

2005

**THE LEGISLATIVE ASSEMBLY
FOR THE AUSTRALIAN CAPITAL TERRITORY**

ROAD TRANSPORT (GENERAL) ACT 1999

**ROAD TRANSPORT (GENERAL) (APPLICATION OF ROAD
TRANSPORT LEGISLATION) DECLARATION 2005 (No 12)**

DISALLOWABLE INSTRUMENT DI2005–299

EXPLANATORY STATEMENT

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John Hargreaves MLA
Minister for Urban Services

AUSTRALIAN CAPITAL TERRITORY

ROAD TRANSPORT (GENERAL) (APPLICATION OF ROAD TRANSPORT LEGISLATION) DECLARATION 2005 (No 12)

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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 person, vehicle or animal in a place or circumstance stated in the declaration. Under subsection 13(3) of the Act such a declaration is a disallowable instrument.

The 19th Summernats Car Festival is to be held at Exhibition Park in Canberra (EPIC) from 5 January 2006 to 8 January 2006, inclusive. The festival consists of a number of competitive motor vehicle events, including burnouts, horsepower performance tests, speed tests and driving skills contests. The vehicles competing in these events may be highly modified registered or unregistered vehicles which, due to their alterations, may be unable to comply with Australian Vehicle Standards or Australian Design Rules.

Consistent with the responsibility of event promoters for any accident claims arising from their events, the promoter of Summernats has obtained public liability policy to cover the risk of injury claims arising from this event. The policy provides up to \$10 million of general liability cover for any one occurrence, subject to the terms, conditions and limitations of the policy.

The declaration removes application of the compulsory third party insurance (CTP) provisions of the ACT road transport legislation from vehicles participating in the event and their owners or drivers. However, vehicles involved in the event in any other capacity (eg service or trader vehicles) are unaffected by the instrument. This means that the public liability insurance for the event will address motor accident injury claims arising from vehicles participating in Summernats activities, while the CTP insurer will cover claims arising from vehicles not participating in event activities.

The instrument, in conjunction with an indemnity provided to the ACT CTP insurer, Insurance Australia Limited (trading as NRMA Insurance), and the Nominal Defendant by the public liability insurer for Summernats, shifts any injury claim costs from NRMA Insurance to the event's insurer for the first \$10 million of any occurrence.

Although Summernats 19 officially begins on 5 January 2006 and concludes on 8 January 2006, the declaration commences on 4 January 2006. This extended period, which is covered by the indemnity under the event's public liability policy, provides for early arrivals to use participating vehicles within the confines of EPIC.