Canadian Civil Justice: Relief in Small and Simple Matters in an Age of Efficiency

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Abstract

Canada is in the midst of an access to justice crisis. The rising costs and complexity of legal services in Canada have surpassed the need for these services. This article briefly explores some obstacles to civil justice as well as some of the court-based programmes and initiatives in place across Canada to address this growing access to justice gap. In particular, this article explains the Canadian civil justice system and canvasses the procedures and programmes in place to make the justice system more efficient and improve access to justice in small and simple matters. Although this article does look briefly at the impact of the global financial crisis on access to justice efforts in Canada, we do not provide empirical data of our own on this point. Further, we conclude that there is not enough existing data to draw correlations between austerity measures in response to the global crisis and the challenges facing Canadian civil justice. More evidence-based research would be helpful to understand current access to justice challenges and to make decisions on how best to move forward with meaningful innovation and policy reform. However, there is reason for optimism in Canada: innovative ideas and a national action plan provide reason to believe that the country can simplify, expedite, and increase access to civil justice in meaningful ways over the coming years.

Keywords: Canada, small and simple matters, austerity, civil justice, access to justice

Canada is simultaneously trending negatively and positively in its delivery of civil justice. A growing gap between legal needs and the affordability and availability of legal services threatens access to justice for many Canadians. At the same time, however, provinces and territories are implementing a number of programmes aimed at expediting and streamlining dispute resolution in small and simple civil matters. In this article, we address both of these trends. Our research question is simple: what reforms and initiatives are available in Canada to close the gap between legal needs and the costs and complexity of legal services? While it is beyond the scope of our research to evaluate the relative merits of all of these Canadian initiatives, we provide some information on the efficacy and popularity of these programmes where data are available. We also briefly highlight the current push for greater efficiency in civil justice, along with some implications of global austerity on these initiatives, but we do not focus extensively on efficiency or austerity measures. As will be explained, without the benefit of strong empirical data, which is required, it is difficult to draw correlations between global austerity and changes in Canadian civil justice in an efficiency-based access to justice landscape.

This article started as a summary report on the status of Canadian simplified civil procedures for the 2015 XV World Congress of Procedural Law and grew into a more fulsome research project on Canadian civil justice. Our goal in this article is to provide an overview of Canada’s approach to relief in small and simple civil matters, to draw connections between programmes in place across Canada primarily aimed at creating a more efficient legal system, and – by doing so – to assist current efforts designed to address the very challenging but important project of improving the accessibility of civil justice. This article proceeds as follows. In Part 1, we provide a background of the Canadian civil justice system and outline some of the challenges it faces. In Part 2, we detail specific mechanisms and programmes for relief in small and simple matters, including: (i) simplified procedures and fast track litigation; (ii) summary judgement and special cases; (iii) summary trials; (iv) small claims courts; and (v) court-based alternative dispute resolution. In Part 3, we conclude with observations about the delivery of civil justice in small and simple matters in the future.

1 The Canadian Context

In order to contextualise our discussion of simplified procedures in Canada, we explain three inter-related aspects of the Canadian civil justice system. First, we explain the constitutional and legal framework of civil justice, with particular emphasis on the division of jurisdiction over civil matters. Second, we outline the state of access to justice in Canada and some of the impacts of the global financial crisis on Canada. Finally, we explain overarching principles of civil justice in Canada that aim to achieve fair and expedient dispute resolution.
1.1 The Legal Framework of Civil Justice in Canada

Canada is a federal state with constitutionally empowered provincial and federal governments. All of the Canadian provinces follow the common law tradition, except for Québec, which derives its origins from Civil Law.

As we have explained elsewhere, responsibility for the administration of civil justice and civil courts in Canada is split between the provincial and federal governments. The Constitution Act, 1867 grants provincial governments legislative authority over ‘the administration of justice in the province’ and ‘Procedure in Civil Matters’ in provincial courts. Therefore, procedural law and simplified procedures vary from province to province.

Civil matters are typically heard in provincial Superior Courts, which are also known as section 96 courts based on their enumeration in the Constitution Act, 1867. These provincial courts are courts of ‘inherent jurisdiction’ and have broad jurisdiction to hear most matters. Responsibility for Superior Courts is split between the federal and provincial governments. The Supreme Court of Canada (‘Supreme Court’) recently explained this split jurisdiction: ‘While the federal government is responsible for the appointment of s. 96 judges … the provincial legislatures enact laws and adopt regulations pertaining to courts, rules of court and civil procedure, or delegate this function to another body.’

Although procedural law may diverge across provinces, Canada’s uniform court system ensures a certain level of consistency. The Supreme Court has jurisdiction to hear appeals on all matters from the appellate courts across the country, and its decisions are binding nationwide. Even if an appeal is decided in the context of a legislative regime found in only one province, the principles underlying the Supreme Court’s judgements influence the interpretation of all procedural codes and laws. Nevertheless, there is no right of appeal to the Supreme Court in civil cases, and the Court only grants leave to appeal in cases that raise issues of public or national importance. As a result, many provincial appellate courts have primary responsibility for the interpretation of many province-specific procedural laws and systems.

