



Electronic conveyancing is law

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BANKING DAY NEWS BITES

Australia's long-awaited electronic conveyancing system should be up and running by the middle of next year, following the passage of legislation through the New South Wales Parliament yesterday.

The NSW law, the Electronic Conveyancing (Adoption of National Law) Act 2012, is uniform national legislation, which means the other states and territories have agreed to adopt it. This is expected to happen over the next few months.

The new law sets out arrangements for client authorisations to be done electronically, as well as for the digital signing of documents and for electronic lodgement.

It also spells out the operating rules for electronic-lodgement network operators and the participation rules.

Victoria has had electronic conveyancing on a limited basis since 2006. In 2008, the Council of Australian Governments adopted it as a national project and sponsored the formation of an exchange called the National Electronic Conveyancing Development Ltd in 2010.

NECDL is a national property exchange (modelling itself on the Australian Securities Exchange) owned by four state governments and several financial institutions.

It has developed an electronic conveyancing platform called PEXA (Property Exchange Australia) and has the New South Wales and Victorian land titles registries, as well as two of the big banks, signed as participants.

NECDL's chief executive, Marcus Price, said he expected PEXA (which he likens to the ASX's CHES system) to be operating by April next year. He is in discussions with a large number of registries, financial institutions and service providers, with the aim of bringing them on board.

To date, NECDL is the only group to announce it will operate an electronic conveyancing platform, but others may emerge.

When fully operational, PEXA will support the exchange of property through the ability to perform lodgements and property settlements online, including new mortgages, mortgage discharges, transfer of ownership, settlement, caveats and notices.

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