



26 November 2019

Mr Peter Achterstraat AM  
NSW Productivity Commissioner  
52 Martin Place  
SYDNEY NSW 2000

By online submission: [productivity.nsw.gov.au/your-submission](http://productivity.nsw.gov.au/your-submission)

Dear Commissioner,

## **Submission addressing the ‘Kickstarting the productivity conversation’ Discussion Paper**

NSW Land Registry Services (NSW LRS) appreciate the opportunity to make a submission on the issues raised in the *Kickstarting the productivity conversation* Discussion Paper.

NSW LRS operates the land titles registry for the State Government and the citizens and businesses of New South Wales. The land titles registry underpins the state’s secure, efficient and guaranteed system of land ownership. We create and maintain land titles information and sell land information products and services. The community, business and government rely on this information for a variety of purposes including land management, conveyancing, property development, investment, local planning, state economic and social development, and historical research.

Our operations are pertinent to several issues identified as opportunities for productivity reforms in the Discussion Paper, namely:

- Collecting and sharing land data with the relevant rating and taxing authorities, including Revenue NSW, the Valuer General, and local councils as it relates to land transactions that attract transfer/stamp duty, land tax, land valuations, and council rates;
- Examining and registering plans for both property and infrastructure developments; and
- Maintaining the Water Access Licence Register on behalf of the Minister for Water, Property and Housing and with WaterNSW.

NSW LRS does not make any submission regarding the feasibility or desirability of the productivity challenges faced by the State and articulated in the Discussion Paper. Rather, we outline our role in several of the areas canvassed in the Paper and note our readiness to support any regulatory reforms that impact our operations in consultation with Government.

### **Supporting key infrastructure projects**

We note that NSW LRS is supporting key infrastructure projects in NSW by collaborating with key agencies to ensure project plans satisfy lodgment and registration requirements. Known as preliminary examination, this service ultimately results in smoother lodgment, examination and registration of the plans necessary to progress key stages of these major projects, allowing on-site works to progress and maintaining momentum as projects move through the planning process with local government, contractors, and other key stakeholders.

NSW LRS has worked closely with Transport for NSW on the preliminary examination of plans for the WestConnex road project and various stages of the Sydney Metro.

We are proud to provide this service, which delivers productivity benefits for these important projects as they progress. We note that the preliminary examination service is available to all NSW LRS customers – whether they are lodging complex infrastructure plans or simpler residential plans – and is subject to a regulated fee.

### **Ready and able to support regulatory reform of water governance if desired**

The Discussion Paper raises several instances where reform could improve productivity outcomes. One such instance is the governance of the water sector, where the delineation of responsibilities between the National Resources Access Regulator (NRAR) and WaterNSW.<sup>1</sup>

As outlined above, NSW LRS maintains the NSW Water Access Licence Register on behalf of the Minister for Water, Property and Housing as part of our core business operations. As such, changes to the governance of water licences may have practical impacts upon the authorities delegated to us or the processes we use with our customers to manage the Water Access Licence Register.

Should the Government seek to reform the Water Access Licence scheme or responsibilities state property taxes, NSW LRS see no obstacles to implementing these reforms within our operations. Our existing data collection and data sharing arrangements are governed by regulations and we regularly adapt our processes and practices in consultation with the Office of the Registrar General to give effect to regulatory change.

### **Supporting property tax reform if desired**

The Discussion Paper canvasses inefficiency in property taxes as another opportunity for productivity reform, noting that transfer duty can deter homeowners from transacting their property and result in homes being underutilised, long work commutes, and reduced labour and business mobility.<sup>2</sup>

As part of our land registry operations, NSW LRS collects and shares land data with the relevant rating and taxing authorities, including Revenue NSW, the Valuer General, and local councils as it relates to land transactions that attract transfer/stamp duty, land tax, land valuations, and council rates.

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<sup>1</sup> Office of the NSW Productivity Commissioner, *Kickstarting the productivity conversation* Discussion Paper (2019), pp. 54-55.

<sup>2</sup> Office of the NSW Productivity Commissioner, pp. 97-99.

Should the Government seek to reform state property taxes, NSW LRS can accommodate these reforms within our business operations. Our existing data collection and data sharing arrangements are governed by regulations and we regularly adapt our processes and practices in consultation with the Office of the Registrar General to give effect to regulatory change.

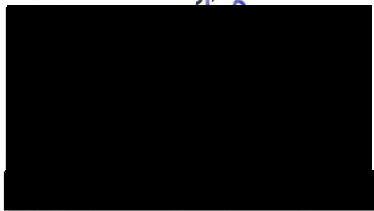
### **A strong track record of supporting regulatory reform**

NSW LRS has a track record of successful collaboration with Government to implement regulatory reform. A notable recent example is the implementation of the electronic conveyancing (eConveyancing) mandate which took effect on 1 July 2019 for all mainstream property dealings. Through close collaboration with the Office of the Registrar General, eConveyancing providers (known as ELNOs), industry groups and professional bodies, together we delivered the necessary changes with limited customer disruption and substantial customer adoption of eConveyancing. Today customers lodge 96% of mainstream property dealings through eConveyancing with the balance subject to regulatory exemption for more complex transactions.<sup>3</sup>

In summary, NSW LRS would be pleased to work with the NSW Government to support the implementation of productivity reforms that affect our operations.

Please let me know if we can further support the development of the NSW productivity reform agenda.

Yours sincerely,



**NSW Land Registry Services**

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<sup>3</sup> 65,158 (96%) mainstream dealings lodged electronically as at October 2019, Office of the Registrar General: [www.registrargeneral.nsw.gov.au/eConveyancing/eConveyancing-Statistics](http://www.registrargeneral.nsw.gov.au/eConveyancing/eConveyancing-Statistics) (accessed 20 November 2019).

