



SPRINTCAR CONTROL COUNCIL OF AUSTRALIA INC

A.B.N. 69 903508263

HOME OF THE AUSTRALIAN SPRINTCAR CHAMPIONSHIP® SINCE 1963

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IN RESPONSE TO NASR'S REPLY TO THE ACCC

Question 1

The reason the vast majority of drivers racing at the notifying tracks already hold NASR licences is that they are being forced to by the track promoters and owners.

Currently five major Australian speedways have immunity to enforce competitors to hold a NASR licence. This requirement has been enforced by certain tracks for a number of racing seasons prior to lodging the notification. As a result, competitors have become accustomed to the procedure. This procedure has deceived the competitors.

A NASR licence is a 'title of convenience', a misnomer. NASR uses the term 'licence' as an alternative to the term 'membership'. Using the term 'licence' is a more effective marketing strategy, enabling NASR to activate its personal accident insurance benefit. Competitors could still be given the benefit of NASR's personal accident insurance policy if they simply became members of the NASR organization. The term 'licence' is a marketing strategy to provide personal accident insurance that results in NASR collecting in excess of \$900 000 dollars per year as income from this procedure.

Question 3 – final paragraph

NASR has advised the ACCC that "it is not a requirement of the NASR licence that drivers obtain membership of a club or association relevant to the racing category in which drivers participate".

The ACCC's attention is drawn to the 2009/2010 NASR Licence Form available for download from the Forms section of the NASR website.

An instruction at the very top of the NASR Licence Form states – "All forms must be lodged via your club".

Section 8 of the licence form has to be completed by a club's licensing officer. This clearly indicates that the applicant must be a member of a club or association.

The ACCC has been provided with incorrect information.

Question 4

What is a major event?

Explicit definition of a major speedway event is an event that attracts interest from competitors, sponsors and speedway enthusiasts from all over Australia.

Five major tracks have immunity from the ACCC. These tracks are in major cities and towns therefore with major populations and are without question, the major speedways in Australia. These venues host the major national speedway events offering major prizemoney for competitors. Reference to the availability of other speedways being available for competition does not clearly describe that these other tracks are speedways that do not conduct meetings as regularly as the notifying tracks, do not conduct major national events and do not offer the prizemoney incentives that the notifying tracks offer. Therefore, the competitors who do not hold a NASR licence are unable to compete at the notifying tracks, denying those competitors the chance to participate in the nation's major speedway events, the opportunity to win major national honours and the opportunity to win major amounts of prizemoney.

NASR makes reference to events conducted in Victoria that it considers to be major events.

These are not events that attract competitors or spectators from all around Australia.

The Allstars Sprintcar events are restricted to race cars powered by a specific engine capacity.

These race cars are called 360 sprintcars and are very limited in numbers in comparison to the open sprintcar division. Everything is relative.

The VSC Sprintcar series services an even smaller number of competitors and is definitely not regarded as a major national event.

Question 5

NASR is on record as having threatened track promoters with the withdrawal of the track's public liability insurance.

These threats were made on the grounds that the promoter would be allowing competitors who do not hold a NASR licence to participate in race events at that promoter's venue.

It is of particular interest that NASR informs the ACCC that it is **not** a requirement of NASR's public liability insurance that only cars driven by NASR licencees must be raced at a track insured by NASR.

Question 7

NASR advises the ACCC that "it has developed and implemented a national track rating system and grades tracks and venues accordingly". The objectives of the rating system, the criteria of the rating system and the on-going management of the rating system are not transparent. This is a serious safety issue for the sport of speedway racing.

Question 9

NASR informs the ACCC of several fatalities in the sport in the recently completed racing season. Yet, in its response to the ACCC – particularly in Questions 7 and 8 – NASR makes frequent reference to the importance of NASR's approach to safety.

This seriously brings to question, the effectiveness of NASR's safety and risk management policies and procedures.

It is relevant to note that the ACCC is advised that "NASR reinvests the majority of revenue derived from its collection of membership fees into the development and enhancement of the sport of speedway racing in Australia".

NASR is in actual fact acknowledging that the money collected is for membership, not a licence.

Question 10

The structure of NASR as NASR Pty Ltd and NASR Inc is flawed. The directors of NASR Pty Ltd and the Committee of NASR Inc are one and the same.

In effect, this is the peak body (NASR Pty Ltd) governing itself (NASR Inc). There is no transparency in the current NASR structure.

Questions need to be answered about the operation of NASR Inc as required by the Associations Incorporation Act 1985.

NASR advises the ACCC that Section 6 of the NASR licence form includes a statement by applicants that they agree to be bound by the provisions and rules of both NASR Pty Ltd and NASR Inc.

The ACCC is reminded that NASR Pty Ltd and NASR Inc acknowledge that sprintcar drivers are bound by the racing rules, regulations and specifications of the Sprintcar Control Council of Australia (SCCA).

For and on behalf of
The Executive of the SCCA

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