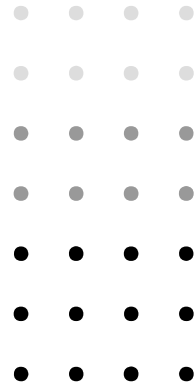


Are Dispute Boards Working in Canada?

Dispute Boards: An Australian Experience

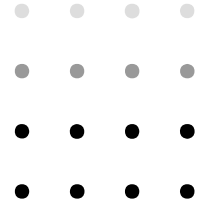
CCCL Conference Montreal
Friday 24 May 2024 (Module 2)



Professor Doug Jones AO

www.dougjones.info

History of Dispute Boards



1970s

- Started with tunnelling and dam projects in the U.S.

1990s–2000s

- Spread internationally with support of FIDIC and MDBs
- Local adaptations are common
- Variations:
 - Standing v ad hoc
 - Binding v non-binding
 - Dispute Avoidance



The Australian Experience

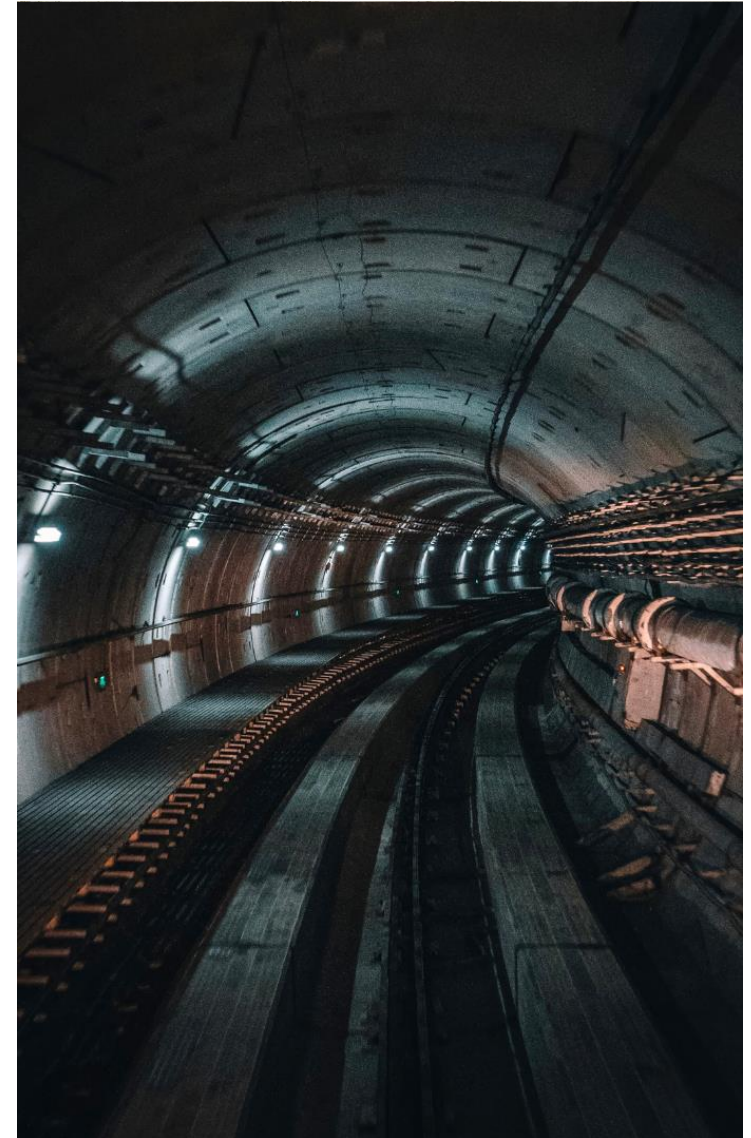
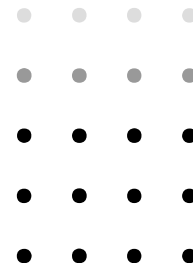
1987

- First DB in Sydney Ocean Outfalls Tunnel Project, \$320m value.

