

# A PROPOSED ROADMAP TO OPTIMISE THE ADJUDICATION OF COMPLEX PAYMENT DISPUTES IN AUSTRALIA

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In Australia, statutory construction adjudication has recently received a lot of criticism due to the increasing amount of determinations that have been quashed upon judicial review, and anecdotal evidence from some quarters showing dissatisfaction with the quality of adjudication decisions. Such criticism is particularly aimed at adjudications of large and technically and legally complex payment disputes, where adjudicators are under pressure to consider substantial volumes of submissions in very tight timeframes. More specifically, criticisms have been directed at, inter alia, adjudicator's regulations, procedural fairness, jurisdictional powers and finality of decisions. This paper reviews the measures to improve the quality of adjudications of complex payment disputes then proposes a roadmap by selecting the Qld model as a benchmark but suggesting further improvements identified and explained via specific steps or pit stops. The pit stops include criteria for timeframes of complex claims, appointment, regulation and powers of adjudicators and a review system on the merits to control the quality of adjudication decisions replicating the Singapore model. The findings remain as blunt instruments and deemed as hypotheses to inform subsequent empirical research which the authors are currently undertaking to further investigate, strengthen and validate the findings of this study in order to propose a reliable and useful guide to any parliament seeking to optimise its statutory adjudication to effectively deal with complex payment disputes.

Keywords: adjudicator's decision, complex disputes, large claims, security of payment, statutory adjudication.

## INTRODUCTION

The Australian Security of Payment (SOP) regime was enacted first in NSW fifteen years ago, then all other states have enacted their own legislation. The East Coast states have followed NSW model with some modifications, while the West Coast states substantially followed the UK and NZ models. The common objective of all legislations was to protect vulnerable firms by giving them statutory rights to receive payment for the executed works through rapid, informal and inexpensive Adjudication. The steady increasing size and complexity of adjudicated disputes in Australia uncovered many shortcomings in the legislation operation in dealing with such types of disputes, which resulted in steadily losing confidence in the regime. Moreover, SOP has recently received a lot of criticism due to the increasing number of determinations that have been quashed upon judicial review, and anecdotal evidence showing dissatisfaction with the quality of adjudication decisions. Such

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criticism is particularly aimed at adjudications of large, technically and legally complex disputes, where adjudicators are ill equipped to resolve them fairly.

The growing dissatisfaction with adjudicator's determination is obvious with a large volume of case law regarding challenged adjudications in courts as reported by Australian Legislation Reform Sub-Committee (ALRS 2014). This unsatisfactory situation urged many legal academics and practitioners to debate how an effective statutory adjudication regime should look like in response to the evolving criticism. This paper is deemed to contribute to this debate drawing upon relative previous work from a different perspective starting with reviewing the requirements of effective dispute resolution platform and aiming to propose a roadmap to optimize adjudication of complex payment disputes in Australia.

## **EFFECTIVE BINDING DISPUTE RESOLUTION**

Parties to any construction dispute seek to have their dispute fully sorted out in a quick, inexpensive and informal manner. Not only does a builder seek to recover disputed progress payments from his employer but he is also desperate to have all current disputes resolved to ensure certainty in business. Gerber and Ong (2013) determined three key essential requirements for an effective binding dispute resolution, namely, procedural fairness, accessibility and finality. Yung *et al.* (2015) set four measures of the effectiveness stemmed from the objective of the WA Act: fairness, speed, cost effectiveness and informality. These measures are discussed briefly below.

### **Procedural Fairness**

Procedural fairness may include the impartiality and independence of the decision maker as well as affording both parties the right to present their defensive arguments and be fairly heard. The parties should feel that their arguments have been considered and should receive a reasonable reasoned conclusion to understand the grounds on why they have won or lost. The selection and appointment of a qualified decision maker and the assurance that he is properly equipped with the necessary powers to perform his functions are key integrated features for the parties to believe that prospective justice will be achieved. Nevertheless, the more procedural fairness is considered in dispute resolution, the more expensive and lengthy it becomes (Gerber and Ong 2013). The challenge for any decision maker is how to strike the balance of allowing fair hearing while upholding economic and speedy dispute resolution processes.

