




Speech By
Shane Knuth

MEMBER FOR DALRYMPLE

ELECTRONIC CONVEYANCING NATIONAL LAW (QUEENSLAND) BILL

 **Mr KNUTH** (Dalrymple—KAP) (4.04 pm): The objective of the Electronic Conveyancing National Law (Queensland) Bill 2012 is to provide a legislative framework for the implementation and operation of a national electronic conveyancing system. E-conveyancing is a national electronic conveyancing system which will allow land conveyancing transactions to be completed electronically and forms to be lodged directly with the state and territory land registers. The object of national e-conveyancing is to achieve greater efficiencies and remove the need to have paper documents signed or for parties to attend a physical settlement.

The bill follows similar legislative changes in New South Wales and Victoria and is part of Queensland's commitment to the Intergovernmental Agreement for an Electronic Conveyancing National Law. These changes should benefit many in the bush who will now be able to log on and complete conveyancing transactions without the burden of travelling long distances to complete these transactions in person. However, I would like to stress the importance of getting this system right. Statistics show that 30 per cent of paper based settlements fail to proceed as planned due to errors in the cheques or paperwork. It would be an incredible waste of money and a major inconvenience for those choosing to opt into this system if all of the bugs are not addressed prior to the platform's release.

The platform for e-conveyancing is being developed by National e-Conveyancing Development, a government corporation owned jointly by the governments of Queensland, Victoria, Western Australia and New South Wales. It is vital that the highest standards are applied to the development of the system and reporting requirements are placed on the corporation to ensure accountability and transparency. The implementation of this system will be managed by the Australian Registrars' National Electronic Conveyancing Council, which will also provide the ongoing management of the regulatory framework. A critical aspect to the success and efficiency of the e-conveyancing platform will be that users of the system are confident that their information is safe.

A major issue identified by the Queensland Law Society that could affect the security of the e-conveyancing platform and also influence stakeholders to not opt in to the system is a concern about the digital signature. The Law Society challenged the bill's definition of digital signature with the type of digital signature currently used in Public Key Infrastructure. Public Key Infrastructure is a set of hardware, software, people, policies and procedures needed to create, manage, distribute, use, store and revoke digital certificates. In its submission, the Law Society pointed out that the legislation does not appear to give the same standard of encryption as that provided by a Public Key Infrastructure system. In the public hearing the Queensland Law Society raised this issue again and pointed out that many solicitors are only one- or two-man operations. Considering the onus of repudiation of a digital signature rests heavily on the subscriber as prescribed by section 12(4), I believe the Public Key Infrastructure System presents a higher standard encryption method that will give subscribers greater confidence in the platform.

As pointed out by the Australian Bankers Association, one of the factors that will determine the success of a national e-conveyancing system is the uptake by the finance and conveyancing industries. In the explanatory notes it is stated that the government expects that the cost of implementing the system will be exceeded by savings made through the reduction of paper used in transactions. If subscribers are not confident in the security of their signatures, then this will affect the number of people who choose to opt in and logically affect the savings that will be made. The last thing the government needs is to wear the cost of a national system that fails because industry is not confident in the protection of their digital signature.

The final issue I would like to mention is comments made by the Queensland Law Society in relation to a lack of consultation over amendments to the Land Act 1994 and the Land Title Act 1994. Although the changes are minor and largely uncontested, it is imperative for good governance, especially considering Queensland has only one House, that the government takes every opportunity to provide transparency and accountability to the legislative process. There is a growing perception in the community that this government is rushing legislative changes, which has led to some commentators observing that the government is avoiding accountability and scrutiny and passing legislation faster than cars travel across the Sydney Harbour Bridge. I believe that perception can be a very damaging thing to a government. I urge the minister and his colleagues to take note of the consistency with which this comment about a lack of consultation appears in the committee submissions.