Since then

- 117 projects, total value ~\$73bn, 100% success rate.

80 of 117 DB projects utilised in last decade.



Similarities between Australia and Canada

Economic importance

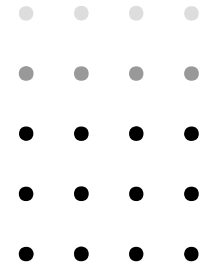
- AUS/CAN: construction industry = 10% national GDP

Labour shortage increasing

- AUS: 131,000 full-time worker deficit by 2024
- CAN: 245,100 retiring from construction jobs over next decade (20% of current workforce)

Post-COVID strains

- AUS/CAN: Chronic skills shortages, cost blowouts

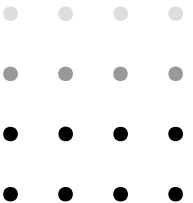


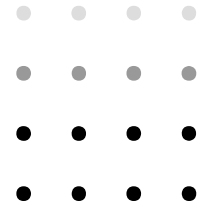
Project Success Example

Snowy Hydro 2.0 (2019-2027)



- \$4.6bn project using DAAB
- Expected to supply 2.2 gw capacity, 350,000 mw hours of storage to national electricity market
- TBM stuck 150m into 15km tunnel for 1 year
- cost blowout to \$12bn
- DAAB provided guidance in negotiating variations, facilitated workshops