### **Accessibility (Speed and Cost Effectiveness)**

According to Gerber and Ong (2013), the speed and affordability of a dispute resolution process are the main characteristics of any accessible justice system. The inherent cost in the lengthy process, including legal fees and case administration, is a major barrier that may force desperate disputants to seek alternative ways to get their dispute settled. Some parties cannot afford lengthy proceedings of dispute resolution as it may lead to injustice where a crucial evidence, that a party relies on, may be no longer available.

### **Finality**

Finality embraces not only the extent in which a disputant can appeal a binding decision but also the limitations on his rights to commence a second proceeding on the same dispute after obtaining the decision on the first dispute (Gerber and Ong 2013).

Arbitration provides a greater certainty on the finality of the outcome due to the very limited grounds of appeal. Although Statutory Adjudication is an interim process that does not prevent any party to commence other legal proceedings, it offers a “*temporary final*” and binding determination with very limited grounds of appeal. However, the strict limitations to challenge some decisions, that contain an error of law or technical errors, may leave the aggrieved party without a quick remedy against unjust decision.

### **Informality**

Yung *et al.* (2015) mentioned three factors that compromise informality: standardized structure of proceedings, abidance by rules of evidence and engagement of expert witness and lawyers. They also found that informality does not generally have an impact on accuracy of determination under the West Coast model. Since they help understand the tenets behind the evolution of statutory adjudication, the above measures stand as good criteria to evaluate and improve existing SOP legislation as follows in the next sections.

## **THE EVOLUTION OF AUSTRALIAN LEGISLATION**

### **East Coast model**

For the last fifteen years, the leading NSW legislation has been prone to various governmental reviews aiming to improve its operation against the set objectives. In 2004, NSW Department of Commerce released a review report mentioning many suggestions to improve the legislation including but not limited to have minimum qualifications for adjudicators and allow longer duration for adjudication determination. Six years later, the Department of Services Technology and Administration (2010) released a discussion paper drawing upon the above report proposing significant improvement to NSW Act aiming to increase confidence in the regime and adding certainty to the outcome of adjudicator’s determination. The paper addressed serious concerns regarding the need for better regulation of adjudicators and the capacity for the Act to deal with complex claims, especially in high value contracts, in which the risk and impact of incorrect adjudication is severe. In 2012, Bruce Collin QC was assigned by NSW Government to prepare an independent report on the construction industry insolvency. Collin’s final report addressed various recommendations to improve the NSW Act to give better protection to subcontractors (Collins 2012). The report endorsed collective submissions from the industry proposing to allow a sliding scale of timeframes based on the size of adjudicated claim, so the larger the claim, the more duration is given to respondents and adjudicators. The report also recommended a specific training system for adjudicators and proposed core topics to be covered in the training course. After all, the three amendments of NSW legislation enacted in 2002, 2010 and 2013 did not implement any of the recommendations concerning large or complex claims.

In Victoria, the SOP regime was amended in 2006 (Section 10b) to prevent claims involving complex matters such as latent conditions and time related cost from being adjudicated. South Australia released final report of discussion paper in May 2015 stating that most of received submissions from the industry favoured the Qld model in its new form and putting recommendations to effectively deal with complex claims such as longer timeframes and better appointment process of competent adjudicators (Moss 2015).