Given that each province is constitutionally responsible for administering civil justice, provincial governments diverge in their response to and engagement with issues of access to justice. As we discuss below, Canada faces an access to justice crisis, and coordination between provinces is needed to implement a countrywide access to justice strategy.

1.2 Canada’s Access to Justice Crisis and Response to the Global Financial Crisis

Much has been written on the state of access to justice in Canada. The Supreme Court recently diagnosed Canada’s problem: ‘Ensuring access to justice is the greatest challenge to the rule of law in Canada today … ordinary Canadians cannot afford to access the adjudication of civil disputes.’

While it is beyond the scope of this article to detail exhaustively the access to justice challenges in Canada, some discussion of this issue is necessary to contextualise the need for affordable and simplified justice solutions. At the end of this section, we also briefly consider the impact of the global financial crisis and austerity measures on these access issues in Canada.

We note at the outset that there is a major lack of empirical data on issues of access to justice in Canada, which is a shared concern internationally as well. As such, research on civil justice in Canada is not without significant challenges. As several recent reports have indicated, there is a significant and growing need for evidence-based research in all areas of civil and family jus-
Nevertheless, it is clear that the growing gap between legal needs and affordable legal services remains the most pressing barrier to civil justice in our country. The Canadian Bar Association, relying on empirical studies, concluded in a recent report that ‘over the course of a lifetime almost everyone will confront a justiciable problem’. Yet, increasing legal costs have made legal services inaccessible to many Canadians. Only 6.7% of people with legal issues use formal court or tribunal systems. On average, lawyers in Canada bill from $218 to $394 an hour, depending on the seniority of counsel and the jurisdiction of practice. A 3-day civil trial may cost over $60,000. In comparison, the 2011 average family income after tax in Canada was $79,600 and the average individual income after tax was $31,400. The prevalence of everyday legal challenges and the unaffordability of legal services underscore the increasing need for access to less expensive simplified procedures.

The complexities and time-intensive nature of even basic legal procedures also plague Canadian civil justice. The Action Committee on Access to Justice in Civil and Family Matters (‘Action Committee’) explained that ‘formal procedures seem to grow ever more complicated and disproportionate to the needs of the litigants and the matters involved.’ One judge, writing extra-judicially, commented that the rapid decline of the traditional trial is often attributed to the ‘significant time delay and cost associated with litigation process’. The Ontario Civil Justice Review in 1995 further suggested that ‘[f]rom wasteful motions through endless discovery to long waiting for pre-trials, trials and appeals, the public perceives the civil justice system to be out of control’. These comments are as relevant today, as they were 20 years ago.

A consequence of Canada’s inaccessible civil justice system has been the increase of self-represented litigants. Nearly 50% of those surveyed in Canada in 2008 reported that they try to solve their legal problems on their own, without resort to legal advice. Thus, when issues materialise in court, these individuals often go it alone. A recent study on self-represented litigants in Canada concluded that, in some circumstances, self-represented litigants ‘may amount to more than half of the litigants in today’s courtrooms’. Although there is a deficiency of empirical data on the incidence of self-representation, a study from British Columbia demonstrates an upward trend. From 1999 to 2001, between 5.5% and 14.2% of litigants in the British Columbia trial court were self-represented. By 2011, 21% of litigants in general civil matters were without representation. In other courts, particularly in the family law context, the numbers are typically much higher. The most common reason that individuals choose to self-represent is their inability to afford legal counsel. Despite valuable efforts taking place in Canada to address this issue, self-representation remains a significant concern.


12. Canadian Bar Association Access to Justice Committee, above n. 8, at 8.


16. Ibid., at 36. See also T. Tyler, ‘A 3-Day Trial Likely to Cost You $60,000’, Toronto Star, 3 March 2007, available at: <www.thestar.com/news/2007/03/03/a_3day_trial_likely_to_cost_you_60000.html>. Of course, the costs of legal services greatly vary from province to province and city to city.


24. Ibid., at 39.

The limited availability of publicly funded legal aid services has further exacerbated the growing civil justice gap in Canada. Direct government spending on legal aid services has declined by over 20% since the early 1990s. This decline has coincided with decreases in funding for legal aid by the federal government. Even where funding is available, legal aid is only available to those whose incomes are well below average. For example, in Manitoba, free legal assistance is only available to individuals whose gross annual income is $14,000 or under. In Nova Scotia, legal aid is only available to those who are on or who can qualify for Income Assistance. Furthermore, only limited types of legal services are available through legal aid.

Nevertheless, there are some positive trends in Canadian legal aid funding. While overall spending is down since the mid-1990s, government spending on legal aid funding increased by 13.6% from 2007-2008 to 2011-2012. In 2014, e.g. the Ontario government committed close to $100 million to legal aid, increasing the threshold for legal aid eligibility for the first time since 1996. Furthermore, while the 2015 federal budget offered little increased justice spending, the 2014 federal budget included increased funding for an Aboriginal Justice Strategy and the increased appointment of judges in Alberta and Quebec to ‘ensure that cases are heard in a timely manner’. In addition, much justice-related funding (infrastructure, legal aid, administration, etc.) comes from provincial government budgets, which are different across the country.

