

Australian Capital Territory

Road Transport (General) (Application of Road Transport Legislation) Declaration 2008 (No 7)

Disallowable instrument DI2008—232

made under the

Road Transport (General) Act 1999, s13 (Power to exclude vehicles, persons or animals from road transport legislation)

EXPLANATORY STATEMENT

Subsection 13(1) of the *Road Transport (General) Act 1999* (the Act) empowers the Minister to declare that the road transport legislation does not apply to a vehicle, person or animal in a place or circumstance stated in the declaration. Subsection 13(3) of the Act makes such a declaration a disallowable instrument.

This instrument declares that the road transport legislation does not apply to vehicles or drivers while they are participating in the Canberra Rally Test Day on 14 September 2008.

The roads used for these purposes are ACT Forest roads.

The event is held under the auspices of the Confederation of Australian Motor Sport (CAMS). The CAMS Motor Sport Policy provides up to \$100 million of general liability cover for any one occurrence, subject to the terms, conditions and limitations of the Policy. In particular, the CAMS Policy excludes participant-to-participant claims for drivers, entrants or crew in competing vehicles. However, this Policy does not operate where CTP insurance is in force, except where specifically excluded by law.

The declaration removes the CTP provisions from applying during the special stages of the event and the associated activities. The effect of this is to enable the CAMS liability insurance to take over responsibility for any resulting motor accident injury claims.

The declaration does not affect the right of an injured person to claim against the CTP insurer of a vehicle causing injury or the Nominal Defendant. The declaration does not override a contract between the insured (ie the owner/driver of the vehicle) and the ACT CTP insurer (ie Insurance Australia Limited, trading as NRMA Insurance). It does, however, remove an element of cross-subsidisation of motor sport participants by the general motoring community by shifting any injury claim costs from NRMA and the Nominal Defendant (and ultimately ACT motorists) to the CAMS insurer.

The declaration also has the effect of suspending the road rules during the special stages of the event but not at any other time. All competing vehicles are required to be road registered and to have compulsory third party (CTP) insurance.

The declaration expires on 15 September 2008.