

PEXA pre-Budget submission, 2024-25



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Executive Summary

Housing has become a critical issue nationwide, with availability, affordability and suitability of housing all demonstrably worsening since 2020 for a range of complex long-term reasons. Access to affordable, suitable housing is now the single most urgent social and economic policy problem nationally. Housing shortages are evident across most locations and are affecting an increasingly broad range of communities and people. At a national level, the housing shortage has significant negative impacts on economic mobility, participation, equity and productivity.

Government housing policy has traditionally been a state-level responsibility in Australia, but the current housing crisis is national in scale and requires a national response. Commendably, the Government has recognised this situation and responded with a renewed National Housing Accord and the formation of the National Housing Ministers' Council, among other measures.

PEXA recommends that these positive initiatives be strengthened with further national policy leadership actions, designed to counter the fragmentation of housing policy input and design across Australia's three levels of government, eight state and territory jurisdictions, 537 local councils and myriad property-related agencies within each of them. National access to local- and state-level property data would greatly improve the coordination of timely, evidence-based policy at all levels of government. And for Australia's smaller states and territories, Federal Budget assistance with State Government resources and technologies should finally deliver equal access to digital transaction technologies and e-conveyancing across all regions.

PEXA proposes a set of five relatively simple regulatory and low-cost measures that could make substantial and lasting improvements to the availability and affordability of housing nationally, with additional benefits for national housing policy and equality of access to property market transactions. These solutions require genuine cooperation, coordination and collaboration across all levels of government and all sectors – community, non-profit and private sector businesses. PEXA's recommendations are designed to address key gaps in:

- the visibility, monitoring and regulation of private-sector affordable housing developments;
- access to timely, detailed housing market administrative data;
- the nation's digital property transactions infrastructure and e-conveyancing;
- the nation's digital identification verification systems; and
- cybersecurity support for small businesses in the high-risk sectors of finance and property.

PEXA is perfectly placed to work collaboratively with all levels of government to achieve these key priorities in housing policy, cybersecurity and digital services. PEXA is Australia's leading property exchange platform and a global pioneer in the development and implementation of practical, effective, secure, low-cost digital transaction technologies and databases. PEXA is

committed to proactive action that improves the lives of our people, communities and the planet, through connecting people to place. PEXA collaborates widely with technology partners, community groups, education providers and others who share our values and commitment.

PEXA was formed in 2010 to fulfil the Council of Australian Governments' (COAG) ambition to deliver a single, national e-conveyancing solution to the Australian property industry. This ambition is very close to being realised, with six of Australia's eight jurisdictions now digitally integrated for e-conveyancing. Having revolutionised property transactions in Australia, the PEXA family of digital businesses is now developing innovative data-driven solutions that enable better decision-making about land and property and greater benefits from digitisation.

Recommendations

PEXA recommends five practical actions for Government from 2024-25 that will improve:

- the availability of affordable Australian housing provided by the private sector;
- the effectiveness, timeliness and efficacy of Australian housing policy; and
- equity of access to digital transaction technologies in Australia's property markets.

These recommendations are carefully designed to provide maximum benefit to Government and the whole community. They can commence immediately and at low cost to Government.

Recommendation 1: accelerate the development of a national affordable housing Register in collaboration with the private sector and local government, as a first step in building a Progressive Residential Affordability Development Solution (PRADS) model

The Australian Government should accelerate the development and deployment of the Progressive Residential Affordability Development Solution (PRADS) Register, in order to encourage private-sector investment in affordable housing at scale. The Government should:

1. contribute \$5.2 million to Housing All Australians (HAA) to accelerate the development of the PRADS Register, with specific funding allocations over the next four years for:
 - a) a national pilot trial of the PRADS Register with participation from private-sector residential developers and local governments in all jurisdictions;
 - b) a rigorous evaluation of the pilot trial and the Register's development process;
 - c) collecting and ingesting all relevant historical data held by local councils;
 - d) building the PRADS Register into a robust, secure, national platform for affordable housing delivery; and
 - e) delivering the PRADS Register to all 537 local councils nationally, with appropriate information, training and support for all councils and developers;

2. ensure that any regulatory enablement that may be required for the operation of the PRADS Register (or for data visibility and data sharing from the Register) at national and/or state level is agreed by the Council of Housing Ministers at the earliest opportunity and implemented by the relevant jurisdictions as soon as possible; and
3. support the PRADS Register as a crucial first stage in building an effective national PRADS program that can unlock and encourage private-sector investment in affordable housing.