In the face of these recent developments, it is unclear whether underfunding of Canadian legal services relates to the pressures of post-financial crisis global austerity. Although austerity is not a primary focus of this article, a few brief observations will help add context to the Canadian position. Many of Canada’s access to justice challenges pre-date the global financial crisis, and Canada’s emergence from the global financial crisis is often ‘deemed a success story’. The federal government was in a strong financial position at the outset of the global financial crisis – Canada’s government posted a budget surplus in each year from 1997 to 2008. Moreover, for various reasons, Canada’s banks were considered more resilient to the crisis than banks in other countries. Canada did not fully embrace austerity measures at the outset of the crisis. Based partly on the factors mentioned above and to avoid slow economic growth, the government’s approach to austerity appears comparatively more balanced than that which can be observed elsewhere. Through the past several years, Canada’s federal debt has increased to over $600 billion, and many provincial legislatures have also accumulated significant deficits.

While many have heralded Canada’s emergence from the global financial crisis, other commentators and organisations have been more critical of Canada’s economic outlook and policy. Since posting consecutive deficits in the post-recession period, the federal government, which radically changed (from Conservative to Liberal) in Canada’s recent October 2015 federal election, continues to be committed ultimately to balancing the budget – although with promises of major increases in

31. Action Committee on Access to Justice in Civil and Family Matters, above n. 8, at 3-4.  
British Columbia government increased these fees in 2010.\textsuperscript{53} The Supreme Court held that, despite exemptions for ‘indigent’ and ‘impoverished’ people, these fees unconstitutionally restricted access to Section 96 Superior Courts. The Court affirmed that provincial governments have legislative authority to impose hearing fees, but that this power is not unbounded.\textsuperscript{54} The Court concluded that there must be ‘enough judicial discretion to waive hearing fees in any case where [the fees] would effectively prevent access to the courts …’.\textsuperscript{55} In this case, the hearing fees prevented a middle-class family from accessing the courts and did ‘not promote efficient use of court time; at best [the fee] promote[d] less use of court time’.\textsuperscript{56}

This case is particularly relevant to Canada’s access to justice challenges and the potential government austerity measures that impact the justice system. While only British Columbia, Yukon, and the Northwest Territories have incremental court hearing fees, other provinces levy fees for court time.\textsuperscript{57} The Supreme Court has clearly signalled to provincial governments that legislation limiting public access to courts must be reasonable and flexible. As provinces may look for ways to recoup the costs of administering justice, the Supreme Court’s ruling in Trial Lawyers Association cautions governments from adopting measures that may ‘effectively deny[ ] people the right to take their cases to court’.\textsuperscript{58}

\subsection*{1.3 Overarching Principles of Canadian Civil Justice}

Before detailing some of the specific programmes and simplified procedures across Canada, it is important to discuss essential principles that are infused in all Canadian procedural laws: efficiency and proportionality. In Ontario, for example, the Rules of Civil Procedure must ‘be liberally construed to secure the just, most expeditious and least expensive determination of every civil proceeding’.\textsuperscript{59} The Ontario Rules also require that ‘the court shall make orders and give directions that are proportionate to the importance and complexity of the issues, and to the amount involved, in the proceeding’.\textsuperscript{60} Most provinces in Canada have rules similar to these that promote efficiency and proportionality.
ality.61 In the absence of such rules, provincial courts have readily adopted these concepts.62 Efficiency aims to ‘improve timeliness and affordability in the civil justice system’.63 Proportionality, on the other hand, is a normative concept – while it is difficult to define,64 proportionality requires litigants, at a minimum, to evaluate a claim and act in accordance with the importance, complexity, and value of the case.65 In Hryn-niak v. Mauldin, the Supreme Court addressed the need for a ‘culture shift’ in civil litigation that ‘entails simplifying pre-trial procedures and moving the emphasis away from the conventional trial in favour of propor-

tional procedures tailored to the needs of the particular case’.66 While the Canadian civil justice system is ‘premised upon the value that the process of adjudication must be fair and just … [t]he proportionality principle means that the best forum for resolving a dispute is not always that with the most painstaking procedure’.67 Proportionality has taken hold in many other countries,68 and the Supreme Court’s recent emphasis on this principle has the potential to impact the entire litigation process. In just over a year, lower courts have cited Hryn- 
niak and proportionality in the following divergent contexts: whether to hear a matter under simplified rules of procedure;69 whether to order the exchange of affidavits prior to a summary judgement motion in the context of a class action;70 whether to terminate child support;71 whether to order the review and production of sound recordings in a competition case;72 in fixing the amount of costs ordered;73 and in a will challenge proceeding.74 Proportionality infuses the simplified procedures discussed below, and courts will remain vigilant to ensure that this principle is respected.

2 Simplified and Summary Procedures in Canada

Given the Supreme Court’s emphasis on a culture shift in civil litigation, there is a growing recognition of the importance of simplified procedures. In fact, the Action Committee listed ‘simplify, make coherent, proportional and sustainable’ as one of its guiding principles for change in Canadian civil justice.75 In this section, we outline some of the simplified and summary procedures found across the country.

