

Australian Dirt Drivers Ltd

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

In reference to the Draft Notice Exclusive Dealing Notifications lodged by NASR and competitor groups.

Firstly Australian Dirt Drivers Ltd would like to thank the ACCC for the opportunity to submit a submission in response to the Draft Notice.

Since the notifications were lodged in February by having the access via the ACCC website to correspondence and submissions, this has allowed our organisation and probably others more insight into what NASR has been trying to achieve and the reasons why NASR does certain things that we may not agree with entirely. Our organisation has looked more closely into all aspects surrounding the notifications and varied our opinion on some of the issues.

Australian Dirt Drivers Ltd will not be providing licences or personal accident insurance to our membership for this coming year, but will be concentrating on other aspects of the organisation. There are a few reasons why the organisation will not be providing these items. We will briefly outline the major reasons

1. In regard to Personal Accident Insurance Australian Dirt Drivers Ltd chose not to renew the policy.
 - a) the premium quoted for the renewal group policy was higher than expected. The \$ value of a claim against the premium paid by the organisation would have been a major factor in this. And;
 - b) the level of benefits quoted remained the same as last year which was not acceptable to our organisation. As wages and the cost of living have both risen in the last 12 months, our organisation is of the opinion that the level of benefits should also increase annually.
2. In regard to licences, these need to be backed by policies pertaining to rules, penalties and appeals, some of the different sections to which licences were issued failed to provide the relevant information for the policies relevant to their section to be completed. Without these policies any licence could only be classified as a revenue raiser, which is unacceptable position for our organisation.
3. Requests to the different non -speedway sections for further information about their operations in relation to their specifications and how their events were conducted were never fulfilled. Our organisation has viewed this failure to provide the further information an unacceptable risk.

- Our organisation's view is that an industry standard is needed Australia wide, the sport of speedway needs some uniformity in minimum standards. It is our view that NASR has attempted to set a minimum standard where none existed, just that NASR never managed to communicate effectively the reasons why the changes needed to happen. Which has caused the distrust and reluctance to comply with the changes by many persons in the speedway community.
- To our association at the present time it is still unclear the difference between approved and insured tracks as the original notification by NASR only listed the insured tracks.
- If an independent body reviewed a couple of the tracks that are not currently insured by NASR and recommended which ones do meet acceptable track safety standards and that do carry acceptable Public Liability Insurance and NASR accepted and approved these tracks.
- It has become apparent that with the draft notice there is more confusion in whether a competitor group can choose a specific licence type under which their all competitors compete, without breaching the exclusive dealings or third line forcing sections of the act.
Persons interpret what they read in different ways this has led to confusion for a number of years.
As an example of this – a division of 12 cars competing together at a race meeting, 10 of them have one type of licence and the other 2 a different type.

This is actually a very unworkable situation from the perspective of being able to enforce racing rules, minimum safety standards, penalties and appeal systems etc.

Our organisation asks that this point be clarified.

- In the past few months, what we have discovered there is a lot of things in general a competitor does not even question but just takes on blind faith that the track has got Public Liability Insurance and that the level of coverage that their Personal Accident Insurance provides is going to be somewhere near the level they need. This is especially prevalent for competitors in minor divisions, commonly known as support divisions.
If there is a race meeting on at a certain track and a competitor's division is programmed to race. Generally the competitor will just race there expecting that the track is insured and they are covered.
Many competitors if asked could not tell you what the weekly benefits of their policy are, they just sign the forms pay, the money and never read the Policy Disclosure Statement or Schedule of Benefits that are given to them. It is only when they or someone they know have to lodge a claim that they get a shock. The competitor has relied on their club to know, the club has relied on the competitor association to which it is affiliated to know and so on....
It is possible that a person did read any documentation that they were given when they first applied but over time just renewed each year. Never checking any changes in either policy as to what it covered or the level of benefits offered were at least all the same as when they first applied, no benefit has been removed and to make sure it still suited their needs.
- Also there are many different personal accident policies and income protection policies in the market place, not all cover participating in motor sport. Some of the ones that do offer varying levels of cover, not all persons will select what really suits their needs but the cheapest one available hoping never to have to claim.

- From an administration perspective in regard to the different personal accident insurance policies, our organisation can understand why some of the track operators would prefer to be dealing with only one type.

One example - signing into a pit area

 - Even if all persons entering only had to display a photo identity card, the person whose responsibility at the gate would have to be able to recognise current from previous years ones quickly.
 - Someone having to check a policy document to ensure it does cover motor sport would greatly increase the time it takes to sign in.
 - quite often these persons who are overseeing the sign in area are club volunteers with minimal training on what to do and check for. Mistakes at this time can easily be made that could prove to be costly to the track operator or a club.
- Our organisation after further thought into where NASR combined the licence and personal accident insurance components into one, we can see some of the benefits of this action, besides the financial benefit but in streamlining procedures overall.

 - one card easily recognisable as to that the person is covered by personal accident insurance of X amount.

With groups other than NASR their card may not be as clear as to what a person is covered for, either by the design of the card or consistency in how the card is filled out.

If a competitor has a different card for licence and insurance in the event that the cards are lost and have to be replaced there is costs involved in producing and issuing the replacements, which are passed onto the competitor.

Also that CAMS and Australian Auto Sport Alliance also use a combined licence and insurance.

We have noticed that the colour coding of the NASR cards as to the different categories also provides ease for officials in ensuring a person is not where they shouldn't be, example a pit crew member competing in a race.
- Our organisation is still wary of the "rationalisation of classes" issues and the possible financial effect upon competitors especially from the sedan divisions that are not from the ASCF and are listed in the notifications as state based classes. We acknowledge that there many sedan classes of similar specifications and that many of these could combine which in the long term will benefit the sport from many aspects. Our concern is that viable state based classes that are not similar to any of the national sedan classes have their status as a NASR recognised division removed.

Our organisation has this concern, as it has come to attention that there are quite a few persons in the sedan community who are under the assumption that by NASR being allowed to only supply licences to recognised divisions, the number of recognised classes can be reduced to the national sedan classes only. As how these persons have come to this conclusion of the intent of the notifications in regard to supply of licences is unknown but as the persons are not geographically in the same part of Australia but spread out nor from the same racing division, it raises more questions.

Our organisation hopes that all issues can be resolved quickly so that our sport can move forward to a better future.

Yours faithfully,

J. T. Lane
Secretary.