Recommendation 2: national access to property data

The Australian Government should examine regulatory and resourcing options that will unlock aggregated land and property transactions data for national housing and related policy purposes that are in the public interest and will improve public welfare.

Recommendation 3: a national digital ID framework

The Australian Government should enable a legally robust digital identity framework that is:

- regulated, provided and funded nationally; and
- applied consistently and seamlessly across all Australian Government jurisdictions.

Recommendation 4: equal access to e-conveyancing

The Australian Government should enable the timely fulfillment of COAG's long-standing goal of providing national e-conveyancing capabilities for all locations and transaction types by:

- providing support and resources to the Governments of Tasmania and the Northern Territory so that they can connect to e-conveyancing on the same basis as Australia's larger jurisdictions, despite their cost disadvantages arising from small scale and remote location;
- providing support and resources to other states' titles offices on a needs basis to ensure that all types of property transactions in all jurisdictions can benefit from e-conveyancing.

Recommendation 5: improving small business cybersecurity

The Australian Government should implement a program of cybersecurity training, education and investment support for small businesses in high-risk sectors such as finance and property conveyancing, to improve their cybersecurity awareness, capabilities and resilience.

1: A national affordable housing (PRADS) register

Australia's housing crisis calls for greater public-private collaboration

Australia is in the midst of a national housing crisis, with no easy immediate solutions. In a Federal Government review of NHFIC in 2021, authored by Chris Leptos AM, government actuaries quantified that over the next two decades, the investment required to meet the shortfall in public, social and affordable housing will be in the order of \$290 billion¹.

This gap is too big for government to fund alone. Instead, we need to collectively unlock private-sector capital to deliver affordable housing at a sufficient scale and provide what Housing All Australians (HAA) describes as *“fundamental economic infrastructure for a prosperous country”*². As HAA notes in its own submission, businesses want to help solve this crisis, but businesses (and superannuation funds and other private investment vehicles) are not charities; they must fulfil their obligations to shareholders first. And, while many not-for-profit Community Housing Providers (CHPs) successfully provide housing, none have sufficient resources to solve the housing problem alone. Affordable housing will always require some form of subsidy to fill the funding gap and, historically, the only player that could fill that gap was government. A new method of increasing private-sector involvement is much needed.

The Progressive Residential Affordability Development Solution (PRADS) housing model

To help address this funding gap and unlock private sector capital, the not-for-profit private sector group Housing All Australians (HAA)³ has developed a new model that is designed to promote greater private-sector investment in affordable housing. This model is called the Progressive Residential Affordability Development Solution (PRADS). The PRADS model brings local governments and the property development industry together, producing a viable collaborative solution that addresses their respective objectives, perspectives and constraints.

The key objective of the PRADS model is to create privately funded affordable housing that is rented at below-market rents for a period of at least 30 years. As is the case with the current National Rental Affordability Scheme (NRAS), tenants will need to qualify for their affordable home by satisfying affordable housing income criteria set by Government. Under the PRADS model, the obligation for the dwelling to be rented affordably over the life of the agreement will exist on title through the attachment of a restrictive covenant that can be transferred from

¹ [Give me Shelter – the long term costs of underproviding public, social and affordable housing](#) | C'wealth of Australia (2021) Statutory review of the operation of the National Housing Finance and Investment Corporation Act 2018 p.18

² HAA, *Housing All Australians, pre-Budget submission: Australian Government Budget 24- 25*, Jan 2024.

³ HAA is a DGR1 NFP.

one owner to the next, along with the property title. This model has been deliberately designed to assist key workers as tenants.

More detailed information about the PRADS model is available in HAA's submission to this Federal Budget, including a proof-of-concept case study by Nightingale Housing in the City of Merri-Bek (a Victorian local government area). The HAA submission includes letters of support from the MAV, UDIA, PCA CBA and SGS Economics.

A PRADS Register is a necessary first step towards a PRADS framework

Affordable dwelling requirements are becoming more common in private-sector residential development approvals across Australia, as a response to housing affordability problems from local councils and/or state governments. In an increasing number of urban developments, the provision of a fixed number or share of affordable rental housing units within a larger development is one of the conditions councils are imposing on developers in order to gain planning concessions (e.g. increased size or number of dwellings or reduced car-parking places).