2.1 Simplified Procedures and Fast Track Litigation

The implementation of ‘simplified’ or ‘expedited’ procedures across several jurisdictions has reduced the cost and length of a tradition civil trial. Simplified procedures are a specific set of less complex, and expedited rules that automatically apply to actions for less than a certain monetary amount.76 In British Columbia, the simplified procedure is known as ‘Fast Track Litigation’, and these British Columbia procedures also apply when the trial of an action can be completed in 3 days.77 Former Chief Justice of Ontario Warren Winkler described the simplified procedures in Ontario as ‘perhaps the most successful recent innovation in our traditional court system’.78 Even prior to the 2010 expansion of the monetary threshold for the simplified rules in Ontario, over 60% of civil suits proceeded under the simplified rules.79

There are nuances to each provincial simplified procedure regime, and it is not our goal to detail the specifics of each. Generally, however, the provincial schemes
Second, several of the simplified procedure regimes require parties to attend pre-trial or case planning conferences. These case management measures ensure that matters are scheduled efficiently and that the issues in dispute are focused. In Ontario, the rules mandate a pre-trial conference at least 45 days before the scheduled trial date. In British Columbia, a case planning conference must be completed before a party can serve a notice of application or an affidavit supporting the application on another party to the action.

Third, special fixed costs rules are often associated with simplified procedures. These specified costs incentivize the parties to complete the action on time to keep costs low and predictable. An example of a fixed costs system is found in Saskatchewan. The Saskatchewan Queen’s Bench Rules of Court provide that a successful party under the expedited procedures is entitled to fixed costs if the hearing of the trial is less than 3 days. In fact, in New Brunswick, for example, the rules impose additional cost consequences on a party that improperly fails to use the simplified procedures.

While the simplified procedural schemes are a significant step towards reducing the complexity and cost of civil proceedings, some have critiqued the way these procedures categorise cases. Janet Walker and Lorne Sossin write that:

> drawing bright procedural lines based solely on the damages claimed in civil litigation turns a private calculation (how individuals quantify harm or loss) into a public calculation (how the civil justice system allocates rights to discovery and cross-examination), without reference to other indicia of the public interest.

Alberta’s recently enacted rules of civil procedure acknowledge this critique and the limited utility of damages claimed as a sorting mechanism. Rather than sorting cases by the amount claimed, Alberta cases must be categorised as either ‘standard’ or ‘complex’. This classification is made on the basis of a number of factors, including the amount claimed, the complexity of the issues, the number of parties, and the importance of the issues. Proportionate procedures apply to each type of action.

### 2.2 Summary Judgement and Special Cases

Simplified procedures apply to the conduct of the entire litigation process, but there are several ways to resolve a dispute before it proceeds too far through this process. A summary judgement motion is one of these mechanisms. On a summary judgement motion, the motion judge can resolve the claim by looking at the merits of the action disclosed in the pleadings, affidavits, and cross-examined affidavits tendered by the parties. The action is typically disposed of on a ‘paper record’ rather than through viva voce evidence. It is an important tool for enhancing access to justice because it can provide a cheaper, faster alternative to a full trial. Every province, other than Quebec, has a summary judgement procedure.

The question remains: when is summary judgement available? In Hryniak v. Mauldin, the Supreme Court set out the governing framework. This case was decided in the context of the Ontario rules, although the Court was clear that ‘the values and principles underlying its interpretation are of general application’. In Ontario, Rule 20.04 states that the court shall grant summary judgement if ‘the court is satisfied that there is no genu-
The Supreme Court held that there will be no issue requiring a trial when:

the [summary judgment] process (1) allows the judge to make the necessary findings of fact, (2) allows the judge to apply the law to the facts, and (3) is a proportionate, more expeditious and less expensive means to achieve a just result.

In Ontario, a motion judge can also weigh evidence, evaluate the credibility of a deponent, and draw reasonable inferences from the evidence “unless it is in the interest of justice for such powers to be exercised only at a trial”. On this question, the Supreme Court held that “[i]n practice, whether it is against the “interest of justice” to use [these powers] will often coincide with whether there is a “genuine issue requiring a trial””. Additionally, “these powers are presumptively available, rather than exceptional, in line with the goal of proportionate, cost-effective and timely dispute resolution.”

Hryniak challenges the primacy of the conventional trial for resolving civil disputes by elevating the need for the most proportionate, not ‘most painstaking procedure’. Many legal observers wondered how the Canadian legal community would respond to Hryniak and we do not attempt to outline the subsequent case law in this article. However, one litigator concluded on her preliminary review of Ontario cases that ‘summary judgment motion judges appear to have taken Hryniak to heart’. Jonathan Lisus, a senior trial lawyer, writes that Hryniak ‘seems to have touched a nerve in positive and unexpected ways’. In his view, Hryniak invites trial counsel to persuade judges to allow cost-conscious, reasonably conducted trials such as ‘directed trials of issues, hybrid trials with evidence in chief by affidavit, stop-clock trials and bifurcated proceedings’. As the lessons from Hryniak continue to percolate across the country, there is hope that this decision will contribute to the simplification and increased affordability of civil justice.

