



21 March 2025

Committee Secretary
Senate Economics References Committee
Department of the Senate
PO Box 6100
Parliament House
CANBERRA ACT 2600
AUSTRALIA

By email: economics.sen@aph.gov.au

Dear Committee Members,

Micro-competition opportunities in the Australian economy in relation to eConveyancing

Thank you for providing Titles Queensland with the opportunity to make a submission to this Inquiry.

Titles Queensland welcomes any inquiry into opportunities for competition in relation to electronic conveyancing (eConveyancing). Titles Queensland is willing to assist the Committee where required and can provide additional information if requested.

Background

Titles Queensland manages the land and water titles registries for the state of Queensland. Our core purpose is maintaining the reliability and integrity of these registers, protecting people's most valuable assets. Our services are fundamental to the investment in Queensland and for safeguarding records for property owners and interest holders across our past, present, and future. Each year, over 750,000 lodgements and 2.7 million searches of land and water titles registry dealings across Queensland are managed by our teams.

In June 2021, the Queensland Government announced the state's titles registry services would transfer to the Queensland Future Fund, enabled by the *Queensland Future Fund (Titles Registry) Act 2021*. The entity of Titles Queensland was established at this time and continues to offer the same products and services to our many customers and stakeholders as before and maintains a firm commitment to service excellence and accuracy.

Titles Queensland performs certain functions under the legislation governing eConveyancing (the Electronic Conveyancing National Law) as delegate or agent of the Queensland Registrar of Titles. Since Titles Queensland's establishment, the Titles Queensland Chief Executive Officer has also been appointed by the Queensland Registrar of Titles as the Queensland member of ARNECC, the body responsible for the development and maintenance of the national regulatory framework for eConveyancing. The Titles Queensland Chief Executive Officer, Nikki Alder has been the Queensland ARNECC member since April 2023.

Importance of eConveyancing for Queensland and Australia

In Queensland eConveyancing has progressively become the main channel for lodgement of titling dealings (transfers, mortgages, leases etc). In 2024, 674, 501 titling dealings were lodged using eConveyancing. This accounted for 85% of total dealings. Property Exchange Australia Limited

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(PEXA) has reported the value of residential sales in Queensland for 2024 as \$152.4 billion,¹ with the percentages and value much higher nationally. In its 2024 Annual Report,² PEXA reported 89% of property transactions nationwide were conducted through its system. This involves approximately 15,000 transactions per day nationwide, worth around \$3.5 billion per day (or around 878.5 billion annually).

eConveyancing also facilitates the collection of hundreds of millions of dollars of revenue for States and Territories annually.

ARNECC Submission

Titles Queensland notes that the Committee has also invited the Australian Registrars' National Electronic Conveyancing Council (ARNECC) to make a submission to this Inquiry. Titles Queensland has contributed to the ARNECC submission. Titles Queensland notes that the ARNECC submission generally aligns with Titles Queensland's views while noting this submission does not represent the views of the Queensland Government.

Further information

As the ARNECC submission notes, the key competition reform was the interoperability program and in conjunction with the New South Wales Office of the Registrar-General, Titles Queensland undertook a review of the issues facing that reform to help ARNECC determine next steps. Titles Queensland reiterates its commitment to the steps being taken by ARNECC, while noting significant challenges still exist with numerous obstacles needing to be addressed.

Titles Queensland notes that while there are currently two operating ELNOs in market, the strong network effect (where all parties must operate in the one ELNO) makes it difficult for any other ELNO to be competitive. The interoperability reform was anticipated to facilitate competition by reducing the network effect. Without this reform there is an increased risk that eConveyancing will default to a single ELNO market. This would remove the opportunity for greater resilience that a multiplicity of ELNOs would provide for the Queensland and national market.

A sole ELNO market creates a single point of failure. A multiplicity of ELNOs creates redundancy because if one ELNO goes down, subscribers have the option to move to another ELNO. In a single ELNO market, the only back-up would be a reversion to a superseded paper-based process which is no longer practical. The impact of reverting would result in very significant delays and massive implications for all participants.

Titles Queensland is committed to competition, choice in market, encouraging innovative offerings and notes that a lack of competition can contribute to a lack of resilience in the sector. PEXA's market dominance effectively exposes Titles Queensland and other industry participants to the risks associated with this 'single point of failure'. Good risk management practice requires Titles Queensland to take reasonable steps to lessen exposure to such key risks. Titles Queensland submits that interoperability would assist in fostering a competitive sector which would in turn lessen or help mitigate the risks associated with a 'single point of failure'.

Importantly, the interoperability review emphasised that the eConveyancing process and broader environment includes matters and stakeholders outside the remit of Land Title Registries. To achieve greater oversight and promotion of competition, Commonwealth support will be key to both the future of the interoperability reform and as part of an uplifted national regulatory approach.

In support of the Senate Inquiry, Titles Queensland would welcome the opportunity to discuss the following issues further:

- Challenges with implementing interoperability;

¹ Property Insights | Metropolitan areas outperform regions in FY24 | PEXA Group

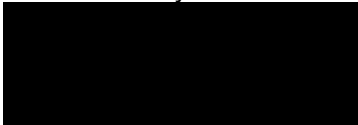
² [https://www.pexa-group.com/static-media/2024/08/PEXA-FY24-Annual-Report-Final-sm-1724193447.pdf](https://www.pexa-group.com/static/media/2024/08/PEXA-FY24-Annual-Report-Final-sm-1724193447.pdf)

- Stakeholder support and engagement in the interoperability reform process;
- Competition and intellectual property protection;
- Operational issues and challenges;
- Regulatory oversight; and
- Barriers to competition and possible alternative approaches.

Summary

Titles Queensland reiterates its endorsement for ARNECC's submissions to the Inquiry and thanks the Committee again for this opportunity. As noted above, we would welcome the opportunity for a further discussion if required.

Yours sincerely



Nikki Alder
Chief Executive Officer
Titles Queensland