## Queensland model

Wallace (2013) released his final report, which reviewed the operation of the Qld Act. Accordingly, the Act was substantially amended in December 2014 introducing exceptional revolution in adjudication proceedings establishing, inter alia, a dual scheme that provides different mechanisms in dealing with standard and complex payment claims on the basis of the claim monetary value. The timeframes are kept the same for standard payment claims except for the respondent, who can make the adjudication response within 10 days instead of 5 days in the original Act<sup>2</sup>. For complex payment claims, the respondent now has 15 business days to submit his adjudication response<sup>3</sup> and can raise new reasons that were never addressed in the payment schedule<sup>4</sup>. He is also eligible to apply to the adjudicator for an extension of time of up to 15 business days to submit his response<sup>5</sup>. These arrangements were sought to overcome the criticisms of ambush practice and lack of procedural fairness. The adjudicator can have up to 20 business days to issue decision instead of 10 days stated in the Original Act.<sup>6</sup> As proposed by Wallace, the claim monetary value was fixed at \$ 750,000, so any claim greater than this value will be treated as a complex claim even though it involves simple matters. Wallace simply adopted this cap to tie it with the monetary limit of the civil jurisdiction of the District Court of Queensland. According to the statistics, he assumed that approximately 90% of claims will be adjudicated under the standard scheme.

On the other hand, the Reform established robust arrangement for appointment and regulation of adjudicators. The Reform not only abolished Authorised Nominating authorities<sup>7</sup> replacing it with a single governmental registry in response to perceived bias in adjudicator's appointment, but also established a unique Policy for adjudicator grading and selection criteria.<sup>8</sup> The Policy established, inter alia, a grading scale for adjudicators depending on their qualifications, experience and skills, namely, Adjudicator (lowest), Advanced Adjudicators and Senior Adjudicator (highest), whereas complex or large claims cases are only assigned to senior adjudicators. The policy states that: "*The Registrar will have discretion when assessing an application to nominate a Senior Adjudicator irrespective of the claim value where the complexity of the matters in dispute warrants nomination of a Senior Adjudicator.*"

## West Coast model

Until now, there have been no appropriate studies on the performance of the West Coast model with regard to its capacity to deal with complex claims. However, many academics trust this model being more effective than the East Coast model. The model applies the approach of "*one size fits all*" where adjudication proceedings are the same no matter how simple or complex is the claim allowing only 14 days for adjudicator to issue determination. Also, the legislation does not have adequate regulations governing the appointment and regulation of adjudicators. The Report of ALRS (2014) recommended a national scheme across Australia which draws heavily from the West Coast model. However, the ALRS Report embraced the need of quality control system of adjudicators as well as sliding timescale for determinations (ALRS 2014: 63 and 65). Yung *et al.* (2015), argued that it may be too early to discuss

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<sup>2</sup> S 24A (2) a, Qld Act.

<sup>3</sup> S 24A (4), Qld Act.

<sup>4</sup> S 24 (5), Qld Act.

<sup>5</sup> S 24 A(5), Qld Act

<sup>6</sup> S 25A (5&6), 25B; Qld Act.

<sup>7</sup> S 114, Qld Act.

<sup>8</sup> See Adjudicator Grading and Selection Criteria for Nomination of Adjudicators 2014 Policy.

harmonized national scheme while there is a very little and unreliable research evaluating the effectiveness of the West Coast model. Evans (2014) issued a discussion paper endorsed by the Building Commissioner in an attempt to review the performance and operation of the Western Australia legislation since its commencement. The paper suggested important inquiries to the industry pertaining the appropriate time limits for complex claims as well as regulation of adjudicators including qualifications, registration, auditing and training. Until the time of writing this paper, the final report was not released.