Despite the growing number of these agreements however, there are no dedicated resources for registering, monitoring or enforcing these agreements over their lifespan. For most local councils, there are no resources available to do this within their own jurisdiction and little appetite to set up a collective system of registration and monitoring in a coordinated, comparable manner with other government agencies or other interested parties.

Currently, the only method available to local government agencies to ensure that earmarked affordable rental housing units remain affordable and inhabited by eligible tenants is via CHPs that are regulated and monitored in each state and territory by a Housing Registrar. This system is state-based and is not designed to engage with private-sector developers nor property investors.

To address the funding gap and expand the ability to monitor the affordable housing obligations, the PRADS model creates the required visibility by working with local government. It offers the 'PRADS Register' as a credible, scalable, national private-sector alternative to the state-based Housing Registrars, to enable appropriate oversight of the affordable housing stock. The PRADS Register is designed to ensure that:

1. each housing unit remains affordable for the full term of the agreement with Government;
2. each housing unit can be transferred (individually or as part of a whole building) between investors with the affordable housing agreement remaining visible and in place; and
3. only eligible tenants are able to rent the affordable dwelling.

While the PRADS Register is initially being developed to enable affordable rental housing to be delivered on a bigger scale by the private sector, the PRADS Register has potential for other applications. For example, the PRADS Register could be expanded to monitor all social housing nationally and/or all short-stay accommodation dwellings, thereby enabling government comprehensive oversight and detailed transparency nationally across all jurisdictions.

Figure 1: the PRADS Register and framework

Monitor	1. Affordable housing Register
	2. Report on affordable housing Register in the private sector
	3. Ongoing verification of property and tenant eligibility
	4. Tenant experience with demonstrating their eligibility
Match	5. Connect tenants to affordable housing
Enforce	6. Enforce affordability obligations and commitments

Timetable and resources for developing the PRADS Register

In 2022, PEXA began a pro bono partnership with the HAA to build a national PRADS Register, as the first stage in developing a practical PRADS framework (see Figure, 1 above). In 2023, HAA and PEXA established a working group to advise on the PRADS Register including the Cities of Melbourne, Port Phillip and Yarra. PEXA commenced work on building a prototype register and successfully tested it against historical data from the City of Port Phillip. An indicative timetable of the steps required from here are shown in table 1 below.

PEXA and the HAA look forward to continuing this partnership in 2024 and beyond. We envisage that by the end of this development period, the PRADS ‘affordable housing’ Register will be fully developed and ready to move to a national industry-based fee-for-service funding model for HAA. PEXA is available to build and distribute the Register during this development phase and, beyond that, to maintain and operate the Register. Considerable time and resources are being invested in the development of the PRADS Register by PEXA, the HAA, local governments and developers. All parties are committed to further input and involvement over the long-term.

Federal government support – regulatory and expenditure – will greatly assist in accelerating the development phase of the PRADS Register. The HAA estimates that around \$5.2 million in federal government funding would be sufficient to complete the development of the PRADS

Register to a fully operational and self-sufficient stage within four years. Regulatory enablement might also be required, in order to facilitate efficient data visibility and data sharing between Government agencies (local, state or federal) who engage with the PRADS Register.

Table 1: PRADS Register: indicative development timetable, 2023 - 2026

Tasks	Participation
Year 1 (complete) 2023	
Concept scoping with Working Group	HAA, PEXA
Prototype technical development	PEXA
Prototype pilot with one local council	PEXA, HAA, City of Port Phillip
Year 2: 2024	
National pilot of the Register with developers and councils in multiple states and territories.	HAA, PEXA, local governments Home, Mirvac, other developers,
Further consultation and co-design with Working Group and stakeholders, in response to pilot	HAA, MAV, PCA, UDIA, local governments
Ongoing technical development	PEXA
Evaluation of pilot	PEXA, HAA
Year 3: 2025	
Finalise design and distribution via Working Group, stakeholder consultations and co-design process	HAA, MAV, PCA, UDIA, Local Governments, developers and builders
Transfer historical data from council databases to the national Register	PEXA, local governments
Open PRADS Register to all councils, developers and investors for new residential projects	PEXA, HAA, local governments
Year 4: 2026	
Training and technical support for government agencies and businesses connecting to the PRADS Register	PEXA, HAA, MAV, local governments
Commence industry-based fee-for-service funding and ongoing operations	PEXA, HAA, local government agencies

