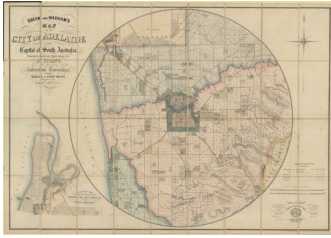


Torrens, our land-title pioneer, might have approved of privatised registries

Written by Karen Strojek, PhD Candidate in Politics, La Trobe University



Our land-title system originated in the mid-19th century when Sir Robert Richard Torrens campaigned to reform Adelaide's chaotic deeds-based land system. [National Library of Australia](#)

Recent government moves to commercialise Australia's state-based land-titles registries have generated strong concerns about [transparency](#) , [security of title](#) and [loss of government revenue](#) . It might

surprise some readers that

[Sir Robert Richard Torrens](#)

, the man behind Australia's

[cadastral “Torrens system”](#);

of conveyancing and land-title registration, was an economic liberal who just might have approved of the trend towards privatisation.

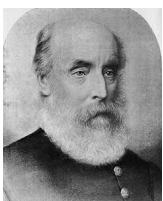
The story of Torrens and the Real Property Act of 1858 is fairly well known. Torrens took an interest in reforming South Australia's chaotic deeds-based land system when an acquaintance lost money on a property, owing to a faulty title.

With help and advice from competent friends, and a sustained campaign for conveyancing reform, Torrens won the seat of Adelaide in the first parliamentary election of 1856. His [Real Property Act](#)

came into effect in 1858. Soon afterwards, Torrens resigned from government to run the new land titles registry.

Under the new system, the location and dimensions of each land parcel were to be surveyed and registered. Every new land owner received a secure grant of title, guaranteed by the Crown.

Torrens: the man and his motivations



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Sir Richard Robert Torrens was an admirer of John Stuart Mill. [Port Adelaide Enfield Local History Photos/flickr](#), [CC BY](#)

Torrens' interest in market systems is less well known. His father, Colonel Robert Torrens, was both a colonisation commissioner and a noted [political economist](#) who wrote extensively on theories of rent, wages, profit and comparative advantages in trade. Colonel Torrens admired the early work of liberal theorist

[John Stuart Mill](#), especially his “system of logic” in economic science.

Expert historians, including [Douglas Pike](#), [Rosalind F. Croucher](#), [Greg Taylor](#) and [Giancarlo de Vivo](#)

, have described the lives and works of father and son in detail. Still, the intellectual relationship between them remains unclear. How strongly was the son influenced by the father? Did he develop his own ideas on political economy?

One thing is certain: Torrens (the son) expressed strong admiration for Mill. In his [prospectus](#) for a new South Australian land bank, Torrens named him “the great economist” and “the most accurate thinker of our time”. He also quoted Mill:

To make land as easily transferable as stock would be one of the greatest economical improvements that could be bestowed on a country.

Land as a commodity

With the Real Property Act in place, Torrens could argue further that land, being immovable and indestructible, was the safest kind of collateral for loans of money. Its “limited extent” made it “[y early more and more valuable](#)”.

So, freeing up the transfer of land for everyone was a stepping stone to freeing up flows of money, which Torrens saw as a good thing.

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On one hand, the institutionalisation of land ownership has allowed the efficient, cheap transfer of land parcels via a single, trusted provider. It minimises costs for home buyers and gives them a certain peace of mind. As long as the transfer process is performed correctly, title holders are immune to claims from former owners and their creditors.

On the other hand, it has allowed faster, easier land speculation and wild fluctuations in property values. It seems that Torrens didn't anticipate the phenomenon of the commodity [price bubble](#) and couldn't foresee growing, public disquiet over market failures.

Privatising the system

In 2014, Victoria's Liberal government proposed the sale of the state's land titles office. Treasurer Michael O'Brien [explained](#) that "the market can perform those services just as efficiently, if not more so". However, the Liberals lost to Labor at the November 2014 election and the sale did not go ahead.

Last year, the New South Wales Liberal government floated the idea of privatising the state's land titles registry. Despite [protests and arguments](#), the deal has gone through. Responsibility for title transfers has been [leased to a consortium of investment fund managers](#). NSW Premier Gladys Berejiklian promised "more efficient practices and better outcomes for customers".

Victoria's recent [2017-18 budget includes funds](#) for a scoping study to investigate the privatisation of its own land titles office. There have been some [negative comments](#) in the news media, but the final decision is still some time away.

Torrens, then and now

Is privatisation consistent with Torrens' ambitions for land-titles reform? If the aim was to free up the trade in land and money by reforming an unruly, inefficient system, further reform couldn't be called inconsistent.

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Once the new system was established, Torrens didn't stay put to run it. He travelled widely and, when nominated to run for parliament in Britain in 1865, resigned as registrar-general without returning to Australia. If the system mattered more than the people running it, shifting it back into private hands might not be inconsistent either.

But, if privatisation caused delays, eroded security, or raised the price of conveyancing, it wouldn't be consistent at all. For better or worse, Torrens really wanted land transfers to be quick, safe and cheap.

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Read more <http://theconversation.com/torrens-our-land-title-pioneer-might-have-approved-of-privatised-registries-78327>