## **THE ROADMAP TO EFFECTIVE ADJUDICATION REFORM**

Marquet (2015) confirmed the need for reform noting that the current volume of judicial review is destructive of speed, certainty and affordability. He also noted that the improvement of SOP regimes requires the achievement of just outcomes, not merely fast or cheap ones. Having summarised the key developments and proposals to date with respect to the various Australian legislation, this paper now turns its attention to the future by proposing a roadmap towards the destination of optimising the statutory adjudication of complex payment disputes in Australia. This roadmap starts from a well-established position based upon the government and academic literature to date, the shortcomings of the existing East and West Coast model adjudication schemes, and consequent need for a better designed adjudication scheme to determine complex payment disputes. As such, rather than retracing the need for an improved adjudication scheme, the roadmap aims to move forward the research by identifying five key areas (or pit stops) from the relevant literature where it is contended that empirical research is now needed in order to realise the destination of an optimal adjudication scheme for complex payment claims. The key research areas – selection of Qld model as a benchmark, criteria of complex disputes timeframes, appointment and regulation of adjudicators, powers of adjudicators and merits review system– are discussed below. The discussion includes a justification of each issue as a research area, and an exploration of the various options available to address the issues sometimes even putting forward hypotheses for the research. At this preliminary stage, this roadmap represents somewhat of a ‘blunt instrument’, and intended to proffer an ‘aunt Sally’ for feedback in order that the roadmap be refined for subsequent use by the lead author as the basis for his PhD research.

### **Queensland Model as a Benchmark**

It does not make sense to reinvent the wheel and leave the efforts of other legislatures and scholars behind. As a start point of the roadmap, the Authors are of the opinion that the Qld model is deemed the most appropriate benchmark to deal with complex payment disputes because of the reasons mentioned earlier such as the appointment process of adjudicators and the new mechanism to deal with complex claims. Having said that, it may be too early to judge the effectiveness of the Qld model, so a case study will be undertaken to evaluate the performance of the Act in its recent form to have certainty of the improved outcome. Also, there is still a great opportunity to build upon the current features of Qld model and enhance certain areas relating to complex claims by considering the remaining pit stops down the road as follows next.

### **Criteria of Complex Disputes Timeframes**

Since SOP was successful in dealing with simple and small claims, it is quite important to maintain such strength and draw the line, so complex claims can have a different process within the legislation. Table (1) below shows the distribution of large claims in major Australian States. As part of the proposed measures in this study, the

cap of complex claims should be reduced to \$500,000 instead of \$750,000 which will capture a bit more applications of likely complex nature (e.g. 3% more as in Qld) and tie it with the claims categorizing of annual reports for accessible data monitoring. This monetary value is distilled from the NSW Home Building Act, which limits the jurisdiction of Tribunal to review building disputes up to \$500,000,<sup>9</sup> otherwise, the claim should be dealt with by a district court or a supreme court. This limitation of jurisdiction reflects the nature of complexity and substantial economic substance of claims exceeding this amount. Also, a sliding scale of time limits should be developed for claims larger than \$500,000, so the larger the claim, the longer the timeframe of adjudication decision to avoid the pitfall of “*one size fits all*” approach. A nice proposal of such sliding scale has been already developed by ALRS (2014: 65) and deemed a good start point of research to establish reliable and deliberate time limits.

Table 1: Distribution of large adjudicated claims in Australia <sup>10</sup>

Claim amount	NSW			QLD			WA		
Years	2012	2013	2014	2012	2013	2014	2012	2013	2014
< 100,000	73%	78%	74%	78%	71%	73%	49%	44%	29%
100-499,000	20%	16%	22%	11%	16%	14%	32%	25%	35%
≥ 500,000	7%	6%	4%	11%	13%	13%	19%	31%	36%

Furthermore, complex claims should include smaller claims with a defined cap between \$100,000 and \$500,000 but this consideration should be only decided by the Registrar following the complexity criteria explained below. The minimum proposed threshold of \$100,000 ensures that more than 70% of applications will be adjudicated under the original scheme. Also, Department of Services Technology and Administration (2010) considers simple claims lower than \$100,000. This threshold replicates the same limits in Victoria for having adjudication determination reviewed.<sup>11</sup> According to his second reading speech, his Honour Madden (2006) confirmed that such limit is given in order not “*to disadvantage small subcontractors who rely on prompt payment to stay in business*”. This proposal will ensure that considerable percentage of subcontractors’ claims of complex nature against head contractors will be likely dealt with, in similar fairer proceedings to the corresponding claims served by head contractors against their own principals. The complexity criteria for claims ranging from \$ 100,000 to \$500,000 should include the volume and nature of documents, inclusion of expert reports, the nature of disputed matters such as damages, breach of contract, prolongation claims, legal matters, latent conditions, changes in regulations etc. Ultimately, the above proposed thresholds and criteria of complex claims will be subject to further consultation with the industry stakeholders.

