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**From:** Jill Ludwell <[REDACTED]>  
**Sent:** Thursday, 21 June 2018 2:33 PM  
**To:** Michael Baker  
**Subject:** AICVic - Letter to Daniel Andrews re Privatisation of Titles Office  
**Attachments:** 180621043546\_0001.pdf

Hi Michael,

Further to the meeting last night, I now forward a copy of correspondence forwarded to the Government on 4<sup>th</sup> September 2017. As you can see, a copy also went to the opposition.

I look forward to receiving a link to the information on the proposed model.

Regards,

Jill Ludwell OAM, CPC  
Chief Executive Officer  
Australian Institute of Conveyancers (Vic Div)  
Level 1, 551 King St  
**MELBOURNE. 3003**  
T: [REDACTED]  
E: [REDACTED]

**From:** [REDACTED]  
**Sent:** Thursday, 21 June 2018 4:36 AM  
**To:** JILL  
**Subject:** Attached Image

4 September 2017

The Hon. Daniel Andrews MP  
Office of the Premier  
1 Treasury Place  
EAST MELBOURNE. 3002

[Daniel.andrews@parliament.vic.gov.au](mailto:Daniel.andrews@parliament.vic.gov.au)

Dear Premier,

**Re: Privatisation of Victoria's Land Titles Registry**

I am writing to you to express the concern of my Members at the announcement recently that the Government is investigating a proposal to commercialise the Land Titles Registry.

The Victorian property market is substantial and stakeholders depend on the integrity of the Land Registry. Any reduction in transparency or change of emphasis (for example, loyalty to shareholders) would jeopardise the trust in that institution.

The Australian Institute of Conveyancers (Vic Div) (AICVic) is the peak body representing the Conveyancing profession in Victoria. We have approximately 400 members made up of Licensed Conveyancers, their staff, legal practitioners and students. The majority of Conveyancing businesses are small to medium sized but we confidently estimate that Licensed Conveyancers undertake close to 50% of transactions carried out in Victoria.

One of the aims of our organisation has been to ensure the interests of the consumer are protected in the conveyancing process. AIC Vic has always spoken for the consumer when changes have been suggested to make sure that the ultimate beneficiaries of the conveyancing process are not overlooked. In today's world of rapidly growing prices and real concern for housing affordability, conveyancing practitioners have worked to maintain a professional service at a cost-effective price. In recent years there has been a major increase in reporting and statutory requirements that conveyancing practitioners must fulfil. These have seen the statutory charges attached to a conveyance increase substantially. With privatisation of the Land Titles Registry, it is concerning that fees charged by the registering authority will increase to meet the requirements of their shareholders, or, alternatively, services that are not cost effective, but still essential to maintain the integrity of the Register, will be abolished.

We are also extremely concerned that under the current system, the Registrar manages the statutory role on behalf of the Government and that function is essential to the good management of the Torrens System of Title Registration. This function cannot be transferred to a CEO of an independent company without a conflict arising. To avoid this conflict, there would need to be some sort of dual arrangement that would increase costs. These costs are ultimately borne by the consumer.

Therefore, as stakeholders in the industry we have a number of concerns with regard to any proposed sale as follows:

- What exactly would the Government be selling and by what method, i.e. compared to the sale of the N.S.W. and S.A. Land Registries?
- If a commercial operator has unfettered access to private and sensitive information, what would stop them from selling such vital information to a third party? Clearly if a buyer pays a substantial amount of money for the business, it will do everything in its power to maximise the return to shareholders. This could result in higher fees and charges for lodging Registry instruments and other services and because the new owner would be a monopoly, the risk to the consumer is high.
- There would be no incentive in a commercialised world to actually make improvements due to the operator's monopoly standing.
- What would happen to the Assurance Fund? This Government guarantee is essential in order to ensure fairness and equity in the case of loss or fraud.
- The loss of expertise should not be under-estimated. Some Conveyancing transactions can be complicated and time-consuming, especially large subdivisions. Customers have had the benefit of access to a wealth of knowledge and expertise over a long period of time from staff at Land Registry. What guarantee can the Government provide to customers that this expertise will not be removed via redundancies, or simply forcing early retirement?
- The Conveyancing industry is in the midst of a digital revolution, which has been anticipated for many years. The announcement recently by Land Use Victoria (LUV) that it has mandated 100% digital lodgement by mid 2019, has resulted in a fractured industry – there are those who accept the inevitability of digital lodgement and those who have hidden their heads in the sand, hoping it would never happen. Because we are moving towards this digital scenario, there is even more need to ensure that an independent Board exists to develop and monitor the rules behind the digital enhancements. For example, the Australian Registrars National Electronic Council (ARNECC) is primarily responsible to develop and monitor the legal framework for Electronic Conveyancing on behalf of the Registrars in each State and Territory. This is the work of Government without interference from a commercial operator.
- Will the Victorian Registrar still be part of ARNECC once Land Registry is privatised?
- Land Registry is also a stakeholder in Property Exchange Australia (PEXA). How would this be addressed?
- What guarantee will the consumer have that fees will not rise unfairly?
- What would be the implications if the private operator were to change structures, sell to a foreign investor, or go into receivership?

- Land Registry must be commended for its user-friendly attitude in providing up-to-date information by way of Customer Information Bulletins and Guides. It has also worked tirelessly to improve and enhance the lodging system through innovations such as PEXA and SPEAR. A commercial operator may be tempted to 'cherry pick' the simpler processes and refuse to maintain or devote resources to complicated transactions, many of which are the bedrock of the property industry.

AICVic has consulted over many years with Land Registry staff, especially with the introduction of Electronic Conveyancing, but unless a commercial operator is contracted to do so, there is little likelihood that it would bother consulting the industry. AICVic believes that a Stakeholder Engagement Group should be formed shortly with the relevant department to address the numerous issues raised by us, the Law Institute of Victoria and others. This Group should also become part of any agreement for privatisation to ensure that the industry and the operator can address issues and discuss the best way forward. This type of consultation has served the Land Registry and the industry well for many years. If consultation was abolished, the affect on the industry and the consumer would be devastating.

Yours faithfully,

**Joan Lentini**  
**President**  
**AIC Vic**

c.c. **The Hon. Tim Pallas MP, Treasurer**  
[tim.pallas@parliament.vic.gov.au](mailto:tim.pallas@parliament.vic.gov.au)

**The Hon. Richard Wynne MP, Minister for Planning**  
[Richard.wynne@parliament.vic.gov.au](mailto:Richard.wynne@parliament.vic.gov.au)

**The Hon. Matthew Guy MLC, Leader of the Opposition**  
[Matthew.guy@parliament.vic.gov.au](mailto:Matthew.guy@parliament.vic.gov.au)

**The Hon. Michael O'Brien MP, Shadow Treasurer**  
[Michael.obrien@parliament.vic.gov.au](mailto:Michael.obrien@parliament.vic.gov.au)

**The Hon. David Davis MLC, Shadow Minister for Planning**  
[David.davis@parliament.vic.gov.au](mailto:David.davis@parliament.vic.gov.au)