

DRAFT SECOND READING SPEECH

HON ROGER JAENSCH MP

Land Titles Amendment Bill 2022

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Mr Speaker, I move that the Bill now be read a second time.

The purpose of this Bill is to amend the *Land Titles Act 1980* to introduce a head of power that would allow the Recorder of Titles to issue directions setting requirements for the preparation and lodgement for registration of land dealings.

Tasmania and the Northern Territory are the only two Australian jurisdictions which are currently not participating in the National Electronic Conveyancing System. As such, Tasmania continues to use a paper-based conveyancing process where the majority of documents are prepared and lodged in paper form.

The paper lodgement process can be improved by Tasmania adopting some of the requirements for lodgement that form part of the National Electronic Conveyancing System. This Bill will allow the Recorder of Titles to set and implement these requirements through the vehicle of 'directions'.

Mr Speaker, empowering the Recorder of Titles to make directions will improve the integrity of conveyancing processes, increase the integrity of the Register, and provide the Land Titles Office with the agility to drive continual business improvement by making process changes reflecting ongoing developments in other jurisdictions.

It is anticipated that the Recorder of Titles will issue directions that would introduce, among other things, identity verification requirements, verification of authority to deal requirements, client authorisation requirements and other requirements derived from the National Electronic Conveyancing system that would strengthen the integrity of Tasmania's paper-based conveyancing processes.

The type of requirements that it is anticipated would be introduced through the directions could mitigate the risk of fraud in conveyancing transactions. There is always a great need for public trust in Tasmania's lodgement procedures, perhaps even more so given increases in property values. The fact that all other States are participants in the National Electronic Conveyancing System means that there is a possibility that fraudsters could be drawn to the paper-based conveyancing processes in use in Tasmania. Allowing the Recorder of Titles to strengthen the integrity of the paper-based system through, for example, verification of identity requirements, will decrease the fraud risk profile for land transactions in this State.

Introducing changes that would allow the Recorder of Titles to mitigate fraud risk can only increase public confidence in the safety and integrity of Tasmania's land transactions.

In addition to enhancing Tasmania's current paper-based processes, the planned directions that would be made pursuant to this Bill will facilitate Tasmania's eventual transition to the National Electronic Conveyancing System when it is introduced. It is hoped that stakeholders will find the transition to electronic conveyancing easier as they become familiar with requirements derived from the National Electronic Conveyancing System in the paper-based system. It also means that, when electronic conveyancing and paper conveyancing are operating in parallel, the differences between the two processes will be minimised to the greatest extent possible, avoiding complexity and costs to the conveyancing industry in dealing with electronic and paper processes. Having the same requirements for both paper and electronic conveyancing will also minimise incentives to continue lodging in paper.

Mr Speaker, registrars in other jurisdictions are empowered under their legislation to issue instruments mandating lodgement requirements similar to the directions that could be made under this Bill. Those equivalent powers in other jurisdictions were introduced several years ago with the similar goals of enhancing the risk-mitigation framework and smoothing the transition to electronic conveyancing.

The provisions in other jurisdictions were considered in formulating this Bill. As such, this Bill will align Tasmania with a number of other jurisdictions in the country which have already gone through processes of conversion to electronic conveyancing.

Mr Speaker, in line with other jurisdictions, namely New South Wales and Western Australia, this Bill would require the Recorder of Titles to give at least twenty working days' notice to the public of the making, amendment, or revocation of any directions, unless the changes are required urgently. This minimum notice period will ensure the Land Titles Office allows time to consult with and provide explanatory and educative materials to relevant stakeholders.

When electronic conveyancing is introduced in Tasmania in the future, Tasmania will need to be able to implement model rules developed at a national level as part of the National Electronic Conveyancing System. These rules are highly technical and change at least annually, so it is desirable that there be a simple, quick, and efficient way for these rules to be changed in Tasmania. As shown by the experience in other jurisdictions, the most efficient and responsive way of doing this is through a vehicle like the directions anticipated in this Bill.

Mr Speaker, not only are registrars in other jurisdictions empowered to issue directions, but in Tasmania the Surveyor-General is similarly empowered to issue Survey Directions which apply to the surveying profession. While there are some differences between this Bill and the provisions of the *Surveyors Act* that empower the making of Survey Directions, the differences are designed to reflect equivalent provisions in other jurisdictions. Empowering the Recorder of Titles with proper checks and balances through this Bill is therefore a normal delegation of powers with ample precedent both in Tasmania and across Australia.

Mr Speaker, the Bill has received support from both the Law Society of Tasmania and from the Australian Institute of Conveyancers (Tas), the professional bodies that represent the people who would be most affected by any directions made pursuant to the Bill.

Mr Speaker, in addition to the substantive provisions creating a head of power for the Recorder of Titles to issue directions, the Bill also amends several provisions in the *Land Titles Act 1980* to ensure that 'lodgement' be spelled consistently with the primary spelling provided in the Macquarie dictionary throughout the Act. This is to accord with contemporary drafting principles.

Mr Speaker, I commend the Bill to the House.