### Appointment and Regulation of Adjudicators

Although the Qld Reform replacing ANAs with a single governmental registry was necessary to remove the apprehended bias, it does not appear to resolve the problem of bias where Qld Government is part of adjudication. This issue was highlighted by the Parliamentary Committee (2014) who suggested to seek an alternative to the new appointment process should the Government becomes involved in Adjudication. Such alternative might be naming one of the reputed abolished ANAs such as IAMA in the relevant regulation for this purpose. The Qld Policy for selecting and grading

<sup>9</sup> See s 48K of Home Building Act 1989 - NSW

<sup>10</sup> Note: In the annual reports, WA adopts calendar year while NSW and Qld adopts financial year. Also, for 2013, the table considered the first two quarters to work out the NSW percentage which might change upon the release of the annual report.

<sup>11</sup> See s 28A (a) of Vic Act.

adjudicators<sup>12</sup> is an excellent tool but needs further pragmatic improvement to increase the quality standards of adjudicators dealing with complex claims. For instance, the Registrar, once receives both adjudication application and relevant response, should decide the time limits of adjudication decision based on the size and/or complexity of claim in accordance with the above criteria as soon as possible. Then, the Registrar can refer the case to a prospective adjudicator with a copy to both parties stating whether the claim is simple or complex and fix the relevant time limits in the referral notice.

The Registrar should take all possible measure to ensure that the nominated adjudicator is competent enough to reach just outcome within the stated time limits. The prospective adjudicator must adhere to a specific code of conduct developed by the Registrar replicating its counterpart of Singapore Mediation Centre (SMC) such as raising any actual or apprehended conflict of interest before accepting nomination and undertaking to adhere to the time limits<sup>13</sup>. To have some flexibility, the adjudicator may formally request additional specific time from the party referring the claim to the Registrar in order to accept nomination. The adjudicator must notify the Registrar and both parties of his acceptance or decline within four days of receiving the referral notice. During proceedings, the adjudicator must dismiss the application if satisfied that it is not possible to fairly reach a decision within the available time limits because of the complexity of the case.<sup>14</sup>

On the other hand, adjudication training should include a compulsory legal training for adjudicators who do not possess appropriate legal qualifications, while lawyers with no proven construction experience should have another compulsory training in construction technology, programming and quantity surveying. Yung *et al.* (2015) addressed the necessity of legal training in Western Australia due to the fact that many submissions for complex claims are prepared by lawyers. To be eligible to adjudicate complex claims, minimum years of experience should be expressly stated but not less than 10 years in dispute resolution and local construction experience. Also, a system for compulsory Continuous Professional Development (CPD) for active adjudicators should be established as recommended by the Wallace (2014:236). Evans (2014) also requested submissions on the necessity of the CPD requirements as part of the review of the WA Act. It is argued that imposing CPD will ensure that adjudicators are well informed and up to date with the relevant development in case law.