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4. contribute \$5.2 million to Housing All Australians (HAA) to accelerate the development of the PRADS Register, with specific funding allocations over the next four years for:
 - f) a national pilot trial of the PRADS Register with participation from private-sector residential developers and local governments in all jurisdictions;
 - g) a rigorous evaluation of the pilot trial and the Register's development process;
 - h) collecting and ingesting all relevant historical data held by local councils;
 - i) building the PRADS Register into a robust, secure, national platform for affordable housing delivery; and
 - j) delivering the PRADS Register to all 537 local councils nationally, with appropriate information, training and support for all councils and developers;
5. ensure that any regulatory enablement that may be required for the operation of the PRADS Register (or for data visibility and data sharing from the Register) at national and/or state level is agreed by the Council of Housing Ministers at the earliest opportunity and implemented by the relevant jurisdictions as soon as possible; and
6. support the PRADS Register as a crucial first stage in building an effective national PRADS program that can unlock and encourage private-sector investment in affordable housing.

2: National data to support national housing policy

PEXA strongly supports Commonwealth Government leadership to improve Australian housing availability and affordability, including the measures announced in the Housing Legislative Package in 2022. PEXA welcomes the establishment of the National Council of Housing Ministers, the independent National Housing Supply and Affordability Council, Housing Australia, the Housing Australia Future Fund and the Housing Australia Future Fund Board. Effective oversight and evaluation will be crucial for these significant public investments. The Act requires a review of the Future Fund every five years, with the first due by 31 Dec 2028.

In all of these policy processes, PEXA is pleased to see an emphasis on data-driven, evidence-based research for policy purposes and for regular funding evaluations. Housing availability and affordability have become increasingly problematic nationally; a sound, data-driven evidence base is now critical in bringing stakeholders together, and to shape a focused, fact-based discourse in this contentious area of national policy and Government service provision.

These policy leadership initiatives will help to address the ‘responsibility silos’ that currently exist between Government jurisdictions, registrars, regulators and other agencies with a direct role in housing and property policy – but also in adjacent policy areas including climate, insurance regulation, regional development and population policy. In this context of complex, ever-expanding policy roles and interests, more open, collaborative and equitable access to data and information about property as an asset class (larger than the ASX), as a public resource and as essential infrastructure will greatly benefit the whole economy and community.

PEXA stands ready to support the Ministerial and Advisory Councils, Housing Australia and the Future Fund Board with research, tools and insights that can provide high-frequency, high-detail insights into the Australian property market, to identify areas of need, possibility and priority. With appropriate Government regulatory and resourcing support, the PEXA family of property-related data companies can provide uniquely comprehensive, real-time property data that has significant potential to improve the productivity of Australia’s land use, land allocations and Government policy priorities. PEXA’s data and information resources include:

- More than 88% of all property transfer settlements in Australia are handled via the PEXA Exchange – this is growing as more jurisdictions transition to e-conveyancing.
- Informed Decisions (ID, which is a PEXA subsidiary) has unique research capabilities at a very detailed ‘small-area’ level, including forecasting of housing supply, demographic demand, property development potential and aerial imagery of construction activity.
- PEXA holds data provided by subscribers (such as conveyances and lawyers), financial institutions and a growing pool of third parties as we build out our comprehensive collection of Australian property data.

PEXA's digital platforms include detailed land and property information, which is owned by state and territory land titling registrars, and in some cases by private-sector registries who have obtained rights over specific data items. With appropriate Government regulation that protects consumers' interests, PEXA could unlock this property-related administrative data, enabling data interrogation for public-sector research, revenue, policy development and national security purposes. In practical terms, it would provide policymakers with a real-time 'Census of Housing' that is updated constantly, instead of only once every five years.