It is worth noting that the summary judgement procedure in Ontario is different than the procedure found in British Columbia, potentially calling into question the direct procedural applicability of Hryniak in British Columbia (although, of course, the underlying principles will apply). In Ontario, motion judges have the power to weigh evidence and the discretion to allow oral evidence. In contrast, motion judges can only decide whether there is a genuine issue for trial in British Columbia. As we discuss below, the limited scope of the British Columbia summary judgement rule has led to the primacy of the summary trial procedure in that province.

In addition, on issues of law alone, all jurisdictions in Canada have a procedure for the expedient determination of a legal question. This procedure is known as a ‘special case’ or a ‘stated case’. For example, in New Brunswick, a court may grant leave to hear a special case on consent of the parties and with an agreed upon statement of facts. A special case is typically only appropriate where the determination of the special case will dispose of the underlying matter or advance the proceedings.

2.3 Summary Trials

A procedural innovation that is somewhat similar to summary judgement and simplified procedures is a summary trial. While these concepts overlap, they are each distinct. Simplified procedures govern the entirety of the litigation process, whereas summary judgement and summary trials are ways to resolve the dispute. An Alberta Court of Appeal decision recently explained the difference between these two dispute resolution mechanisms:

Summary judgment disposes of a suit before trial and summary trial after trial. Summary judgment removes from the litigation stream those disputes in which the [nonmoving party’s] position is without merit. If the moving party’s position is unassailable, it makes sense to allocate as few public and private resources as possible to resolve a dispute the outcome of which is obvious …. The summary trial mechanism is designed to resolve disputes which display features amenable to just resolution without accessing all aspects of the trial protocol. Proceedings which do

98. Ontario Rules, above n. 59, r 20.04 (2)(a). Summary judgement can also be granted if the parties agree to it, and the court is satisfied that summary judgement is appropriate in the circumstances.
99. Hryniak, above n. 9, para. 49.
100. Ontario Rules, above n. 59, r 20.04 (2.1).
101. Hryniak, above n. 9, para. 67.
102. Ibid., paras. 1, 27-28.
105. Ibid., para. 29.
107. Ontario Rules, above n. 59, r 20.04 (2.1).
108. Ibid., r 20.04 (2.2).
110. Walker and Sosvin, above n. 68, at 221. See e.g. Ontario Rules, above n. 59, r 22; British Columbia Rules, above n. 61, r 9-3, 9-4; Newfoundland Rules, above n. 76, r 37; New Brunswick Rules, above n. 61, r 24.01 (called a ‘stated case’).
111. Ibid., r 24.01, 24.02, 24.04.
112. Ibid., r 24.01. See also Ontario Rules, above n. 59, r 22.01(2).
not involve contested facts or complicated legal issues are well suited for summary trial. But it is still a trial.113

The summary trial was first developed in 1983 in British Columbia as a response to the shortcomings of British Columbia’s summary judgement rule. Summary judgement motions had caused dissatisfaction in the province. Under the British Columbia rules, summary judgement could only be granted in cases where there was no reasonable defence to a claim. Thus, ‘artful pleaders’ could raise an argument that would defeat a summary judgement motion.114 The summary trial procedure was the legislature’s response to these challenges.

Under the British Columbia rules, summary trials are conducted through affidavit evidence, and the evidence can include an expert report or part of an examination for discovery.115 The judge has broad discretion to order cross-examinations on affidavits.116 Judgement may be granted in favour of either party unless ‘the court is unable … to find the facts necessary to decide the issues of fact or law’ or ‘the court is of the opinion that it would be unjust to decide the issues on the application’.117 A summary trial in British Columbia, unlike summary judgement in that province, can be used to merely decide ‘an issue’ in dispute.118 Other provinces have followed British Columbia’s lead and implemented summary trial procedures.119 For example, Alberta adopted a summary trial procedure similar to that of British Columbia.120 However, unlike in British Columbia, oral evidence is permitted during a summary trial in Alberta with the permission of the judge.121 Alberta’s summary judgement procedure is similar to British Columbia’s procedure, but it also shares features with the more comprehensive Ontario procedure. As the Alberta courts develop the summary judgement procedure in light of Hyrniak, it remains to be seen whether summary judgement will overtake the role of summary trials in Alberta.122

In Ontario, summary trials are available in a more limited context. In a case under the simplified rules, parties may opt to have a summary trial rather than an ordinary trial.123 Under the summary trial procedure in Ontario, evidence is adduced by affidavit, but the plaintiff and defendant have the opportunity to examine and cross-examine the deponents for a short period of time.124 Furthermore, oral argument is permitted after the presentation of the evidence.125 Summary trials have been very popular in British Columbia given the limits of the province’s summary judgement procedure.126 Even in provinces such as Ontario, where the summary judgement procedure is flexible and robust, summary trials are a useful tool to simplify and expedite the dispute resolution process.

