

Professional Standards (Chartered Accountants Australia and New Zealand Professional Standards Scheme) Notice 2025

Explanatory notes for SL 2025 No. 71

Made under the

Professional Standards Act 2004

General Outline

Short Title

Professional Standards (Chartered Accountants Australia and New Zealand Professional Standards Scheme) Notice 2025

Authorising law

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

Policy objectives and the reasons for them

The objective of the *Professional Standards (Chartered Accountants Australia and New Zealand Professional Standards Scheme) Notice 2025* (Notice) is to give notice of the approval of the Chartered Accountants Australia and New Zealand Professional Standards Scheme (Scheme) by the Professional Standards Council of New South Wales (Council).

Section 14(1) of the Act requires the Minister to give notice of the approval of the Scheme by the Council. Under section 14(2), the notice is subordinate legislation.

Each state and territory in Australia has 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 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.

The Scheme will limit the occupational liability of all Australian resident Chartered Accountants Australia and New Zealand (CAANZ) members who hold a current Certificate of Public Practice, are Affiliate Members or are incorporated Practice Entity Members. The Scheme will also apply to officers of bodies corporate, employees of a person or partners in a partnership arrangement to whom the Scheme applies, unless the officer, employee or partner is entitled to be a member of CAANZ but is not a member. CAANZ may exempt a person from the Scheme.

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

The Notice will allow the Scheme to have effect in Queensland. There are no costs associated with implementation of the Notice.

Consistency with fundamental legislative principles

The Notice is consistent with fundamental legislative principles.

Consultation

In accordance with the public notification requirements under professional standards legislation, the Council published notices in *The Australian*, *The Mercury*, *The Advocate* and *The Examiner* on 11 December 2024. In addition to this statutory requirement, letters were sent to stakeholders inviting comment during the public notification period, and a survey was placed on the NSW Government *Have Your Say* website. All submissions received during the public notification period were considered by the Council before approving the Scheme.