The potential efficiency gains derived from access to timely digital property data are large. Collectively, public sector activity represents well over 25% of Australia's economy, so every efficiency gain can quickly add up to significant savings. The *Australian Financial Review* recently highlighted a range of direct benefits to government from better data access and the role that PEXA could play as a front-runner and potential data partner:

... Modelling for David Thodey's 2019 review of the federal public service found that about 40% of public service employee time was spent on highly automatable tasks such as data collection and processing. Thodey predicted that 18% of these tasks would be automated by 2030 ... tasks included reviewing licence or permit applications, collecting deposit payments or fees, maintaining financial or account records, and preparing documentation for contracts, transactions or regulatory compliance.⁴

... The digital conveyancing firm PEXA was spun out of government and is a shining example of taking a sleepy area of government and creating a digital system that has removed major costs and time out of the centuries-old land transfer system. This virtualisation opens government up to global competition, but also opportunity."⁵

To maximise these economic gains, PEXA recommends that the Australian Government's Council of Housing Ministers and/or the Housing Supply and Affordability Council explore regulatory and resourcing options to unlock and harmonise access to property-related data nationally, for research, policy, regulatory, revenue and security purposes. This will contribute to data-driven, evidence-based policy that is in the public interest and improves public welfare.

RECOMMENDATION 2

The Australian Government should examine regulatory and resourcing options that will unlock aggregated land and property transactions data for national housing and related policy purposes that are in the public interest and will improve public welfare.

⁴ Tom Burton, "What ChatGPT means for Government", *Australian Financial Review*, 27 January 2023.

⁵ Tom Burton, "Rethinking the public sector", *Australian Financial Review*, 28 January 2022.

3. A national digital ID and VOI system

PEXA's experience shows that although most jurisdictions within Australia can facilitate property transactions that are almost entirely digital, consumers and businesses still have paper-based regulatory requirements that are at odds with the rest of the process (being entirely electronic). In particular, the requirement for physical signatures on documents and the verification of identity (VOI) of clients at multiple points in the process of a property transaction results in an onerous duplication of processes and subsequent delays and inefficiencies for all parties involved in each transaction. A national system of digital identity and VOI is required to remove these inefficiencies.

Certainty of a person's identity is a key enabler to securely transacting online with trusted parties. A digital identity is a direct electronic representation of identity that is reusable and enables a person or other entity to prove who they say they are.

Electronic Conveyancing and Electronic Lodgement Network Operators, like PEXA, are regulated by the Australian Registrars' National Electronic Conveyancing Council (ARNECC). To ensure the security and integrity of Electronic Lodgement Networks, there are, very appropriately, processes in place to ensure that only authorised persons can access a platform, and subscribers have strict obligations to ensure that their users and clients – including individual property buyers – are correctly identified to ensure the legitimacy of their actions on the platform.

As a part of the onboarding process to register subscribers, PEXA must ensure the individual or business meets the required eligibility criteria and must take steps to verify the identity of subscribers. Individual consumers are not able to register as subscribers to the PEXA platform, and therefore must be represented by a lawyer or, subject to the laws in a jurisdiction, a conveyancer.

Verifying the identity of the subscriber and the end client is essential to the integrity of electronic conveyancing, where digital signatures replace witnessed wet signatures. Although essential from a risk management perspective, the VOI requirement can be costly, onerous, and in some instances repetitive for the client.

Under current regulations, a VOI can be required of consumers more than once for electronic settlement purposes, as there are frequently additional VOI requirements to be met for financial institutions when borrowing funds. Under the current regulatory framework, a VOI cannot be reused by different organisations, which leads to a duplication of the consumer's requirement to demonstrate their identity for a property transaction.

Electronic signatures are already accepted in some (but not all) jurisdictions, with the *Electronic Transactions Act 1999* (ETA) existing at a Commonwealth level to facilitate electronic commerce and demonstrate a clear policy intention to enable electronic transactions.

Distancing requirements during the COVID-19 pandemic saw an acceleration in acceptance of digital signatures across a broader range of government and business services. Provided that there can be a reliable way to verify identity, electronic signatures remove the real-world costs and risks that arise when needing to obtain wet signatures on documents. Without doubt, being able to settle property electronically has done much to ensure that despite physical distances and delays, settlements and refinances could still take place safely.

A digital identity with sufficient security and accuracy assurances (e.g., checking existing government databases, or checking transactional history) has the potential to entirely replace physical identification techniques. The incentive to hold a digital identity will increase with the rising volume of services accessed digitally. COVID-19 has proven that it is possible for many businesses to effectively operate digitally. The short-term legislative changes that were put in place in response to the pandemic have been effective and should be considered as longer-term solutions.

