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Opinion

THE GROWTH OF ARBITRATION IN CANADA: HIGHLIGHTS FROM THE 2024 REPORT.

The Canadian Arbitration Report 2024 draws on insights from the Canadian Arbitration Survey, capturing perspectives from arbitrators, counsel, and experts working across the country.

A notable finding is the steady expansion of arbitration activity in Canada. Among surveyed law firms with established arbitration practices, 71% reported a 10–25% increase in the number of lawyers engaged in arbitration matters over the past three years. About 30% also experienced a parallel rise in arbitration-related mandates.

Toronto continues to be the primary hub, but Calgary, Montréal, and Vancouver are increasingly recognized as significant centres. Their growth is bolstered in part by local arbitral institutions—such as ADRIC and ADR Chambers in Toronto, and VanIAC (Vancouver International Arbitration Centre) in Vancouver—which offer reliable case administration and modern hearing facilities. This trend reflects international patterns: the survey revealed that in 23% of instances where counsel recommended a foreign seat, the decision was tied to the presence of a well-regarded arbitral institution, providing procedural consistency, practical advantages, and regional expertise.

Institutional involvement is more prevalent in cross-border disputes, with ICC, VanIAC, ICSID, and AAA/ICDR being the preferred providers. In contrast, most domestic proceedings are conducted on an ad hoc basis, often due to perceptions of lower cost and client preference.

When asked whether they advised clients to choose arbitration, most commercial counsel said they did—and in roughly 75% of cases, their clients followed that advice. Still, the decision to adopt or exclude arbitration clauses remains complex:

Top reasons against arbitration: desire for appeal rights, client resistance, and cost considerations.

Top reasons in favour of arbitration: procedural efficiency, expertise of decision-makers, confidentiality, and enforceability of awards.

Counsel also played a pivotal role in determining the seat of arbitration, recommending it in 84% of cases. Toronto, Vancouver, and Montréal led as the most frequently chosen Canadian seats, though close to 30% of international contracts opted for a foreign seat—typically driven by multi-party considerations, institutional ties, or client direction.

For the full report, please visit the link <u>canadian-arbitration-report-2024.pdf</u>