

# **Professional Standards (Australian Property Institute Valuers Limited Professional Standards Scheme) Notice 2021**

Explanatory notes for SL 2021 No. 92

Made under the

*Professional Standards Act 2004*

## **General Outline**

### **Short title**

*Professional Standards (Australian Property Institute Valuers Professional Standards Scheme) Notice 2021*

### **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 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 section 14(2), the notice is subordinate legislation.

The primary objective of the *Professional Standards (Australian Property Institute Valuers Limited Professional Standards Scheme) Notice 2021* (the Notice) is to give

notice of the approval of the Australian Property Institute Valuers Limited Professional Standards Scheme (the Scheme) by the PSC of Victoria (the Council).

The Scheme will limit the occupational liability of members of the Australian Property Institute Valuers Limited (the Association), including individual members and corporate members, who are certified as (i) Practising Valuer, (ii) Practising Valuer (Plant & Machinery), or (iii) Residential Property Valuer. For real property valuations, the Scheme provides a hierarchy of fixed and/ or formulaic monetary ceilings (caps) based on the assessed value. The Scheme also specifies a lower fixed cap for certain categories of valuation, including defined low risk valuation services and plant and machinery valuations, and provides a discretionary authority for the Association to specify a higher cap.

## **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 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 and territory.

The Office of Productivity and Red Tape Reduction has not been consulted because the Notice is excluded from regulatory impact analysis under *The Queensland Government Guide to Better Regulation* as a regulatory proposal of a machinery nature.