



Plain Language Summary for Bill 48: *Arbitration Act*

The Government of the Northwest Territories' Department of Justice is proposing to replace the existing *Arbitration Act* with a new, more modern *Arbitration Act*.

The current *Arbitration Act* was enacted decades ago and has benefited from few amendments since that time. The *Arbitration Act* establishes the default terms of an arbitration agreement made between two parties. Many powers that an arbitrator possesses in other jurisdictions are not currently available in the NWT. The result is that arbitration is currently a less attractive dispute resolution mechanism in the NWT than might otherwise be the case.

The purpose of arbitration legislation is to facilitate the use of arbitration as an alternative to court proceedings and to manage the relationship between arbitral tribunals and the courts. Arbitration allows an alternative that can help improve access to justice. Arbitration is a voluntary process that is more flexible and informal than going to court and is a good alternative for people to resolve disputes fairly, quickly and efficiently.

The bill is based substantially on the *Uniform Arbitration Act*, which was adopted in 2016 by the Uniform Law Conference of Canada. The Uniform Law Conference of Canada provides independent analysis and recommendations for the harmonization and reform of laws in Canada. The proposed new Act would also bring the NWT's legislation in line with recent legislation elsewhere in Canada, and ensure consistency with prevailing arbitral practices.

The Bill provides extensive and necessary updates to the law governing arbitration in the NWT, including provisions respecting:

- the commencement and consolidation of arbitral proceedings;
- the composition of arbitral tribunals and the appointment and removal of arbitrators;
- the jurisdiction of arbitral tribunals;
- matters of evidence and procedure, including the issuance of subpoenas and the giving of evidence by experts and other witnesses;
- the granting and enforcement of interim measures and preliminary orders;
- the making of arbitral awards and the awarding of costs;
- the termination of arbitral proceedings;
- the enforcement of arbitral awards, including awards made in other jurisdictions in Canada;
- recourse against arbitral awards, including appeals; and
- the confidentiality of arbitral proceedings.

The Department engaged with the NWT Branch of the Canadian Bar Association, the Law Society of the Northwest Territories, and the Supreme Court of the Northwest Territories on the proposed legislation. Replacing the outdated legislation with a more modern and up-to-date *Arbitration Act* will give NWT residents more options for resolving disputes without having to go to court.

For additional information or questions, please contact Meagan Birch, Director of Policy & Planning with the Department of Justice, at (867) 767-9256 ext. 82080, or by email at Meagan_Birch@gov.nt.ca.