

Saturday, 15 August, 2009

REVIEW TO LOOK AT UPDATING ARCHAIC PROPERTY LAWS

Victoria's property laws will be reviewed as part of the Brumby Labor Government's commitment to modernising and simplifying legislation and business transaction processes, Deputy Premier and Attorney-General Rob Hulls said today.

The review of Victorian property law will be undertaken by the Victorian Law Reform Commission, and will consider changes to the *Property Law Act 1958* and *Transfer of Land Act 1958*.

"The system for creating, registering and transferring interests in land is a fundamental part of Victoria's economic and social infrastructure and in the 50 years since the *Property Law Act 1958* was passed it has become increasingly complex and difficult to navigate," Mr Hulls said.

"The Brumby Labor Government is taking action to modernise the state's property laws in order to benefit everyone in the community who use or are affected by this legislation, including homeowners, property developers, investors and financial institutions."

The first stage of the review will focus on updating the *Property Law Act 1958* and the law of easements and covenants. The second stage will look at the *Transfer of Land Act 1958*.

Mr Hulls said he would ask the Victorian Law Reform Commission to review the legislation, to consult with the community and stakeholders about perceived problems with the current laws and to identify options for improvement and reform.

Advertisements placed in newspapers today call for expressions of interest for a Commissioner to be appointed to lead the review for the Victorian Law Reform Commission. The position is a part-time appointment for a period of one year.

"Most people will buy or sell a house, while many also run a small business which can involve borrowing money and leasing commercial premises," Mr Hulls said.

"These dealings can involve mortgages, covenants and rights and obligations relating to tenancies. Legislation that clearly sets out rights and obligations can minimise unnecessary disputes and avoid expensive litigation."

Mr Hulls said the law of easements and covenants developed before the growth of planning controls and new technologies, such as solar energy, and were often complex.

"Easements and covenants involve things like rights of way, and sewerage and drainage, and affect most homeowners," Mr Hulls said.

"Formal ways to remove obsolete covenants or easements can be timely and expensive. The review will examine options to deliver on more certain, cheaper and quicker processes and practices for consumers who deal with easements and covenants."

The review reflects commitments made in the *Attorney-General's Justice Statement 2* and the *2009 Statement of Government Intentions*.