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## Attention

Mr. David Hatfield

Acting General Manager Adjudication Branch

Australian Competition and Consumer Commission

GPO Box3131

Canberra ACT 2601

Covering page for our submission

Re exclusive dealing Notification lodged by NASR and others

Your Reference C2008/283, C2008/287 and C2008/289

On behalf of West Coast Speedcars
A division of
Australian Speedway Drivers and Riders
Association

5 pages including this

AUST. COMPETITION & CONSUMER COMMISSION

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## John Lang

## EXCLUDED FROM PUBLIC REGISTER

JohnLang

President West Coast Speedcars a division of the Australian Speedway Drivers & Riders Association Inc. Vice President

Racing Drivers Association of Western Australia owners and promoters of Ellenbrook Speedway

The ACCC Canberra Office

Dear Sirs.

This is a covering letter to accompany our submission on NASR and Others application for exemption from the laws governing third line forcing and exclusive dealings. We recognize the advantages of having a peak body in control of speedway, but feel that it should be an elected and representative body without ties to profit seeking shareholders as is the case with NASR Inc. and it's direct and indivisible partner NASR PTY LTD.

We want a fair deal for competitors in all divisions of speedway and freedom for them to enjoy their sport wherever and whenever they wish, without the restriction as proposed in the application before the ACCC.

The NASR application was accompanied by the membership lists of three of the applicant bodies and presented in such a manner that the perception is that those peoples listed were agreeable to the proposal, when in fact it is just a list of members of which a vast majority were unaware their names were being used in support of this request.

With this proposal a NASR licensed driver cannot compete on a track that doesn't carry NASR insurance and is not a NASR approved track. In Western Australia track approval is granted by the West Australian Speedway Commission after inspection and rating by the Health Department of Western Australia, NASR holds no claim to the approval of tracks and it's only grading is by whether the track or it's operators hold NASR public Liability insurance. This in Itself is unlawful and a restrictive trade practice.

Speedway is a family orientated activity which in many country centres is a major social outlet for the community, restrictions in competitor movement by imposing draconian restrictions based on the insurance standing of a venue will greatly affect the viability of the many small clubs that are backbone of our sport. It is quite plainly NASR's intent to force an unhealthy monopoly situation when other comparable and cheaper options exist in the general insurance market.

I would urge you to fully investigate this application taking into account the submissions of the many clubs and individuals that are directly affected by this proposal and reject it for the betterment of speedway and it's competitors.

Yours sincerely

John Lang



## SPEEDCARS

A DIVISION OF A.S.D.R.A.

West Coast Speedcars
A division of
Australian Speedway Drivers and Riders Association
Reg. No. A1012010B
36 Morgan Street
Cannington WA 6107

25 March 2008

The General Manager
Adjudication Branch
Australian Competition and Consumer Commission
GPO Box 3131
Canberra ACT 2601

Dear Str

Re: Exclusive Dealing Notification lodged by NASR and others Your Ref: C2008/283, C2008/287 and C2008/289

In response to your communication dated 14 March 2008 and with reference to the above, we submit the following answers to your questions:-

- 1. It is not at all important that a speedway driver hold a NASR licence. No driving test is required, only a medical certificate and the submission of fees. Two other bodies that provide licences for speedway drivers are National Dirt Racers Association Inc. (NDRA), and Australian Speedway Drivers and Riders Association (ASDRA).

  Speedway events are run by track owners or promoters, not by NASR. Each speedway club operates independently under direction of its own club appointed officials who, in most cases in WA, have been trained by the Western Australian Speedway Commission. (WASC)
- Many drivers have their own personal accident insurance. The group personal
  insurance policy offered by NASR is deemed by many to be either irrelevant or
  inadequate for the following reasons:
  - a) Self-employed people carry their own personal accident insurance cover that provides them with extensive cover for any type of accident at any time, 24 hours a day, 7 days a week.
  - b) Unemployed people are under adequate protection from government agencies eg. Medicare and Centrelink, and are not in the position of being at risk of losing their livelihood.

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- c) NASR's group policy does not allow for overnight stays when the event is at a distant track and for reasons of safety, participants opt to drive home the following day.
- d) There are policies available from Hirtes Insurance Brokers Pty Ltd, SLE Worldwide Insurance, Combined Insurance of Australia and others. Hirtes provide a Group Personal Accident Policy at varying rates depending on the category required eg. driver, pit crew, official. (See attached Schedule of Insurance).
- e) By their own admission, as stated in item 4 of your communication, NASR's group personal injury insurance does not apply to non-NASR approved races, events or tracks. Twenty out of the twenty seven operational tracks in WA are non-NASR tracks.
- 3. NASR will not allow a driver to obtain their own insurance instead of the insurance provided as a 'member benefit' of the NASR licence. They insist that the driver must pay the insurance fee in order to obtain a driver's licence. They have been operating in this manner for some years and have recently tied the licence and insurance together as a so called 'member benefit' to side step the law. The driver is forced to pay for the insurance that he does not need in order to get the licence to race on a NASR insured track. In effect NASR are preventing drivers form obtaining their own insurance instead of NASR's insurance, because they will not recognise the fact that insurance needs to be separated from the driver's licence in order to give the driver the option of choosing an insurance policy that suits his circumstances. These items can be purchased separately through other organisations.
- 4. Many drivers race at both NASR and non-NASR approved tracks and events but are required to carry two personal accident insurance policies to do so because under NASR's conditions they would lose their personal accident insurance. Drivers with non-NASR licences and their own insurance are being unnecessarily discriminated against as regards which tracks they can attend. They are not accepted at NASR tracks for no other reason than that NASR are trying to create a monopoly.

NASR's conditions preclude competition between tracks and clubs and seriously disadvantages smaller clubs and country tracks. We would like to see interclub competition encouraged and drivers given freedom to race when and where they please. It should not have any bearing on their personal accident insurance.

- 5. NASR approval is not required for any track, though NASR have been manipulating to make people believe otherwise. In WA the West Australian Speedway Commission Inc, through the WA Health Department have sole authority and responsibility for approving suitability and classification of WA speedway venues.
- 6. It is desirable for drivers to belong to a national body if they are expecting to compete at a national event. However, as the majority would not be interested

in competing nationally, it would appear unreasonable to expect everybody to join this national body.

We recognise the advantages of having a peak body in control of motorsports, but feel that it should be an elected and representative body without ties to businesses that would profit from decisions being made by that body. This elected national body could then take responsibility for standardising race rules and specifications for each car division etc, and other organisations would be unnecessary.

For the reasons given above, we strongly recommend that NASR not be exempted from the laws governing third line forcing and exclusive dealings. Similarly, track operators and car clubs should not be exempted from exclusive dealing conduct or third line forcing laws. We want a fairer deal for drivers of all divisions and freedom for them to enjoy their sport wherever and whenever they are able.

Yours sincerely

John Lang President

West Coast Speedcars

Australian Speedway Drivers and Riders Association Inc

CC

Hon K Rudd - Prime Minister

Hon K Ellis - Minister for Sport

Hon C Bowen - Minister for Competition Policy and Consumer Affairs

Hon R McClelland - Attorney General

Hon A Carpenter - Premier

Hon J Kobelke - Minister for Sport

Hon S McHale - Minister for Consumer Affairs

Hon J McGinty - Attorney General