

**The Worshipful Company of Arbitrators  
Mansion House Banquet, Monday 13 May 2013**

**Remarks by The Hon Mr Justice Blair**

Master, Wardens, My Lords, Sheriffs, Ladies and Gentlemen:

It is an honour and a pleasure to have been invited to the Worshipful Company of Arbitrators' Mansion House Banquet to respond on behalf of the guests.

Speaking here makes me sympathise with the Chancellor of the Exchequer, who has to come here every year and find something encouraging to say about the state of the economy.

My task is much easier, because the fact that this annual banquet is held in this historic place shows the importance placed by the City of London on our legal sector, the importance of arbitration and mediation within that sector, and above all the value placed on the work of the Worshipful Company of Arbitrators.

When the then Senior Warden, now Master, invited me to speak this evening, his email said, and I quote, "As the last speaker in the evening, the general recommendation would be for a relatively light-hearted address of 7-8 minutes".

I have to say that this was considerably more helpful than the response a colleague of mine got on a similar occasion. He asked how long his remarks should be, to which the response came back, "It depends how good they are".

In fact, I don't think that most people particularly associate arbitration and mediation with light heartedness. But perhaps it is time for a rethink. A study conducted by the Monash University Law Faculty in 2012 found that over two-

thirds of mediators at a Tribunal in the State of Victoria used humour during mediation sessions.

They said that it helped “lighten up” disputes, release stress and alleviate “charged situations”.

On the other hand, one third of mediators in the study said that they avoided the use of humour or only used it when it arose incidentally, implying a very stern kind of mediator—unlike any here I am sure.

But clearly there is room for a difference of opinion on the subject. It would be interesting to see the results of a similar study into judges.

There is a cautionary tale of the livery company who asked a judge to give an after dinner speech. The judge was well known for his entertaining style, but unfortunately had to cancel at the last minute.

A replacement was sent along though I do not recall from which division. He rose to his feet, and after the usual courtesies, said he had six points to make. To his considerable surprise, the diners broke into mirth, thinking that the judge had just cracked a good joke.

Things were more subdued by the sixth point.

As was said in the kind introduction, my own background is in financial law, where as a young barrister I first got to know your Master, who was then the formidable legal counsel to a major bank.

I have to say that I don't recall that there was much discussion about resolution. He managed to convey the impression, without saying so in so many words, that among the various alternatives he foresaw for the dispute, winning it was definitely the one he had in mind.

I must have got lucky, because I had the privilege of working with him on various occasions over the years.

At that time, we didn't know very much about alternative dispute resolution in financial law. If we thought about it at all, we probably associated it with the shipping industry, whose disputes seemed—at least to the uninitiated—to give a whole new meaning to the term “perils of the sea”.

Your distinguished Senior and Junior Wardens show the importance of ADR in the construction field.

In finance, we lawyers took the uncomplicated view that since the money was obviously owing, there was no dispute to resolve, a view which seemed to go down well with our banking clients.

But times have changed. Perhaps of all the sectors in commerce, banks and financial firms generally are now the most concerned about their reputations. The fair and speedy resolution of disputes is important to them, particularly where consumers are concerned.

Arbitration has become commonplace in financial disputes, particularly when an award may be easier to enforce than a judgment of a court. Sir Peter Cresswell, who is here tonight, has made a big contribution in that field.

Sometimes you have to be inventive. When a foreign exchange broker collapsed, leaving thousands of investors out of the money, an innovative dispute resolution process was organised by your Master, with the result that investors got their compensation, a vast amount of time was saved, not to mention reputational damage on the part of the financial institution which got caught up in it. It is still a text book example of how to deal with this kind of dispute.

While on the subject of reform, I would like to pay tribute to the work of Lord Woolf here tonight whose access to justice reforms have made a lasting contribution to the work of the courts.

It is good to see these reforms being taken forward by a new generation of judges, Lord Justice Jackson in the field of costs, and Lord Justice Briggs also here tonight in the field of procedure in the Chancery Division.

Like the courts, there is of course much more to building an arbitration system than good rules, or even good arbitrators. It depends above all on a culture of integrity and independence.

The work you do along with the Chartered Institute in promoting standards, and I mention your ground-breaking work with students—the very first UK Mediation Skills contest which you held in July 2010 was won by a young person who went on to join my former chambers—has contributed to the esteem in which London arbitration is held internationally.

Ladies and gentlemen, as always, I must be faithful to my instructions. The seventh minute has passed, and the eighth will soon be upon us.

I wish to avoid the ignominy of the speaker who had only just begun to speak when the chair jumped up with a sign saying “TIME”. When the speaker remonstrated afterwards that it was usual to do this at the end of the speech, not the beginning, the chair said, yes, but in the light of experience they were taking no chances.

On behalf of all the guests, I would like to thank the Worshipful Company of Arbitrators for their magnificent hospitality this evening. I would like to invite the guests to rise now and raise their glasses in a toast to the Company.

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