2.4 Small Claims Courts

Small claims courts have a long history in Canada. Originating from the early debt collection courts, these courts have been re-imagined through legislative reforms and are now commonplace across the country.127 They have been very popular with litigants; for example, 66,059 claims were filed in Ontario Small Claims Court in 2012-2013, representing 45% of all civil cases commenced in the province that year.128 One commentator lists the following as the goals and hallmarks of small claims courts: informality, ease, speed, affordability, fairness, and resolves small disputes.129 While a ‘uniform mandate [for small claims courts] across the country remains illusory’,130 common features exist in the courts in each province.131 Eligibility to pursue an action in small claims court is governed by the monetary value of the claim. As these courts are premised on efficiency and simplicity, monetary limits impact the types of litigants that can access these informal courts. In most provinces, small claims court jurisdiction over cases valued at $25,000 and

114. Inspiration Management Ltd v. McDermid St Lawrence Ltd (1989), 36 BCLR (2d) 202, [1989] BCJ No 1003 (QL), paras. 37-38 (CA) [cited to QL]. However, the British Columbia summary judgement rules are different that the rules in Ontario. See above text accompanying n. 106-109.
115. British Columbia Rules, above n. 61, r 9-7(5).
116. Ibid., r 9-7(12).
117. Ibid., r 9-7(15).
119. See e.g. Manitoba Rules, above n. 61, r 20.06; Ontario Rules, above n. 59, r 76.12 (1); Alberta Rules, above n. 91, r 7.5-7.11. See also Nova Scotia Rules, above n. 76, r 57.11 (which requires an ‘economic trial’ for actions claiming under $100,000).
120. Alberta Rules, above n. 91, r 7.5-7.11.
121. Ibid., r 6.1(b)(ii), r 7.3(2).
123. Ontario Rules, above n. 59, r 76.10(6).
124. Ibid., r 76.12 (1).
125. Ibid.
130. Ibid., at 249.
yers are permitted in many provinces. In contrast, Alberta recently raised the upper limit of the monetary jurisdiction of its small claims courts from $25,000 to $50,000. This reform must be viewed in the context of Alberta’s ‘simple’ and ‘complex’ categorisation of claims, as discussed above. The mixed methodologies of classifying claims in Alberta may give litigants increased choice for court-based dispute resolution.

Provinces also have different approaches to who can access small claims courts and the types of claims that these courts can hear. Some small claims courts were designed as a ‘people’s court’, and therefore, these courts restrict the access of certain corporate actors. For example, in Québec and Nova Scotia, business creditors only have limited access to small claims courts. In other provinces, these concerns are not manifest. In Ontario, a large portion of the small claims docket is debt collection. In fact, British Columbia started a pilot project for a specific debt collection procedure in small claims courts.

The cost of small claims is also an important indicator of whether these courts are making the justice system more affordable. One indicia of cost is the necessity of representation in small matters. In Québec, lawyers are forbidden from representing litigants in small claims courts, absent exceptional circumstances. Yet, lawyers are permitted in many provinces. Some have argued that lawyers should not be permitted in small claims courts, as they increase costs and power imbalances between litigants. Provinces such as Saskatchewan and Manitoba allow lawyers but discourage their use by limiting the costs awards available for legal fees. In Ontario, lawyers and other legal actors such as paralegals and law students are permitted to represent individuals in small claims court. Perhaps, Ontario’s approach of allowing a broader range of representatives provides more flexibility and affordability to those who do seek representation.

Post-recession austerity did impact small claims in one jurisdiction in Canada. In 2009, the New Brunswick government announced that it would abolish its small claims court and transfer all claims to the trial court. The government justified its decision as a cost-saving measure given the financial difficulties facing the province. The Canadian Bar Association opposed this move and the Chief Justice of the New Brunswick Court of Queen’s Bench called the decision ‘regressive’. During the next provincial election, the opposition campaigned on a promise to reinstate the small claims court. After winning the election, the new government followed through and reintroduced the court. As this chapter in Canadian provincial politics demonstrates, small claims courts are an important aspect of Canadian civil justice, irrespective of funding difficulties.

An exciting technological innovation in British Columbia may spark a new way to resolve small claims in the future. In 2012, the British Columbia government passed the Civil Resolution Tribunal Act, introducing

122. Québec has a lower limit, as its small claims court will currently only hear matter valued at $15,000 or less. In contrast, Alberta recently raised the upper limit of the monetary jurisdiction of its small claims courts from $25,000 to $50,000. This reform must be viewed in the context of Alberta’s ‘simple’ and ‘complex’ categorisation of claims, as discussed above. The mixed methodologies of classifying claims in Alberta may give litigants increased choice for court-based dispute resolution.

123. In Ontario, lawyers are permitted in small claims court only if they are representing themselves or their family. The government justified its decision as a cost-saving measure given the financial difficulties facing the province.


126. “The广西民法典的实践与理论研究”, in the field of civil justice, irrespective of funding difficulties.