A Commonwealth legislated and provided voluntary digital identity framework would provide far greater confidence for businesses to introduce a wider range of 100% digital services, and for citizens and other businesses to use them safely. States could then recognise this service in their own laws and systems. We see the development of a national digital identity framework as a key enabler of the next step in the evolution of e-conveyancing, as Australia continues to embrace technology and consumers expect seamless digital interactions across a greater range of government and financial transaction services.

With the right technology and policy and legal reform, an accessible, Commonwealth Government-sponsored digital identity service would not only provide efficiencies, but also bolster confidence in digital transactions and enable greater certainty in the link from an electronic signature to a verifiable identity. Online banks are already trialling entirely digital home loan processes, from initial application and identity verification to the signing of mortgage documents. The innovation and move to provide consumers with digital solutions is well underway.

RECOMMENDATION 3

The Australian Government should enable a legally robust digital identity framework that is:

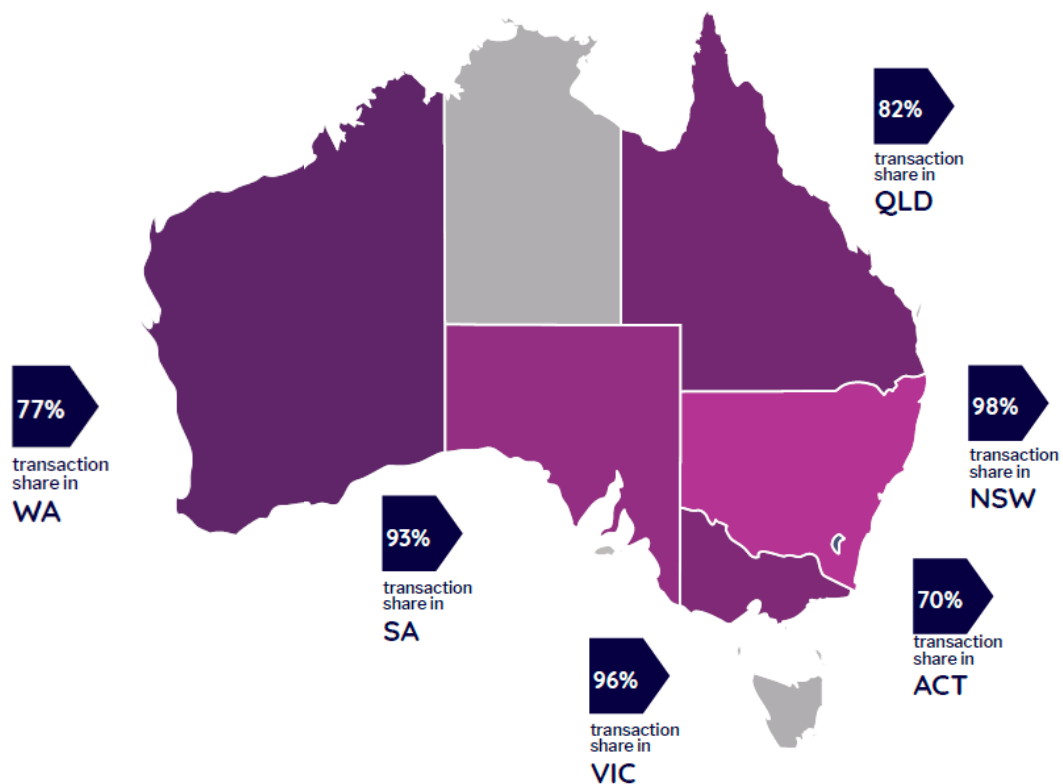
- **regulated, provided and funded nationally; and**
- **applied consistently and seamlessly across all Australian Government jurisdictions.**

4: Equal access to e-conveyancing

PEXA was formed in 2010 to fulfil the Council of Australian Governments’ (COAG) ambition to deliver a single, national e-conveyancing solution to the Australian property industry. It assists property industry professionals – such as lawyers, conveyancers and financial institutions – to lodge documents with Land Registries and complete financial settlements electronically.

The PEXA Exchange platform has steadily grown from its first mortgage transactions in Victoria in 2013. It now handles more than 88% of all Australian property transfers and 95% of all refinances nationally – over 3.7 million transactions annually in 2023 – and operates across the majority of Australian states and territories. Over 10,000 lawyers and conveyancers, together with 160 financial institutions, rely on PEXA as essential infrastructure for the safe, secure and efficient settlement of thousands of property transfers, loans and refinances every day. The unique PEXA Exchange platform enabled Australia’s property sector to thrive during the COVID-19 pandemic. While many other countries’ property markets were severely disrupted by pandemic containment restrictions, Australia’s property market hit record high transaction numbers – with housing settlements rising to an aggregate value of \$688.7 billion in 2021 – equivalent to one-third of Australia’s \$2 trillion GDP in that year.

