



Metlakatla Governing Council

Metlakatla reaches \$150 million Specific Claims Settlement with Canada

Settlement addresses inappropriate sale of lands in Prince Rupert Harbour

For Immediate Release - September 21, 2023

Metlakatla/Prince Rupert – The Metlakatla First Nation submitted a claim with the Specific Claims Process and filed a Declaration with Specific Claims Tribunal asserting that Canada breached its fiduciary obligations to the Metlakatla Indian Band in relation to the 1906 surrender of land comprising parts of the south half of Tsimpsean Indian Reserve No. 2 on Kaien Island, Digby Island, and the Tsimpsean Peninsula.

On December 22, 2022, the Specific Claims Tribunal issued its declaration regarding the validity of the claim, holding that Canada breached its fiduciary obligation to Metlakatla by failing to obtain fair market value for the surrendered reserve lands and by selling additional land that Metlakatla had not surrendered. Following negotiation by legal counsel, by letter dated June 23, 2023 Canada offered to pay Metlakatla \$150 million to settle the claim.

This major victory was explained to Metlakatla members during community meetings held in late August, 2023, with members attending in person or virtually on Zoom.

On September 5, 2023, the Metlakatla Governing Council accepted the \$150 million offer on behalf of the Metlakatla First Nation, with the funds to be received in the coming months. These funds will be partially distributed to members through a membership distribution, with funds for minors being held in a trust until they reach the age of 19 years. The balance of the funds will be retained in a financial institution for the benefit of Metlakatla members in the future under the direction of the Metlakatla Governing Council over time. Annual financial statements will be posted for Metlakatla members to review and funds will be used within the Financial Administration Law authority.

This Specific Claim was filed under the leadership of Chief Harold Leighton with direction of his Council and major input from the Metlakatla Treaty team. The Treaty Team comprises of Chief Harold Leighton, Alrita Leask, Joycelynn Mitchell, and the late Sandra Carlick. Recent additions include Wendy Cook and Kiesha Pahl. Steve Lehnert provides lands expertise on behalf of Metlakatla and Barbara Petzelt is Metlakatla's Treaty Coordinator. The 1906 breach of Fiduciary Duty was discovered approximately 25 years ago when Metlakatla began documenting its claim on behalf of the members.

Chief Harold Leighton was recently recognized as one of 14 distinguished British Columbians to receive the prestigious Order of British Columbia for 2023. Chief Leighton will be inducted into the Order on November 16, 2023 at Government House in BC.

Chief Leighton is not seeking re-election to the Metlakatla Governing Council. However, he will continue to be involved with other leadership positions with Metlakatla.

We congratulate Chief Leighton on his dedication, leadership and outstanding contributions to his community. His contributions have not only benefited his community and other neighbouring First Nations, but also the Province at large.

For more information on the settlement, see the attached backgrounder.

Media contact:

Jane Banning
Communications Manager, Metlakatla First Nation
communicationsmanager@metlakatla.ca



Metlakatla Governing Council

Backgrounder – Specific Claims Settlement

In 1903, the Grand Trunk Pacific Railway Company (the “GTP”) and the Government of Canada agreed to build a transcontinental railway. The GTP decided to locate the western terminus of the railway at what is now known as Prince Rupert Harbour. At the time, the western part of Kaien Island, all of Digby Island, and much of the Tsimpsean Peninsula were within a Metlakatla Indian reserve. In January of 1906, the local Indian agent called a meeting of the Metlakatla band and invited a representative of the GTP, who offered to purchase parts of the reserve. Canada did not disclose material information to Metlakatla prior to the meeting, including that Canada was a partner in the railway venture.

After six days of negotiations, Metlakatla agreed sell 13,567 acres of its reserve land on the Tsimpsean Peninsula, Digby Island, and Kaien Island to the GTP for \$7.50 per acre. On August 17, 1906, Metlakatla formally surrendered the land. In 1907, Canada transferred 14,160 acres of land to the GTP for payment of \$106,200 plus additional compensation for members’ gardens on the land. Canada paid half the proceeds of the sale to Metlakatla members and held the remainder in trust for the band. Between 1907 and 1914, the GTP constructed the railway and established the community of Prince Rupert in part on former Metlakatla reserve land. In about 1919, after the GTP became insolvent, the Government of Canada took over the railway, which became part of the Canadian National Railway.

In 2013, Metlakatla filed a claim with the Specific Claims Tribunal alleging that Canada had breached fiduciary obligations to Metlakatla in connection with the 1906 surrender and 1907 sale. On December 22, 2022, the Specific Claims Tribunal held that Canada breached its fiduciary obligations to Metlakatla by selling about 300 acres of land that Metlakatla had not surrendered and by failing to obtain fair market value for Metlakatla’s surrendered reserve land. The tribunal held that the fair market value for Metlakatla’s surrendered reserve lands at the time of their sale was \$437,532, or about \$31 per acre.

The decision of the Specific Claims Tribunal did not fix the amount of compensation to which Metlakatla is entitled. Following negotiations between the parties, on September 8, 2023, Canada and Metlakatla agreed to settle the claim for payment to Metlakatla of \$150 million, which is the maximum amount of compensation that the Specific Claims Tribunal can award.