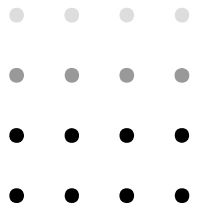




Project Success Example

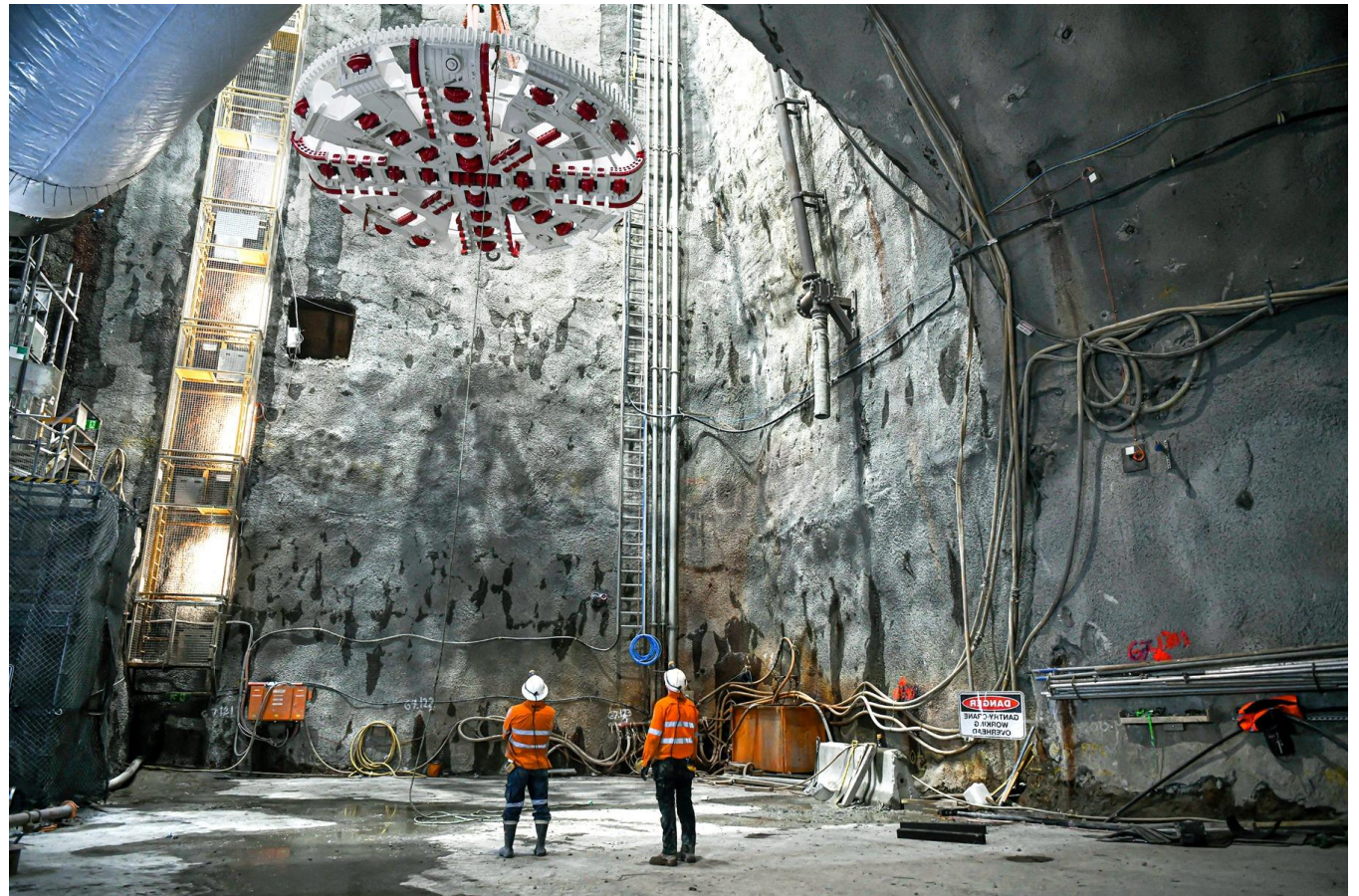
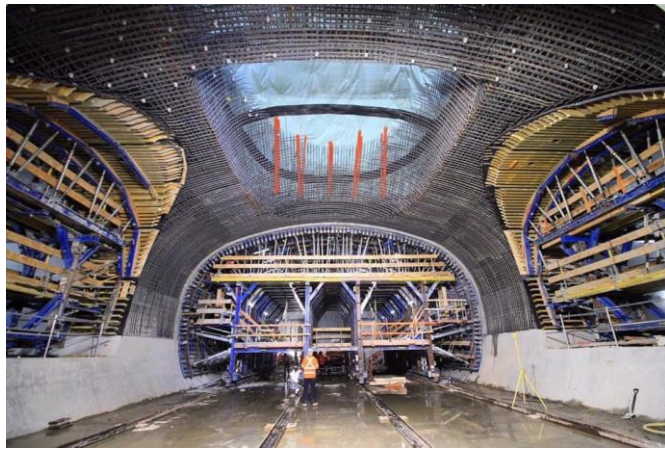
Sydney Metro (2013-2032)

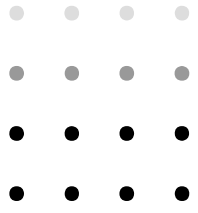




Project Success Example

Sydney Metro (2013-2032)





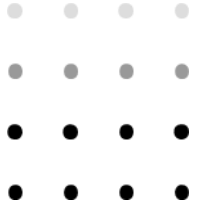
Project Success Example

Sydney Metro (2013-2032)



- Aus largest public transport project, 90km new metro rail, 39 new stations
- Projects committed and proposed
- Northwest Project (2013-2019), \$8.3bn
 - DB 'avoidance-only' model
 - 'Without prejudice' environment
 - Delivered on time, under-budget by \$0.9bn
- City & Southwest Project (2017-2025), \$20.5bn
- Western Sydney Airport Project (2022-2026), \$11bn
- West Project (2020-2032), \$25.32bn
 - All have an Independent Dispute Avoidance and Resolution Panel (IDAR)
 - 'Avoidance-only' model, any disputes requiring decision → expert determination
 - Issue-by-issue basis
 - Regular project briefings, working group meetings and senior project group attendance

Conclusion



Professor Doug Jones AO
www.dougjones.info