

Civil Law (Wrongs) CPA Australia Ltd Professional Standards (Accountants) Scheme 2025

Disallowable instrument DI2025–215

made under the

Civil Law (Wrongs) Act 2002, section 4.10, schedule 4 (Schemes are subject to disallowance)

EXPLANATORY STATEMENT

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' occupational liability for negligence is limited in return for commitments to higher standards of service delivery and insurance. These standards are monitored by the ACT Professional Standards Council, which operates on a national basis as a part of the Professional Standards Councils.

In 2004, the ACT passed its own PSL, which was incorporated as schedule 4 of the *Civil Law (Wrongs) Act 2002* (the Act). Where an interstate scheme is intended to operate in the ACT, schedule 4, section 4.10 of the Act requires the Attorney-General to give notice that the scheme has been approved by the professional standards council for the jurisdiction in which the scheme was prepared. Notice of an interstate scheme is a pre-requisite to its operation by mutual recognition in the ACT and renders the scheme subject to disallowance in the ACT Legislative Assembly.

This instrument gives notice of the Professional Standards Council of New South Wales' approval of the 'CPA Australia Professional Standards Scheme' (the Scheme). The Scheme commences in the ACT on 21 August 2025 and will remain in force until 20 August 2030, unless the scheme is revoked, extended or its operation ceases.

CPA Australia is an occupational association. The Scheme applies to all members of the CPA who hold a current Public Practice Certificate issued by CPA. The Scheme limits a member's occupational liability for damages from a single cause of action. The liability limitations for each service category are based on annual fee revenue of the participant's practice. The Scheme is intended to operate by mutual recognition in the ACT, the Northern Territory, Queensland, South Australia, Tasmania, Victoria and Western Australia.

All required processes under the *Professional Standards Act 1994 (NSW)* and the Act, including the prescribed period of public notification and submission by the ACT Professional Standards Council, were observed in the development of the Scheme.

Human rights implications

As noted above, when an interstate professional standards scheme has been approved by the appropriate council for the jurisdiction in which the scheme was prepared, the Attorney-General is required under schedule 4, section 4.10 of the *Civil Law (Wrongs) Act 2002* to give notice of the scheme.

The instrument engages the right to work (section 27B, *Human Rights Act 2004*).

The scheme is intended to promote high standards of service delivery and insurance for professionals and limit the occupational liability of a person to whom it applies.