Unsatisfactory adjudicator's performance should be closely monitored and formally recorded. A complaints system similar to that of SMC<sup>15</sup> should be established and serious investigation should be carried out by the Registrar which may result in imposing a disciplinary action on non-performing adjudicators including formal warning or suspension of registration. Any voided adjudicator's decision under any Australian Act should be seriously scrutinized. Where the reasons for voiding the decision include lack of good faith or substantial errors, the registration of the concerned adjudicator should be temporarily suspended till he undertakes an ad-hoc compulsory training with examination. Should the same adjudicator got another decision voided within five years of the first voided decision, the Registrar may cease

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<sup>12</sup> Ibid no. 7

<sup>13</sup> See (clauses 1,2 and 10), Adjudicator Code of Conduct, Adjudication under the Building and Construction industry Security of Payment Act (Cap 30B) (Rev Ed 2006), Singapore Mediation Centre

<sup>14</sup> See *Balfour Beatty Construction Ltd v Lambeth London Borough Council* [2002] EWHC 597 at [36]

<sup>15</sup> See (clause 9) of Adjudicators Code of Conduct, Singapore Mediation Centre

renewal of registration or cancel it.<sup>16</sup> The Qld model uniquely states that the adjudicator would NOT be entitled to recover his adjudication fees if his decision was overturned by a competent court on grounds of lack of good faith<sup>17</sup>. However, it will be advantageous to include quashed decisions for other substantial errors to limit the influence of legislator's support and give adjudicators more incentives to turn their minds intellectually into the cases before them. However, it may be too irrational to waive the whole fees, so proportionate fee deduction may be decided by the Registrar in favour of the aggrieved party.

### **Adjudicator's Powers**

Complex claims commonly involve various sophisticated technical or legal issues, whereas most of eligible adjudicators can't practically possess such collective expertise to turn their minds reasonably into all presented arguments. Therefore, in any complex claim, the adjudicator should be equipped with inquisitorial powers similar to adjudicator's powers under the UK model such as taking the initiative to ascertain facts and law, engaging experts and receiving and considering oral evidence in conferences.<sup>18</sup> To clarify and refine the proposed powers further, the adjudicator should be allowed to use his own knowledge and experience but should request further submissions from the parties on such opinion or any other issue to ensure fairness. However, he should be empowered to give deadlines and limit the length of submissions. He should allow legal representation in conferences but should be limited as the adjudicator finds appropriate for efficient conduct of proceedings and avoiding unnecessary expenses<sup>19</sup>. To avoid the shortcoming of dealing with expert reports as mentioned by Skaik *et al* (2015) or where the differences between experts are enormous, the adjudicator should call for a conference with experts and conduct hot tubing, in which both experts are examined concurrently and allowed to cross examine each other. Atkinson and Wright (2014) argued there is no reason why such arrangement is not implemented in adjudication where the adjudicator can receive live expert evidence. If the adjudicator found it necessary to request further submissions, engage experts, arrange testing or conduct conference, he may request an additional time (up to 5 business days) from the referring disputant only to avoid potential tactics of some respondents who may not have the same claimant's incentive to reach reliable and robust outcome. Sheridan and Gold (2014) noted that when that party does not approve such additional time, the adjudicator should resign if it is unfeasible for him to reach sound outcome and he should warn the applicant about this possibility when requesting the additional time. These provisions will not only improve the procedural fairness but also help adjudicators understand complex legal or technical matters, so the soundness and reliability of the adjudication outcome will be definitely improved.

### **Review of adjudication decisions**

Marquet (2015) noted that although the Full Court supports Supreme Courts in remitting invalid adjudications, even if the legislation is silent about it, to the original adjudicator, it is not preferable option being lengthy, complicated and against the intent of the legislation. According to ALRS (2014: 67), it is preferable to keep any merits review process away from expensive prerogative writ proceedings that undermine adjudication by raising jurisdictional issues leaving the actual disputes

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<sup>16</sup> This approach adapted from 'Code of Conduct for Authorised Nominating Authorities', Building and Construction Industry Security of Payment Act 2009, South Australia.

<sup>17</sup> S 35(6) Qld Act.

<sup>18</sup> See (s13, part 1), Scheme for Construction Contracts Regulations, UK.

