

Professional Standards (The CPA Australia Ltd Professional Standards (Accountants) Scheme) Notice 2017

Explanatory notes for SL 2017 No. 239

made under the

Professional Standards Act 2004

General Outline

Short title

Professional Standards (The CPA Australia Ltd Professional Standards (Accountants) Scheme) Notice 2017

Authorising law

Section 14 of the *Professional Standards Act 2004* (the Act).

Policy objectives and the reasons for them

Each state and territory in Australia has a similar professional standards legislation which is designed to reduce the cost of, and facilitate the obtaining of, professional indemnity insurance for members of an occupational association that has an approved scheme. The professional standards legislation in each jurisdiction provides for a Professional Standards Council (PSC) to approve and monitor schemes. A consequence of a scheme being approved is that occupational liability is restricted to the amount of the monetary ceiling for the scheme.

Section 14(1) of the Act requires the Minister to give notice of the approval of an interstate scheme by the appropriate PSC for the jurisdiction in which the scheme was prepared. Under subsection (2), the notice is subordinate legislation.

The primary objective of the *Professional Standards (The CPA Australia Ltd Professional Standards (Accountants) Scheme) Notice 2017* (the Notice) is to give notice of the approval of The CPA Australia Ltd Professional Standards (Accountants) Scheme (the Scheme) by the PSC of New South Wales.

The Scheme limits the occupational liability of all members of CPA Australia Ltd (CPA) who hold a current public practice certificate issued by CPA excepting members who

also hold, or represent the holders of, an Australian Financial Services Licence (that is not a limited licence).

Achievement of policy objectives

The policy objectives are achieved by giving notice of the approval of the Scheme by the Council.

Consistency with policy objectives of authorising law

The Notice is consistent with the policy objectives of the Act.

Inconsistency with policy objectives of other legislation

The Notice is not inconsistent with the policy objectives of other legislation.

Benefits and costs of implementation

There are no costs associated with the implementation of the Notice.

Consistency with fundamental legislative principles

The Notice is consistent with fundamental legislative principles.

Consultation

Notice of the Scheme was published in newspapers circulating throughout each state/territory.