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Canadians first online dispute resolution forum.\textsuperscript{150} Although the tribunal is not yet operational, it is expected to launch online this year.\textsuperscript{151} The Chair of the Civil Resolution Tribunal explained that this innovation will provide 24 hours `access to interactive information pathways, tools, and a variety of dispute resolution methods including negotiation, facilitation and, if necessary, adjudication'. Parties must represent themselves in most circumstances.\textsuperscript{152} If a matter proceeds through the tribunal to adjudication, a tribunal member will receive submissions and render a binding judgement, delivered via e-mail.\textsuperscript{153} The provincial government introduced a new bill in March 2015 that will require small claims to proceed through the Civil Resolution Tribunal before moving to small claims court.\textsuperscript{154} If this project is successful, it could reshape civil justice for small matters in British Columbia and act as a model for other jurisdictions.\textsuperscript{155}

2.5 Court-Based Alternative Dispute Resolution

While our focus to this point has been on court-based dispute resolution in small and simple matters, our discussion would be incomplete without canvassing the pre-trial alternative dispute resolution (ADR) processes in place across Canada. Like many jurisdictions around the world, Canada has embraced ADR as an effective set of tools for resolving civil and family disputes. Although growing in modern popularity since the 1970s, in 1996, the Canadian Bar Association released an influential report recommending that all jurisdictions `make available as part of the civil justice system opportunities for litigants to use non-binding dispute-resolution processes as early as possible in the litigation process'.\textsuperscript{156} Most jurisdictions in Canada have headed this recommendation. In this section, we outline some of the specific state-based or state-sanctioned pre-trial ADR programs that have been implemented across the country.\textsuperscript{157}

Mediation is a popular early dispute resolution mechanism that is recommended or required in several provinces and in certain small claims courts.\textsuperscript{158} Saskatchewan was one of the first provinces to implement mandatory mediation in civil proceedings.\textsuperscript{159} This reform was implemented to achieve better substantive results for litigants, not to address court backlog in the province.\textsuperscript{160} Mediators in the Saskatchewan programme are generally non-lawyers and are assigned by the government to any civil claim filed in court.\textsuperscript{161} A study of Saskatchewan's mediation programme conducted 10 years after its implementation concluded that, despite several challenges, `some of [the program's] ambitious goals for cultural and systemic change are being realized. The process of litigation has been altered in some significant ways, for both lawyers and clients'.\textsuperscript{162} Mandatory mediation is also required in actions commenced in three of the major litigation centres in Ontario.\textsuperscript{163} The stated goal of the Ontario programme is to `reduce cost and delay in litigation and facilitate the early and fair resolution of disputes'.\textsuperscript{164} Unlike in Saskatchewan, parties must privately contract with an approved mediator in Ontario.\textsuperscript{165} Despite this difference, the Ontario program has also been well received.\textsuperscript{166}

Beyond mediation, many provinces require or recommend that parties engage in settlement discussions or a


151. `FAQs', available at: <www.civilresolutionbc.ca/faq/>.\textsuperscript{22}


154. Slater, above n. 152.


156. For other Canadian online dispute resolution initiatives in the context of traffic offences, see M. Erdle, `Ontario Joins Wider Move toward Online Dispute Resolution to Ease Court Burdens', SLAW, 25 March 2015, available at: <www.slaw.ca/2015/03/25/ontario-joins-wider-move-toward-online-dispute-resolution-to-ease-court-burdens/>.


158. In this article, we focus primarily on formal state-based, as opposed to all public and private, forms of ADR processes. For a recent and much more detailed discussion of state-based, state-sanctioned, and fully private ADR programs, initiatives, and trends in place across the country, see Farrow, Civil Justice, above n. 5, at 89-117.

159. See e.g. Alberta Rules, above n. 91, r 4-16; Alberta Court of Queen's Bench, `Alberta Justice Mediation Service for the Court of Queen's Bench', available at: <https://albertacourts.ca/court-of-queens-bench/civil-mediation/>; Ontario Rules, above n. 59, r 24.1.04(1); The Queen's Bench Act, 1998, 55 1998, c Q-1.01, s 42 [Saskatchewan Queen's Bench Act]; Saskatchewan Rules, above n. 61, r 4-10; Newfoundland Rules, above n. 76, r 37A. In British Columbia, mediation is not mandatory, but any party to a claim can serve the other parties to the action with a Notice to Mediate. In doing so, any party can compel the others to participate in mediation. See Notice to Mediate (General) Regulation, BC Reg 4/2001. Some small claims courts also incorporate mediation. See McGill, above n. 127 at 227-9; Farrow, Civil Justice, above n. 5, at 113-6.

160. Saskatchewan Queen's Bench Act, above n. 159, s 42; Saskatchewan Rules, above n. 61, r 4-10.


162. Ibid., at 682, 693.

163. Ibid., at 681.

164. Ontario Rules, above n. 59, r 24.1.04(1).

165. Ibid., r 24.1.01.

166. MacFarlane and Keet, above n. 161, at 682. Alberta also provides a roster of approved mediators to choose from. See Alberta Court of Queen's Bench, above n. 159. See also Mediation Rules of the Provincial Court – Civil Division, Alta Reg 271/97.

settlement conference before proceedings to trial. In British Columbia and Québec, the parties may request a settlement conference where a judge or master ‘must, in private and without hearing witnesses, explore all possibilities of settlement of the issues that are outstanding’. Ontario requires that parties schedule a pre-trial conference after setting down an action for trial to, inter alia, ‘provide an opportunity for any or all of the issues in a proceeding to be settled without a hearing’. In certain provinces, there are also cost consequences if a party fails to accept a favourable settlement offer. The most recent proposal in this area is from Québec. In its newly proposed civil justice rules, parties ‘must consider private prevention and resolution processes before referring their dispute to the courts’.

