

To Lodging Parties

17 April 2020 No 228

Mandating of eConveyancing in South Australia

In 2019, I undertook further industry consultation about electronic conveyancing (eConveyancing), which built upon knowledge gained from extensive consultation undertaken in 2018. The most recent industry consultation found greater overall support for the mandating of eConveyancing and that, of those practitioners not yet using eConveyancing, the majority were preparing for the transition once a date was announced.

The first few months of 2020 have seen a significant increase in the rate of <u>electronic lodgements</u>. In particular, electronic lodgement of transfers almost doubled between January and March of 2020. This indicates that industry is ready to embrace eConveyancing and, in light of current restrictions on physical gatherings as a result of the COVID-19 pandemic, the time is right to introduce mandating of eConveyancing. This measure will assist practitioners to realise the network effects and benefits of eConveyancing and supports the South Australian Government's commitment to full digitisation of in-scope processes.

Mandating eConveyancing in 2020

From **3 August 2020**, the electronic lodgement of documents with Land Services SA will be mandatory. This requirement will apply to all documents that are currently electronically enabled. A list of these electronically enabled documents is attached as Appendix 1.

As additional documents become electronically enabled in the future, I will notify industry through the issue of a Notice to Lodging Parties (NTLP). A transition period will be given before these new documents are also mandated for electronic lodgment.

Some exemptions will apply where it is still necessary to lodge paper dealings, including transitionary exemptions for inflight transactions. Information about these circumstances will be available in the near future.

Office of the Registrar-General GPO Box 1354 Adelaide South Australia 5001 www.dpti.sa.gov.au/land

T: (08) 8456 4906 or 8456 4908

E: DPTI.RegistrarGeneral@sa.gov.au

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Summary of issue resolution from Customer Information Bulletin (CIB) 329

In January 2019, <u>CIB 329</u> advised industry of multiple issues that were posing barriers at that time to further mandating. Throughout 2019, my Office continued work to resolve these matters and a summary of outcomes is below:

Security

The integrity of the register and security of the eConveyancing system is paramount. The Australian Registrars' National Electronic Conveyancing Council's (ARNECC) security review has been completed and implementation of recommendations has commenced. This includes updating both the Model Operating Requirements and Model Participation Requirements.

• Competitive market

In <u>Notice to Lodging Parties 225</u> (NTLP) stakeholders were advised that Sympli Pty Ltd had received approval to commence operating in South Australia. There are now two Electronic Lodgement Network Operators (ELNO) active in South Australia.

Interoperability

My Office continues to work with its New South Wales counterpart to explore possible solutions to interoperability. Additionally, my Office is progressing its independent work to investigate technological solutions to interoperability.

• Registrar-General's ability to enforce lodgement of dealings electronically

In <u>NTLP 223</u>, stakeholders were advised that the amendments to sections 3 and 54 of the *Real Property Act 1886* grant the Registrar-General express power to mandate eConveyancing. This has resolved any ambiguity about my ability to enforce mandating of eConveyancing.

• Completion of the Intergovernmental Review (IGA)

The final IGA report was issued on 19 December 2019. ARNECC is considering the recommendations of this report and their implementation.

Considerations

Many factors were considered when reaching the decision to mandate eConveyancing. I now consider that the barriers to full mandating of electronic lodgement have either been suitably mitigated, or are being actioned appropriately and that these issues should not prevent mandating.

Consultation with industry has continued over an extended period in many forms, both formal and informal. I am satisfied that there is majority support for mandating and that implementation of mandating will enable those network effect benefits that are the drivers of this reform.

I also recognise that the industry is under unprecedented pressures due to the COVID-19 pandemic and wish to lessen these burdens. Widespread adoption of eConveyancing will go a long way to achieving this.

I now encourage stakeholders to prepare for the transition to eConveyancing on 3 August 2020. Support through training and information will be made available soon and both ELNO's are able to assist in readying practitioners to transition to eConveyancing.

I wish to thank all parties who have contributed to consultation and feedback both recently, and over the course of implementing this pivotal change to our industry. Your goodwill, insights and willingness to work collaboratively has been greatly appreciated. I look forward to continued work with industry through this transition and into the future.

Please direct any queries to DPTI.RegistrarGeneral@sa.gov.au.

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Jenny Cottnam REGISTRAR-GENERAL

Appendix 1

Dealings currently available through eConveyancing to be mandated:

*Denotes that the stand-alone dealing is already mandated

Prefix	Dealing
DM	Discharge of Mortgage*
М	Mortgage*
М	Mortgage (change of proprietor name)*
Е	Encumbrance
DE	Discharge of Encumbrance
Т	Transfer
Х	Caveat
WX	Withdrawal of Caveat
TA	Transmission Application
AD	Application to Register Death by Survivor
L	Lease
UL	Underlease
SL	Surrender of Lease
SU	Surrender of Underlease
TM	Transfer of Mortgage
TE	Transfer of Encumbrance

These dealings represent approximately 92% of the total dealings lodged.