

29 September 2022

Policy Officer
Land Titles Office
Department of Natural Resources and Environment Tasmania

By email:

Dear

Consultation on draft Land Titles Amendment Bill

The Australian Banking Association (**ABA**) welcomes the Department of Natural Resources and Environment Tasmania's engagement with industry regarding the proposed amendment to the *Land Titles Act 1980 (the Act)*. The ABA and its members are broadly supportive of the proposed amendment but make the following observations for the Land Titles Office's (**LTO**) consideration. More broadly, the banking industry continues to support Tasmania adopting e-conveyancing as a way to improve customer outcomes and efficiencies.

1. Uncertainty and consistent approach with other States

While the proposed amendments specify the subject matters the Recorder can issue directions on, the intended requirements and procedures are uncertain at this stage. For example, the Bill provides that the Recorder can issue directions specifying the requirements and procedures relating to Verification of Identity (**VOI**) including the standards to which identity and authority are to be verified. It is unclear as to which standards will be applied in Tasmania.

In New South Wales (section 56C of Real Property Act 1900) and Queensland (section 11A and 11B Land Title Act 1994), the legislation contains express provisions requiring mortgagees to verify the identity of a mortgagor by applying the reasonable steps approach which includes the VOI standard under the ARNECC Model Participation Rules (MPRs). This is in addition to a prescribed process under the Conveyancing Rules (New South Wales) and the Land Title Practice Manual (Queensland).

These provisions provide clarity on the standard that is being adopted and that can be prescribed further by the Registrar General under the relevant rules. The ABA notes that individual conveyancing rules can be determined by the Registrar General (in this case, the Recorder) – this is not unusual as other states have taken this approach.

The ABA recommends the LTO consider including similar provisions in the Act.

2. Time for compliance

The Bill provides that the Recorder can, at any time, revoke or amend a direction issued by notice that is issued 20 days prior to the direction taking effect (or less than 20 days if it is urgent). For the vast majority of material or significant changes, this lead time will be insufficient. For example, a change that requires a technological solution will likely require months of lead time to implement. Process changes may require less time but, unless the changes are known beforehand or are minor in nature, may also not be feasible to implement in 20 days (or less). Additionally, the required implementation times will vary across the various ADIs that provide services in Tasmania.



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Given these uncertainties and variabilities, the ABA recommends the removal of the explicit 20 days (or less) notice period and rather to rely on industry/community engagement and consultation to establish reasonable deadlines.

If you require further information or would like to discuss any of the content of this letter, please do not hesitate to contact me on _____ or at _____.

Regards,

Policy Director
Australian Banking Association

About the ABA

The Australian Banking Association advocates for a strong, competitive and innovative banking industry that delivers excellent and equitable outcomes for customers. We promote and encourage policies that improve banking services for all Australians, through advocacy, research, policy expertise and thought leadership.