

Our ref: PLC:BMgl091024

9 October 2024

Dr James Popple Chief Executive Officer Law Council of Australia PO Box 5350 Braddon ACT 2612

By email: natalie.cooper@lawcouncil.au

Dear Dr Popple,

Draft Model Operating Requirements version 7.01

Thank you for the opportunity to provide input on the Draft Model Operating Requirements version 7.01 (**Draft MOR**), for a submission to the Australian Registrars' National Electronic Conveyancing Council. The Law Society's Property Law Committee contributed to this submission.

MOR 5.4 ELNO Service Fees

We strongly support Draft MOR 5.4.7 which effectively limits the ability for an Electronic Lodgment Network Operator (**ELNO**) to charge a Subscriber more for an interoperable transaction than a non-interoperable transaction. Draft MOR 5.4.7 states:

In charging ELNO Service Fees, an ELNO must ensure that the ELNO Service Fees for an Interoperable Electronic Workspace are not greater than the ELNO Service Fees for an Electronic Workspace that is not an Interoperable Electronic Workspace.

We note this implements recommendation 8.b. of the NSW Independent Pricing and Regulatory Tribunal review of Interoperability pricing for Electronic Lodgment Network Operators final report 2023. Apart from considerations in relation to behavioural impacts of any fee differential, from a practical perspective for consumers and Subscribers, this certainty in pricing is welcome.

MOR 5.9 Interoperability Fees

We suggest that given the current pause in the development and implementation of interoperability, consideration should be given to extending the timeframes specified in Draft MOR 5.9. For example, MOR 5.9.1 sets a maximum interoperability fee for the period 1 July 2024 to 30 June 2025, but interoperability is not yet operational and is unlikely to be operational by 30 June 2025.

¹ NSW Independent Pricing and Regulatory Tribunal review of Interoperability pricing for Electronic Lodgment Network Operators final report 2023, June 2023.



We also note that under Draft MOR 5.9.3, the CPI cap on increases to the interoperability fee will only be in place from 1 July 2025 to 30 June 2026. We similarly suggest that given the likely interoperability implementation timetable, the period during which the CPI cap is in place should be extended.

MOR 10.3 Data standards

Whilst we appreciate that for interoperable conveyancing transactions all ELNOs must use the same version of the data standard, the land registries control which version of the data standard is operating. State revenue offices and financial institutions also have to co-ordinate in upgrading to a new data standard. We therefore suggest that Draft MOR 10.3.4 should be reframed in terms of an ELNO using best endeavours to utilise the version of the data standard specified by the Registrar. Ultimately moving to a new data standard requires a co-ordinated effort amongst all the impacted parties, which is not within the control of the ELNOs.

Please contact Gabrielle Lea, Senior Policy Lawyer, on (02) 9926 0375 or gabrielle.lea@lawsociety.com.au if you have any guestions in relation to this letter.

Yours sincerely,

Brett McGrath

President