

## MEDIA RELEASE



**Hon. John Hatzistergos MLC  
Attorney General  
Minister for Citizenship  
Minister for Regulatory Reform**

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### **Dispute resolution laws passed to benefit new business**

NSW has passed model commercial arbitration laws that position Australia as a major player in the growing international market for commercial dispute resolution and lay the foundations for a major expansion of the legal services sector in NSW, Attorney General John Hatzistergos said.

“Commercial dispute resolution is now commonly used as the preferred option for resolving business and commercial disputes around the world,” he said.

“Yet our previous arbitration laws were nearly three decades old, and were failing to be an efficient alternative to litigation.

“These new laws will ensure arbitration delivers on its promise to be a quicker, less expensive and less formal option than litigation. They also ensure NSW’s domestic arbitration laws align with the Commonwealth’s international arbitration laws, and accepted international practice in this area.”

Mr Hatzistergos said the model laws are based on the United Nations Convention on International Trade Law, which reflects world’s best practice for arbitrating commercial disputes.

“The new domestic arbitration laws go further, however, and address matters such as procedural fairness involved in combined mediation-arbitration, which the United Nations law does not,” he said.

“Specifically, the new laws allow parties the flexibility to solve their disputes by negotiation and agreement, but also provide certainty, should the mediation terminate, as the arbitration can proceed to a binding award.”

Mr Hatzistergos said these additional matters were included in the Bill after consultation with domestic stakeholders on what other matters they considered should be regulated. They reflect similar provisions in place in Hong Kong and Singapore.

“Ultimately, these reforms mean Australian companies operating in global markets can resolve disputes, domestically and internationally, under similar procedures with which they and their partners are familiar.”  
Doug Jones, President of the Australian Centre for International Commercial Arbitration, welcomed the laws saying that:

“These reforms to our domestic arbitration laws will benefit Australian business, and give global businesses the confidence to choose Sydney over Hong Kong, Singapore or London as the seat to solve their cross border disputes.”

Australia’s total legal services export and cross-border income was worth \$675 million in 2006-2007 according to the International Legal Services Advisory Council.

Australia’s first International Dispute Centre is set to be opened in Sydney later this year.