



MEDIA RELEASE

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

Wednesday August 10, 2010

NEIGHBOURHOOD DISPUTE RESOLUTIONS TO BECOME LEGALLY BINDING

People who resolve disputes through the NSW Government's free community mediation service will now be able to choose to make their agreements legally enforceable, Attorney General John Hatzistergos announced today.

"Free community mediation services are fast growing in popularity because they are a faster, more efficient way of resolving disputes without the need to go to court," Mr Hatzistergos said.

"The growth in demand for the services has corresponded with calls for parties to be able to make the agreements legally binding."

Mr Hatzistergos said the Government will introduce amendments to allow the agreements to be legally enforceable, should both parties agree. Under existing laws, the agreements can only be made in 'good faith'.

"While the terms of agreements are generally honoured by the parties, Community Justice Centres have reported an increasing demand from parties, particularly in court-ordered mediations, to make an agreement that could be enforced in court if necessary."

The amendments will remove the current bar in the Community Justice Centres Act preventing enforcement. Parties will now have the option of reaching an agreement which, if necessary, could be enforced in court.

"The new option will improve the effectiveness of Community Justice Centres and broaden the appeal of the service, particularly to parties who are seeking a legally enforceable resolution but do not want to go to court," the Attorney General said.

Figures released by the Department of Justice and Attorney General today show the free mediation services are growing in popularity.

In 2009/10, NSW Community Justice Centres opened files in relation to almost 5,000 disputes, up more than 60% from 3,000 last year.

The centres conducted a total of 1725 mediations in the 2009/10 year, a 7% increase on last year's figures of 1612.

Of those mediations, 81% resulted in an agreement, up from 79% last year.

"The settlement rate of more than 80 per cent is exceptional and I would like to commend the professionalism of the staff of the Community Justice Centres here in Parramatta and around NSW," Mr Hatzistergos said.

Under further amendments, CJsCs will require its mediators to be nationally accredited from 1 January 2011.

“The reforms will pave the way for CJC mediators to provide not only high quality mediations, but also a range of other conflict management services, depending on the nature of the dispute,” Mr Hatzistergos said.

The need for the amendments was identified by the ADR Directorate, which has been established in the Department of Justice and Attorney General to develop and coordinate ADR policy and growth in NSW.

Media contact: Adam Bell 0448 302 533