

29 August 2025

Senate Economics References Committee
Parliament House
Canberra ACT 2600

Dear Committee Members,

Re: Submission to Senate Inquiry into Micro-Competition Opportunities

We write on behalf of **Lawlab** to raise serious concerns about the structural risks posed by the lack of competition in Australia's eConveyancing market, and to encourage the Committee to recommend reforms that promote choice, resilience, and innovation.

Who We Are

Lawlab is one of Australia's largest independent property law and conveyancing firms. We operate nationally, servicing clients across metropolitan, regional, and remote areas, and we complete many thousands of transactions each year. Our team has long been at the forefront of digital conveyancing and online service delivery, which gives us a unique vantage point on both the opportunities and risks inherent in the current market structure.

Why Competition Matters

The absence of genuine competition in eConveyancing is not a theoretical concern—it has direct consequences for consumers and practitioners. Without competition:

- innovation is stifled,
- costs remain high and unchallenged, and
- systemic risks are concentrated in a single platform.

A competitive framework would deliver better outcomes through lower prices, enhanced features, and improved security, while also providing essential redundancy in the system.

Systemic Risks of Monopoly Reliance

The May 2025 outage of PEXA demonstrated how vulnerable the system is when property settlements across the country are dependent on a single operator. Delays to thousands of transactions inflicted financial loss and significant stress on consumers. The banking sector's total reliance on PEXA compounds this fragility, creating a critical single point of failure. Regulators such as ASIC and APRA must be empowered to engage directly with the banks on how these risks are being managed.

Urgent Need for Reform

While alternative Electronic Lodgement Network Operators (ELNOs) exist, they remain effectively excluded from the market by the lack of government-driven interoperability and the entrenched dominance of PEXA. Unless reforms are delivered quickly with Federal Government support, Australia risks locking in a permanent monopoly, with long-term harm to consumers, businesses, and the integrity of the property market.

Recommendations

We recommend the Committee consider the following actions:

1. Request the ACCC to examine PEXA's market conduct and impacts on competition.
2. Direct ASIC and APRA to work with the major banks on managing resilience risks.
3. Allocate federal funding to support state-based delivery of interoperability between ELNOs.

Conclusion

Property settlement infrastructure underpins the functioning of the entire Australian economy. It must be resilient, affordable, and competitive. We urge the Committee to act decisively to ensure that digital conveyancing evolves in the interests of consumers and the broader economy - inaction will erode our property market.

Governments across Australia created and mandated the PEXA monopoly, only Governments can mandate the (interoperability) solution.

Thank you for considering our submission. We would be pleased to provide further detail or appear before the Committee if that would be of assistance.

Richard Bootle

Director