the signing of the Settlement Agreement. If possible, the Government of Canada will pay the money within 45 days.
- NTI will use \$175 million of the settlement money for initiatives to provide Inuit with the skills and qualifications needed for employment. The remaining \$80.5 million will be invested. The NTI Board of Directors will decide where to invest the funds.
- NTI will create a Nunavut Inuit Training Corporation to hold and manage the \$175 million training fund. The training corporation will have seven directors: five appointed by NTI and two appointed by the GN. The training corporation will provide funding and other support for Inuit training and skills development. It will have an expert advisory council composed of NTI, Government of Canada and GN representatives to provide advice and expertise on the use of the training funds.
- The funds and activities of the training corporation are intended to complement and supplement the Government of Canada and the GN's training and employment obligations under NLCA Article 23. The Government of Canada also commits \$50 million over the next eight years (to 2023) to fund training initiatives and programs to enhance Inuit government employment and advancement under NLCA Article 23. This \$50 million is in addition to the \$255.5 million settlement monies.
- The Government of Canada will complete a new Nunavut Inuit Labour Force Analysis (NILFA) in close consultation with NTI and the GN, funded from sources other than the settlement monies. The NILFA will be sufficiently detailed and thorough to assist in the development of effective Inuit employment and pre-employment training plans. The enhanced NILFA will be based on new survey instruments in order to obtain additional and more accurate data on Inuit preparedness for government employment. Among other things, the Government of Canada will provide funding for and develop a large scale survey of increased sample size. This funding is in addition to settlement monies.
- The Government of Canada and the GN will each establish a central Inuit employment and training coordination office and will coordinate the development of master and departmental Inuit employment and pre-employment training plans. These training plans will be based on the NILFA, and will include detailed action plans, with timelines and objectives for increasing Inuit employment.
- An independent review of the implementation of NLCA Article 23, based on Section 23.7.1, will be carried out no later than six years after the signing of the settlement agreement.

- The Government of Canada will develop a mandatory, Nunavut-specific federal contracting policy in close consultation with NTI, no later than July 2016, and if possible by Dec. 2015. The potential elements of the policy are detailed in a schedule to the settlement agreement.
- A new dispute resolution process will replace NLCA Article 38. It provides for staged dispute resolution: discussion at the Nunavut Implementation Panel, followed by mediation and then arbitration. Importantly, it allows NTI to trigger arbitration without the consent of the Government of Canada or the GN.
- The Government of Canada commits to new funding levels for IPGs, Hunters and Trappers Organizations (HTOs) and Regional Wildlife Organizations (RWOs) for 2013-2023. The new funding levels take effect retroactively to April 1, 2013.
- The next renewal of the implementation contract will start on April 1, 2023. There will be no renewal of the contract for the period of 2013-2023.
- NTI releases the Government of Canada of all claims that NTI raised in the lawsuit (with certain exceptions).
- NTI's lawsuit, including the third party action brought by the Government of Canada against the GN, will be dismissed on consent.

Schedules to the Settlement Agreement

- **Schedule A: Release**

This document sets forth NTI's release of the Government of Canada from all claims raised in the lawsuit (with certain exceptions).

- **Schedule B: Potential Elements of a Federal Article 24 Procurement Policy**

This document sets out the potential elements of the future federal Nunavut-specific contracting policy, including a work-plan for development of the policy.

- **Schedule C: Funding for IPGs, HTOs and RWOs**

This schedule sets out the agreed funding level for IPGs, RWOs and HTOs for 2013-2023, retroactive to April 1, 2013.

- **Schedule D: Preliminary Activities and Associated Timelines on Nunavut Labour Force Analysis**

This schedule sets out the agreed detailed activities and timelines for the Government of Canada's development of the NILFA in the first 18 to 24 months following the settlement agreement.

- **Schedule E: Large Scale Survey and Associated Timelines in Support of Developing the Nunavut Labour Force Analysis**

This schedule sets out the agreed requirements for the large scale survey to be conducted in connection with the NILFA.

- **Schedule F: Article 38 – New Dispute Resolution Process**

This schedule is the complete new dispute resolution article which replaces NLCA Article 38.