

## **Government and industry partnership to develop a national interoperability specification for Australia's electronic conveyancing system**

12 March 2021

### **Joint government industry statement by:**

- **Commonwealth and State and Territory Ministers**
  - Senator the Hon. Jane Hume, Minister for Superannuation, Financial Services and the Digital Economy, The Hon Michael Sukkar, Assistant Treasurer, Minister for Housing and Minister for Homelessness, Social and Community Housing.
  - The Hon. Victor Dominello MP, New South Wales Minister for Customer Service, the Hon. Vickie Chapman MP, South Australia Deputy Premier, Attorney-General, Minister for, Planning and Local Government, the Hon. Scott Stewart MP, Queensland Minister for Resources, the Hon Shane Rattenbury MLA, Australian Capital Territory Attorney-General, The Hon. Guy Barnett MP, Tasmania Minister for Primary Industries and Water, Richard Wynne MP, Victoria Minister for Planning, Housing and Multicultural Affairs, the Hon Selena Uibo MLA, Northern Territory Minister for Attorney-General.
- **Operating Electronic Lodgment Network Operators CEOs**
  - Mr Glenn King, CEO, Property Exchange Australia Ltd (PEXA)
  - Mr Philip Joyce, CEO, Sympli Australia Pty Ltd (Sympli)
- **National industry peak body presidents and CEOs**
  - Ms Anna Bligh, CEO, Australian Bankers Association
  - Ms Michelle Kent, President, Australian Institute of Conveyancers
  - Dr Jacoba Brasch QC, President, Law Council of Australia

### **Industry government commitment to a national industry solution**

Current Electronic Lodgment Network Operators (ELNOs), Property Exchange Australia Ltd (PEXA) and Sympli Australia Pty Ltd (Sympli), have committed to working with Commonwealth, State and Territory governments to develop national interoperability specifications for ELNOs via a collaborative process facilitated by government.

The parties are working to develop a first version of a national industry interoperability standard by the end of March 2021.

PEXA and Sympli will jointly develop the technical specifications for interoperability with the Australian Registrars' National Electronic Conveyancing Council (ARNECC), which comprises officials from all jurisdictions. Importantly, work to date has focused on enabling the establishment of competition for current and prospective ELNOs.

Industry peak bodies look forward to working with industry and ARNECC to review the draft specifications.

This work builds on significant effort so far with industry peak bodies and ARNECC to consider and review appropriate interoperability architectural models that will support diverse and sustainable competition for the benefit of home buyers and sellers.

### **Interoperability to support customer choice**

The national electronic conveyancing system is a world first and allows legal practitioners, conveyancers and financial institutions to electronically prepare and lodge land property dealings with title registries. Practitioners and financial institutions can also transmit settlement funds and pay associated duties and tax, removing the need to physically attend property settlements.

<sup>1</sup> Western Australia has been supportive of interoperability and competition in the marketplace however, it is subject to caretaker conventions due to the state election being called.

As there is currently no interoperability between ELNOs, all parties to conveyancing transactions must use the same ELNO to complete the transaction. Interoperability refers to different ELNOs' systems being able to communicate with each other to complete a property transaction. For multi-party transactions, interoperability would allow practitioners to use the ELNO of their choosing, without having to subscribe to all ELNOs to complete a property transaction.

### **Ministers supporting customer focus**

Ministers acknowledge the resources and expertise of both PEXA and Sympli to develop an industry-wide solution to go live by the end of 2021.

Ministers strongly support ELNOs, industry and government working together to design an interoperability framework to provide the best and most secure outcome for customers. A key priority is cyber security to ensure that our land title systems remain safe and secure. This will be paramount in instilling trust in, confidence in and support for interoperability. ELNOs have become critical national economic infrastructure to facilitate the buying and selling of property in Australia. Around 9,000 small-to-large businesses in conveyancing, legal and financial sectors, rely on the infrastructure provided by ELNOs. Currently, ELNOs process around 1.8 million electronic property transactions per year.

Governments wish to foster an environment in which ELNOs thrive through designing a national interoperability regime that supports customer choice and embeds a sustainable competitive market. Sustainable competition can lead to better customer outcomes, including higher quality services, lower prices and ongoing innovation.

PEXA and Sympli have committed to designing technology around the best customer journey—how a conveyancer, lawyer or financial institution interacts with ELNOs under interoperability scenarios.

### **Participants involved in building the national framework**

The Australian Banking Association (ABA), Australian Institute of Conveyancers (AIC) and Law Council of Australia (LCA) continue to contribute to the development of the national regime. Peak bodies consider interoperability essential for competition between ELNOs and to enable realisation of the “consumer choice” objective.

ARNECC is leading the reform and is informed by the National Industry Interoperability Panel, which is made up of Registrars and jurisdictional experts, representatives from ABA, AIC, and LCA, ELNOs, the major four banks and other financial institutions, as well as private land title registry operators.

The Australian Competition and Consumer Commission (ACCC) and the Commonwealth Digital Transformation Agency are observers to the process and provide expert advice as required.

Governments thank national industry peak bodies, ELNOs, ARNECC, the Revenue Office eConveyancing Committee, and other jurisdictional experts for their commitment.

### **Next steps**

- Parties are working toward the following timeframes:
  - **March 2021:** release draft amendments to the Electronic Conveyancing National Law for consultation and finalise national interoperability data standards and business rules
  - **By mid-2021:** submit Bill to NSW Parliament subject to jurisdictional Cabinet approval
  - **By end of 2021:** go live with the first interoperability transaction.

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