

Australian Capital Territory

# Civil Law (Wrongs) The Law Society of Western Australia Professional Standards Scheme 2019

Disallowable instrument DI2019–171

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' 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 Western Australia's approval of 'The Law Society of Western Australia Professional Standards Scheme' (the Scheme). The Scheme commences in the ACT on 1 July 2019 and will remain in force until 30 June 2024, unless the scheme is revoked, extended or its operation ceases.

The Scheme limits a member's occupational liability for damages from a single cause of action to the extent to which the liability results in damages exceeding \$1.5 million, \$5 million or \$10 million, with the applicable cap depending on the annual fee income of the member's law practice.

The Scheme is intended to operate by mutual recognition in the ACT, the Northern Territory, New South Wales, South Australia, Tasmania, Victoria and Western Australia.

All required processes under the *Professional Standards Act 1997* (WA) 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.