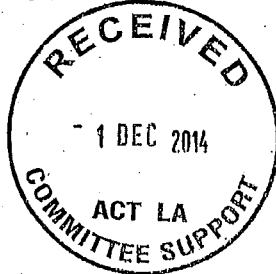


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The Secretary
Standing Committee on Public Accounts

Via email: committees@parliament.act.gov.au

Dear Sir/Madam

28 November, 2014

	A.C.T. LEGISLATIVE ASSEMBLY COMMITTEE OFFICE
SUBMISSION NUMBER	59
DATE AUTH'D FOR PUBLICATION	15/12/14

Inquiry into proposed Appropriation (Loose-fill Asbestos Insulation Eradication) Bill 2014-15

I attended a seminar arranged by the ACT Law Society on the afternoon of 27 November 2014. At that seminar it was said that some usual government charges would be waived for property owners participating in the buyback programme. In particular it was said that in the process for surrender of Crown Leases property lessees would not be charged registration fees (for instance in respect of registration of a discharge of mortgage registered over the title of the affected property) and that enquiry fees in relation to general and water rates would not be payable by lessees. I have not seen this in any of the material that has been made available by the taskforce to date.

The draft Deed of Surrender of Crown Lease does not exempt lessees from any of these fees. As the draft Deed of Surrender of Crown Lease opens at Clause 1 by saying that the Deed sets out the entire agreement between the parties and supersedes any prior agreement, advice, information or material supplied or notified to the lessee, it would seem to me that there can be no reliance placed on advice at a seminar or public meeting that these government fees will not be charged to lessees of affected properties.

It is my view that the Deed of Surrender of Crown Lease needs to specify that these charges will not be raised against lessees. This is particularly so because Clause 3(b) refers to a payment to lessees of \$1,000.00 to contribute to the legal costs and disbursements of the lessee. In normal circumstances these charges would be understood to be disbursements of the lessee and given the deed is the entire agreement, interpretation of the deed would suggest that these usual expenses of lessees are borne by the lessee.

Barker & Barker
Solicitors

Standing Committee on Public Accounts

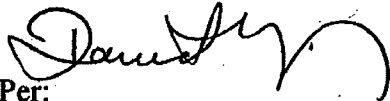
28 November, 2014

This gives rise to an associated issue in my mind. Affected lessees are being provided with a stamp duty exemption in respect of a property that they purchase after surrendering their Crown Lease. However on the purchase of that property they will be charged government fees of at least \$243.00 to register a transfer and almost certainly an additional \$125.00 to register a mortgage. This additional cost of \$368.00 per lessee is in my view a cost that government should also bear. I ask that consideration be given to affected lessees being exempted from registration fees for a transfer and mortgage on a subsequent purchase. I raised this with one of the speakers who said it would be administratively difficult to manage. I suggest those administrative difficulties could be overcome by lessees being given a voucher able to be used only by them personally and only in relation to the registration fee for one transfer and one mortgage. This would remove one government charge that most affected lessees will bear and would come at a maximum cost to the government of \$375,728.00 if 1,021 homeowners all use all their vouchers. If lessees are expected to pay these registration fees on their subsequent purchase then the Government would be receiving potentially \$375,728.00 out of the pockets of lessees that the Government is otherwise trying to assist which would be an unfortunate consequence.

Thank you for considering these matters.

Yours faithfully

BARKER & BARKER



Per:

D J RIDGE