

Agreement in Principle

Mr BARRY COLLIER (Miranda—Parliamentary Secretary) [10.06 a.m.]: I move:

That this bill be now agreed to in principle.

The Real Property Amendment (Land Transactions) Bill 2009 makes a small but significant amendment to the Real Property Act 1900 to enable a notice of sale to be lodged electronically prior to, or in conjunction with, the lodgement of certain land dealings. The amendment will allow for the implementation of a new electronic system, developed by Land and Property Information, a division of the Land Property Management Authority, and will provide benefits for the authority, rating agencies and the conveyancing industry. By way of background, I will give members of the House some information relating to the history and purpose of the notice of sale.

A notice of sale form, known as an NOS form, is required to accompany all transfers and other dealings that change the ownership of land. The notice of sale form contains details of the transaction, such as the settlement date and any sale price, and provides an updated address for service of notices on the new owner. The information is used by rating agencies, such as local councils, water authorities, and the Livestock Health Protection Authority, as well as the Office of State Revenue and the Valuer-General. Given the importance of this data for the proper assessment and collection of rates and taxes it is vitally important to ensure that the information collected is accurate and that it can be disseminated in a timely manner.

Prior to 1992 a purchaser's solicitor was required to give written notice of a change of ownership to each of the various rating agencies following the sale or transfer of a parcel of land. The rating agencies would use this information to update their records to ensure that rate notices were sent to the current owner of the land. As a consequence of improvements in technology and a desire to receive the information from a single source, a centralised system commenced in 1992 and the notice of sale form was introduced. The system was administered by the then Land Titles Office, now Land and Property Information.

Whilst the current notice of sale system is a vast improvement on the previous ad hoc procedure, it is still a manual system. The present form cannot be downloaded from the website as it contains shaded areas for data capture and scanning purposes. Therefore, information has to be inserted manually, often by hand, increasing the chance of error. Land and Property Information has developed an innovative new product that will enable electronic preparation and lodgement of the notice of sale. The system has a number of enhancements that will assist with the accuracy of data. Once a user inserts an address or title reference into the form, further information on the form can be prepopulated with data from information held by Land and Property Information. The notice of sale form will be available on the authority's website and through the information brokers.

The electronic notice of sale system will have a variety of benefits for both government and industry. For the authority, there will be savings through the elimination of the need for data entry. This will reduce delays and enable the distribution of information sooner. For the conveyancing industry, the availability of an electronic form will enable industry to integrate the form with existing internal systems. As some information will be prepopulated from information provided by Land and Property Information, there will be improvements in the quality of data provided, reducing the possibility of error. This in turn will reduce the likelihood of errors and delays in registration of the accompanying dealings. The benefits for rating agencies and the Office of State Revenue are obvious. Important ownership information will be provided faster and with a greater degree of accuracy.

Turning to the legislation, section 39 of the Real Property Act currently provides that the Registrar-General may refuse to accept a transfer or other dealing that would change the name of the owner of land unless the dealing is accompanied by a fully completed notice of sale form. The proposed amendment provides that this requirement for dealings, accompanied by a notice of sale form, will be satisfied if, before the dealing is presented for registration, a related notice is lodged electronically. Given the importance of the information contained in the notice of sale and the reliance that will be placed on it by a variety of agencies, a new provision is to be inserted requiring certification of the information in the notice of sale form.

Section 129 of the Real Property Act will be amended to clarify the circumstances in which compensation may be payable from the Torrens Assurance Fund in relation to the information provided in a notice of sale. This move to electronic use of the notice of sale form assists all parties in conveyancing transactions. It is also a small but vital step in the transition to an electronic conveyancing system and demonstrates New South Wales's commitment to the national electronic conveyancing system. These new reforms will continue the Government's commitment to ensuring the integrity and accuracy of land records held by the State, its agencies and authorities. I commend the bill to the House.