<sup>19</sup> See S 67, Construction Contracts Act 2002, New Zealand



unresolved. The availability of informal review in the WA<sup>20</sup> and Victoria<sup>21</sup> do not address these concerns as the review is limited to few jurisdictional issues rather than the merits of the dispute. To control the overall cost and improve the finality and informality of statutory adjudication, judicial review should be reduced as practical as possible by establishing a fast track internal review system of the merits of adjudication decisions. The Singapore model is the only statutory adjudication regime which provides such excellent mechanism for aggrieved respondents<sup>22</sup>. According to Christie (2010), such mechanism is worth serious consideration by Australian Parliaments envisaging reform of their existing schemes. According to the SG Act, the respondent must pay the adjudicated amount to the claimant in the first place to be entitled to apply for review.<sup>23</sup> The respondent may apply to the ANA for the review within 7 days<sup>24</sup> of obtaining the adjudication decision if the adjudicated amount exceeds the relevant response by \$100,000 or more. The ANA should appoint one adjudicator or a panel of three adjudicators if the difference exceeds \$1 Million.<sup>25</sup> The adjudicator(s) must issue the decision within 14 days<sup>26</sup>.

To refine and harmonize the inclusion of this system within the roadmap, the review should be further limited to complex claims as defined earlier. The respondent should not appeal the original adjudication decision in court unless having the case reviewed by this mechanism in the first place.<sup>27</sup> Also, the review adjudicator should be selected from the next higher category in the grading scale. The panel of adjudicators should be only needed if the original decision was issued by a senior adjudicator with the highest grade. The review adjudicator(s) must issue the decision within an equivalent timeframe to that of the original adjudicator under the legislation. The identity of the original adjudicator should not be disclosed to the review adjudicator(s). It is worth noting that the proposed review system may not be urgently required if all the previous pit stops of the roadmap are adopted in the legislation. The review system acts as a safety net that will not only improve the accessibility, certainty and precision but also increase the confidence in the final outcome avoiding lengthy and expensive legal proceedings in arbitration or court on the same payment dispute.

## CONCLUSION AND FURTHER RESEARCH

Recently, statutory adjudication in Australia has received increasing criticism regarding its unsuitability to deal with technically and legally complex payment claims, where adjudicators are under pressure to consider substantial volumes of submissions in very tight timeframes. Criticisms have been directed at, inter alia, adjudicator's appointment and regulations, procedural fairness, jurisdictional powers and lack of finality. This paper reviewed the features of successful binding dispute resolution in the context of complex claims which include procedural fairness, accessibility (speed and affordability), finality and informality. Then, it briefly reviewed the evolution of Australian SOP regimes. Finally, the paper proposed the Qld model as a benchmark for the envisaged roadmap to effectively deal with complex payment disputes with proposed measures of further improvement.

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<sup>20</sup> S 46, WA Act.

<sup>21</sup> S 28 (b) of Vic Act.

<sup>22</sup> S 18, Building and Construction Industry Security of Payment Act 2004-Singapore "*SG Act*"

<sup>23</sup> S 18 (3) SG Act

<sup>24</sup> S 18(2) SG Act

<sup>25</sup> See S 10(1) the Building and Construction Industry Security of Payment Regulations 2005.

<sup>26</sup> S 19(3) SG Act

<sup>27</sup> See *RN and Associates Pte v TPX Builders Pte Ltd* [2012] SGHC 225 at [61] where the appeal on grounds require the re-opening of the merits of the case was rejected since the review system was not invoked first.

The paper asserts the need for further investigation to ensure the Qld model will lead to a better overall outcome. The Authors propose specific pit stops for the roadmap to improve the Qld model drawing upon the collective strengths in other legislations and commentaries. The measures include establishing criteria of timeframes of complex disputes, improving the appointment and regulation of adjudicators, equipping adjudicators with inquisitorial powers and creating a system to review the merits of adjudication decisions adapted from Singapore model. The paper findings are presented as blunt instruments or hypotheses to inform the subsequent empirical research which the authors are currently undertaking to further investigate, strengthen and validate the proposed pit stops in order to optimise the statutory adjudication of complex payment disputes in Australia.

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