Figure 2: e-conveyancing transaction coverage in Australia, 2024



As of 2024 however, digital conveyancing is not yet available on a truly national basis across Australia, as initially envisioned by COAG. PEXA is currently integrated with six of Australia's eight Land Title offices, as well as five of the six State Revenue Offices, the RBA payments system and all mortgage-providing financial institutions. E-conveyancing is not yet available for transactions in Tasmania and the Northern Territory, due to their smaller scale and resources. For these states, the cost of integration into e-conveyancing is similar to that borne by the larger states, but it is spread across a smaller population and property base. In addition, some types of property transactions in WA and other states are not able to be processed digitally, so the cost and risk associated with these transactions has not benefited from e-conveyancing.

These are the final locations needed to complete COAG's vision of national e-conveyancing coverage. Transactions in these locations are still conducted manually and their conveyancers still miss out on the proven efficiency and security of e-conveyancing that has become commonplace in all other states. This lack of access to e-conveyancing is becoming increasingly problematic, as financial institutions step away from paper-based transaction systems, including the phasing out of bank cheques. The Commonwealth Government is best placed to assist the smaller states and territories to finally enable e-conveyancing for all transaction types on an equal basis to the larger states. This assistance could be provided to states as part of the national digital services strategy and/or as part of the national housing accord measures.

RECOMMENDATION 4

The Australian Government should enable the timely fulfillment of COAG's long-standing goal of providing national e-conveyancing capabilities for all locations and transaction types by:

- **providing support and resources to the Governments of Tasmania and the Northern Territory so that they can connect to e-conveyancing on the same basis as Australia's larger jurisdictions, despite their cost disadvantages arising from scale and location;**
- **providing support and resources to other states' titles offices on a needs basis, to ensure that all types of property transactions in all jurisdictions can benefit from e-conveyancing.**

5: Improving small business cybersecurity

Recent events have demonstrated that Australians hold justified concerns about cybersecurity risks arising from the use of the internet to conduct business (e.g. Optus and Medibank). PEXA currently provides support to more than 10,000 small businesses (lawyers and conveyancers) to help them manage cyber risks. We consider this essential given the large sums of money that our industry directs in property transactions. Even in this professional industry, however, the range of capabilities is wide. Capabilities in other industries that are less sophisticated and/or new to e-commerce are likely to include many under-skilled businesses that are putting themselves, their customers, and the wider economy at risk of loss and interruption. Overly frequent cyber incidents are corrosive of community trust in digital business and commerce.

PEXA proposes that the Government consider supporting a wider program of cybersecurity measures for small businesses operating in the high-risk sectors of finance and property transactions. This could include awareness, education and technical training services from suitably qualified providers, diagnostic services and action plans to improve resilience and skills.

An initiative like this would help to reduce the current widespread cybersecurity risks across small business and accelerate the growth of the cybersecurity capabilities that Australia needs for the years ahead. Government's participation would itself both signal importance and increase the confidence of small businesses to participate. The existence of such a program would also improve consumer confidence and demonstrate that the Government recognises citizens' genuine anxieties and is taking action to upskill the nation as digital commerce becomes almost ubiquitous.

PEXA has extensive, first-hand experience in providing cybersecurity support in our industry. We would be pleased to provide more detailed suggestions and advice about effective cybersecurity measures for small businesses in the legal, conveyancing and finance professions.

RECOMMENDATION 5

The Australian Government should implement a program of cybersecurity training, education and investment support for small businesses in high-risk sectors such as finance and property conveyancing, to improve their cybersecurity awareness, capabilities and resilience.

Acronyms and organisations

CBA	Commonwealth Bank of Australia
CHP	Community Housing Providers
COAG	Council of Australian Governments
HAA	Housing All Australians
ID	Informed Decisions
MAV	Municipal Association of Victoria
NRAS	National Rental Affordability Scheme
PCA	Property Council of Australia
PEXA	Property Exchange Australia
PRADS	Progressive Residential Affordability Development Solution
UDIA (Vic)	Urban Development Institute of Australia (Victoria)