

# AUSTRALIAN CAPITAL TERRITORY

## INSTRUMENT No. 238 OF 2001

### EXPLANATORY STATEMENT

Subsection 12(1) of the *Road Transport (General) Act 1999* empowers the Minister to declare that the road transport legislation does not apply to a road or road related area. The notice, by virtue of subsection 12(3), is a disallowable instrument for the purposes of section 10 of the *Subordinate Laws Act 1989*.

This instrument declares that the road transport legislation does not apply to the roads and road related areas used when vehicles are competing in the timed special (ie competitive) stages of the Caltex Airport Starmart Rally on 18 August 2001. Two of the timed competitive stages are located in ACT forest areas (the other five competitive stages are in New South Wales). All competing vehicles are road registered and compulsory third party (CTP) insured.

The event is promoted by the Brindabella Motor Sport Club and 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 timed competitive stages of the event, thereby enabling the CAMS liability insurance to take over responsibility for motor accident injury claims arising from the event.

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

The declaration also has the effect of suspending the road rules during the timed competitive stages of the event.