

Australian Capital Territory

# Civil Law (Wrongs) Chartered Accountants Australia and New Zealand Professional Standards Scheme 2019 (No 1)

Disallowable instrument DI2019–210

made under the

**Civil Law (Wrongs) Act 2002, sch 4, s 4.10 (Schemes are subject to disallowance)**

## EXPLANATORY STATEMENT

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Professional Standards Legislation (PSL) was developed on a national basis following the insurance crisis of 2002.

PSL, which has been passed by all States and Territories, involves a trade-off whereby professionals have their negligence liability for economic loss capped in return for a commitment to higher standards of service delivery, monitored by a professional standards council operating on a national basis.

In 2004, the ACT passed its own PSL, which was incorporated as schedule 4 of the *Civil Law (Wrongs) Act 2002* (the Act). Section 4.10, schedule 4 of the Act provides that if an interstate scheme has been approved by the appropriate professional standards council for the jurisdiction, the Minister must give notice of the approval.

Chartered Accountants Australia and New Zealand (CAANZ) was formerly known as the Institute of Chartered Accountants in Australia. The Scheme applies to all CAANZ members who hold a current Australian Certificate of Public Practice, are Affiliate Members, or are incorporated Practice Entity Members, who have the benefit of professional indemnity insurance to an amount not less than the applicable monetary ceilings in the Scheme.

The Scheme will commence on 8 October 2019 and remain in force until 7 October 2024 unless it is revoked, extended or its operation ceases.