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## **Health Insights**

## Industry Update: Increase in monetary jurisdictional limits of the District Court of NSW

This short update is designed to provide you with an overview of recent changes implemented by the District Court in NSW.

The NSW District Court's general jurisdictional limit has increased from \$750,000 to \$1,250,000 and applies to all proceedings filed in the Court on and after 16 December 2022. It should also be appreciated that the jurisdictional limit applies to the compensatory award articulated in a plaintiff's Statement of Particulars ('the claims component') and does not include any 'costs' claimed by the plaintiff.

This change was effected by the *District Court Amendment Act 2022* (NSW) which also increased the equity and temporary injunctions jurisdictions from \$20,0000 to \$100,000.

It is Meridian's experience that plaintiffs who commence in the District Court often articulate their claim for damages in excess of the jurisdictional limit. Time will tell whether that practice continues with articulations now in excess of \$1.25 million as a starting point.

Despite the increased jurisdiction in the District Court, a plaintiff (and prudent defendant) will still need to consider the most appropriate forum for commencement and the carrying on of proceedings as rule 42.34 of the *Uniform Civil Procedure Rules 2005* (NSW) remains unchanged, which essentially disentitles a successful plaintiff from a costs order if their damages award in the Supreme Court is assessed as being below \$500,000.

These amendments are likely to divert some of the case load from the Supreme Court to the District Court. While that may assist parties generally, by the mandate to hear and determine cases within 12 months, it adds an increased risk for complex high quantum claims to be subject to the inherent fluctuations in judicial decision making in that jurisdiction.

This article was written by Associate Lauren Biviano. If you would like additional information about the implications of these amendments, please contact Principal <u>Andrew Saxton</u> or Associate Lauren Biviano.



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