

The next step in our transition to paperless conveyancing

On 1 August 2016 Landgate introduced changes to the lodgement process for mortgages and discharge of mortgages affecting mortgagees, their conveyancers, lawyers and lodging agents. Landgate is eager to take the next step towards paperless conveyancing by requiring the electronic lodgement of additional eligible document types.

Why are we introducing these changes?

The Council of Australian Governments' initiative of a National Digital Seamless Economy saw the creation of the Australian Registrars National Electronic Conveyancing Council in 2011 to oversee the introduction of electronic conveyancing nationally. The benefits of electronic conveyancing include:

For consumers

- reduced settlement time and fewer delays
- cleared funds available on day of settlement
- greater transparency of transaction status
- medium and long-term cost savings as efficiencies are passed on by business and government.

For business

- streamlined financial settlement and reduction in physical settlement costs (eg. cheque provision and attendance costs)
- shared workspace for all parties allowing streamlined preparation of documents and greater transparency of transaction status
- early identification and resolution of errors before lodgement
- electronic lodgement of documents
- administrative efficiencies resulting in medium and long term cost savings.

For government

- improved accuracy and reduction in errors
- improved transaction security
- faster and more efficient back-end processing.

Digital disruption is permeating all aspects of our society and the pace of change is increasing. This proposal comes amid a nationwide move to accelerate the take-up of e-conveyancing with NSW, Victoria and South Australia announcing their measures to move conveyancing to the digital channel. Electronic conveyancing was established in the WA market in 2015 and use of the channel is steadily growing. More than 13 per cent of eligible transactions are now done electronically. The industry is well placed to accelerate take-up and to realise the broader benefits that electronic conveyancing offers.

What is changing?

The Registrar of Titles is proposing to introduce a new Registrar's Requirement under Section 182A of the *Transfer of Land Act 1893* requiring all eligible land registry documents to be lodged electronically through an electronic lodgement network such as the one operated by Property Exchange Australia (PEXA) from 1 August 2017.

Eligible land registry documents are defined as the documents that support transactions that can be completed using the existing electronic lodgement network where all of the participants are or are able to become subscribers. They include:

- transfers
- caveats and withdrawal of caveats
- mortgages and discharges of mortgages including refinances.

Transactions and document types not supported by the electronic lodgement network will be exempt from these requirements. Transactions involving self-represented parties and parties that are ineligible to become subscribers in PEXA will also be exempt.

More detail on eligible transactions is available at <https://www.landgate.wa.gov.au/for-individuals/legislation-and-reform/electronic-conveyancing>

Implementation

The proposed implementation date for the new Registrar's Requirements is 1 August 2017. All eligible transactions commenced after this date will need to be lodged electronically. In-flight transactions begun before this date can be completed under existing arrangements.

To lodge documents electronically, settlement agents and legal practitioners will need to become subscribers on the electronic lodgement network. Landgate encourages those who have not already, to register with PEXA and start using the electronic lodgement network.

Preparing for the change

Landgate recognises that the transition to paperless conveyancing is disruptive for industry and will require coordinated effort. We are committed to working with representative industry associations and their members to identify and assist in the resolution of issues as we encounter them.

As part of the consultation process, Landgate will host two industry workshops and a webinar in October and November 2016. The aim is to listen to issues and concerns and assist your industry to prepare for the change. Your input is important to help shape how we implement this initiative. The two in-person workshops will be held on 25 and 31 October, and the webinar is scheduled for 2 November. Details of venues, times and registration for a workshop or webinar are posted on <https://www.landgate.wa.gov.au/for-individuals/legislation-and-reform/electronic-conveyancing>

If you would like to comment on the proposal please email paperlessconveyancing@landgate.wa.gov.au, for more information please contact Richard Gell, Manager Business Capability, on 9273 7530.