A specific type of settlement conference is commonplace in two of the Prairie Provinces. Judicial dispute resolution (JDR) is widespread across Alberta, although the province’s rules only require good faith participation in one of several ADR processes prior to trial. JDR is a confidential pre-trial settlement conference that is led by a judge, as opposed to a master, mediator, or adjudicator. If no agreement is reached during the conference, the judge may give a non-binding opinion as to how he or she would decide the case on the facts. The Alberta judiciary is largely responsible for JDR, and the evidence of high usage rates and high settlement rates suggests that it has been successful. Judicially assisted dispute resolution (JADR), a programme similar to JDR, is also available to litigants in Manitoba. Participation in this programme is voluntary, but it too has been a success. According to one lawyer, ‘[c]ivil litigation matters are [now] three-to-four times more likely to proceed to JADR than to trial.’ Taken together, these court-sanctioned and court-based ADR programmes have fundamentally altered the process of litigation in Canada. Their emphasis on early dispute resolution has kept many cases from proceeding to trial and has placed professional obligations on lawyers to settle cases as soon as practicable. Although these ADR programmes have been widespread and successful, expediting resolution of matters and lowering costs for litigants, they have also led to a partial privatization of the civil justice. In Hryniak, the Supreme Court wrote that ‘without an accessible public forum for the adjudication of disputes, the rule of law is threatened and the development of the common law undermined’. It is essential that these pre-trial ADR procedures do not usurp the role of public courts, preventing important cases from public adjudication.

3 Conclusion

In this article, we have outlined some of the Canadian challenges to access to justice and the procedures in place to simplify and reduce the costs of civil justice. In our review of existing empirical data, recent governmental austerity measures have not directly driven reform in Canada (although an overall lack of public funding is clearly a major impediment to meaningful civil justice reform capacity). More empirical data are needed to strengthen our observations. As Canadian civil justice reformers continue to organize and collaborate on a national level, an important ongoing project must be to collect more data. Without further data, progress in meaningful civil and access to justice innovation and reform will be slow and will lack the sophisticated evidence-based understandings that are required for lasting and meaningful change.

Rising legal costs and delays in civil justice have created a gap between the need for legal services and the affordability of those services. This ‘gap’ has been driving more of the court and legislative initiatives in Canada. This is a ‘gap’ that also pre-dated the recent world eco-
onomic challenges (although, of course, those challenges have not helped funding in this area). However, it is clear that access to justice challenges are continuing to grow, and there is a widely held view that immediate action on this front is needed. Despite the absence of jurisdictional uniformity in Canada, many jurisdictions have recently implemented programmes in response to this widely held and growing concern with a view to addressing the access to justice crisis. Robust simplified procedures and access to early ADR have been successful and generally popular across the country. Some of these procedures are still in their infancy or early adolescence, and only time will tell if they can inspire major change in the delivery of civil justice. More time will also be needed to study the impacts of these programmes more closely – both in terms of their immediate efficiency-based and other merits (often, although not always, involving cost and time savings as well as party autonomy and control), and in terms of their potential negative implications (potential lack of transparency and a negative impact on the development of public accountability and precedent). \(^{183}\)

The Action Committee, led by Justice Thomas Cromwell of the Supreme Court of Canada, released an ambitious report outlining a collaborative and national vision for civil and family justice reform. \(^{184}\) This report includes a clear acknowledgement of Canada’s growing access to justice crisis, the basis for a significant culture shift in the justice sector, and a specific set of concrete recommendations for the future of reform. Of course, the long-term impact of the Action Committee will largely depend on whether actors across the provinces and territories can come together to implement the report’s recommendations (early indicators are very positive). With divergent civil jurisdictions and systems, national projects are always difficult to execute in Canada. Much depends on local efforts and projects. Legal service providers – lawyers, paralegals, and potentially other groups and forms of professionals and services – will also need to pay more attention on these important access to justice challenges and opportunities. \(^{185}\) Yet, the current initiatives across the country, as well as new ideas such as British Columbia’s online Civil Resolution Tribunal and the development of new centres for justice innovation, \(^{186}\) provide hope that Canada will be able to simplify, expedite, and increase access to civil justice in meaningful ways over the coming years. All signs are pointing in the right direction.

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183. For recent and extensive commentary, debate and analysis on these issues, see Farrow, Civil Justice, above n. 5.


185. See e.g. the Law Society of Upper Canada’s 2015-2019 strategic plan, Focused on the Future, which includes ‘enhance access to justice...’ as one of its five core strategic mandates, available at: <www.lsuc.on.ca/strategic-plan/>. See further Action Committee on Access to Justice in Civil and Family Matters, above n. 8, at 14-5.

186. See e.g. the recently created Winkler Institute for Dispute Resolution at Osgoode Hall Law School in Toronto, available at: <http://winklerinstitute.ca/>. 