Briefing for Incoming Minister RACING

October 2005



Te Tari Taiwhenua

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Introduction: Internal Affairs and Vote Racing

Introduction to Internal Affairs

The Department of Internal Affairs' purpose is to serve and connect citizens, communities and government to build a strong, safe nation. The Department's vision is to be a recognised leader in public service – known for innovation, essential to New Zealand, and trusted to deliver.

In 2005, the Department administered six votes:

Internal Affairs - Community and Voluntary Sector

Ministerial Services - Civil Defence

Local Government - Racing

(Ethnic Affairs is a separate portfolio within Vote Internal Affairs.)

The Department administers approximately 80 Acts and sets of Regulations, and approximately 1500 'local' Acts.

The Department employs around 1,100 people in 17 centres in New Zealand, plus small offices in Sydney and London. It has revenues of almost \$150 million per year from both Crown and external sources. It is the responsible department for many Crown entities and other statutory bodies.

Introduction to Ministerial Role

STATUTORY POWERS OF THE MINISTER

Under the Racing Act 2003, you:

appoint all members to the New Zealand Racing Board (NZRB)

• table the annual reports and statements of intent of the NZRB

 must approve (or determine) the terms of reference and the auditor for the five-yearly performance and efficiency audit of the NZRB

may request that the NZRB investigate any matter.

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FUNCTIONS OF THE DEPARTMENT OF INTERNAL AFFAIRS

The Department's activities under the Racing portfolio focus on providing policy advice and support to you as Minister for Racing. The Secretary for Internal Affairs has the power to appoint government inspectors to ensure that betting licences and rules are complied with.

CROWN ENTITIES AND OTHER STATUTORY BODIES

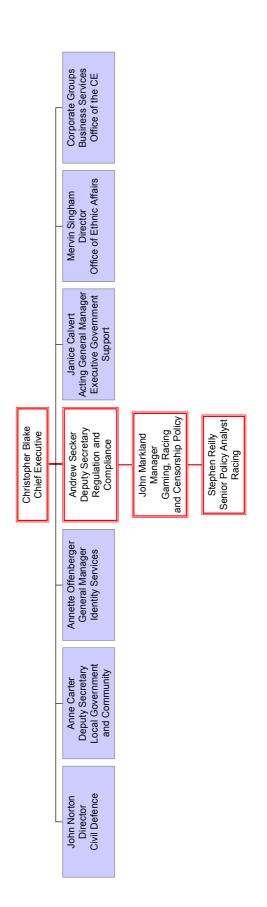
- New Zealand Racing Board
- Judicial Control Authority

KEY STAKEHOLDERS

The Racing Act gives recognition to over 140 "Recognised Industry Organisations". These include the three racing code bodies, numerous racing clubs (galloping, harness or greyhound) and several sector groups.

Department of Internal Affairs Accountability Arrangements Minister for Racing

This chart shows the areas and people of the Department of Internal Affairs (in red) who report to you as Minister for Racing.



1. Sector Overview: Racing

RACING PORTFOLIO

The Racing portfolio encompasses:

- the broad responsibility for the government's racing industry policy; and
- the statutory responsibility for the Racing Act 2003, including appointing members to the New Zealand Racing Board (NZRB).

ECONOMIC IMPACT OF RACING

Racing in New Zealand has a significant economic impact in terms of the nation's GDP, employment and exports. A 2004 IER study¹ commissioned by the NZRB estimated that:

- the racing industry makes a direct contribution of \$424 million to New Zealand's GDP (0.37% of total GDP), and it generates more than \$1,480 million (1.3% of GDP) if the indirect impact of expenditure in the racing industry is taken into account.
- more than 40,000 people are involved in some capacity in the racing industry (74% in the
 production of racing animals (breeding, training etc) and 26% in racing club, raceday and
 TAB operations). The racing industry directly sustains 9,248 full-time equivalent (FTE) jobs,
 and when the indirect impact of racing on other industries is taken into account, the total
 employment impact rises to 18,320 FTE jobs.
- the racing industry generates more than \$130 million each year in export sales of thoroughbred and standardbred horses. Australia is New Zealand's biggest export market, followed by Asia. Approximately 1,900 thoroughbreds are exported each year.

SOCIAL IMPACT OF RACING

The IER study found that the New Zealand racing industry makes a significant contribution to community social benefit. More than 150 racedays have a community leisure theme, and many racing clubs share their facilities with community organisations on non-racedays for activities such as fairs, expos, car rallies, craft and agricultural shows, and pony clubs. There are more

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 $^{^{\}rm 1}$ Size & Scope of New Zealand Racing Industry, Institute of Economic Research, June 2004

than 27,000 members of racing clubs nationwide, and a high level of voluntary work within the racing industry (IER estimates that 3,916 volunteers participate in racing clubs).

GAMBLING AND RACE / SPORTS BETTING

Between 1997 and 2004, annual expenditure on the main gambling sectors (race and sports betting, casinos, non-casino gaming machines and Lotteries Commission products) increased from \$973 million to \$2,039 million. Most of that growth related to non-casino gaming machines and casinos.

Expenditure on race and sports betting in 2003/04 totalled \$239 million, a small increase on the previous year. Expenditure totalled \$198 million in 1993 but it is only in the last two years that it has returned to the previous high level of \$232 million in 1989. In real terms, taking into account inflation, expenditure on racing industry products has declined by about 25% since 1989.

There have been some significant trends over recent years:

- off-course race-betting turnover has maintained steady growth, but only as a result of increased opportunities to bet on overseas (mainly Australian) racing. Domestic off-course turnover has declined.
- on-course race-betting turnover has declined significantly, from a peak of \$210 million in 1987/88 to \$74 million in 2003/04
- sports betting has grown rapidly since its introduction in 1996. It totalled \$104 million in 2003/04, accounting for 8% of the NZRB's total turnover

The following is a summary of the NZRB's financial performance for 2003/04:

- betting turnover \$1,232 million
 - o winning dividends returned to punters \$994 million (81% of turnover)
 - sporting body royalties \$2 million
 - o payment of duty and GST \$34 million and \$25 million respectively
 - o other income \$15 million
- total_revenue \$193 million
- NZRB operating expenses \$125 million*
- net surplus \$68 million
- distribution to codes (including transfer from reserves) \$65 million*
- increase in reserves \$4 million.

*The NZRB reports that its total contribution to the NZ racing industry for 2003/04 was \$77.6 million. This figure includes the distributions to the racing codes, and various other industry expenses such as on-course commission payment to clubs, marketing, stake subsidies etc., which it records as operating expenses.

2. Strategic and Legislative Framework: Racing

Racing in New Zealand is almost entirely dependent on gambling for its continued viability. (Betting profits are distributed through the code bodies to racing clubs.) Gambling generally has many inherent risks (problem gambling, unfair games, opportunities for crime, etc.), and successive Parliaments have chosen to regulate to prevent and minimise these risks.

The statutory framework for racing encourages industry bodies to exercise their significant powers responsibly, to foster the interests of a wide range of industry participants, and to be aware of the risks inherent in the gambling products on which the industry's viability is based.

On 1 August 2003 the Racing Act 2003 came into force, replacing the Racing Act 1971. The 2003 Act established a new legislative framework for racing. In particular, it:

- disestablished the Racing Industry Board and the TAB
- established the New Zealand Racing Board (NZRB) as the industry's principal policy body and as the provider of race and sports betting services (The TAB brand and its operations continue under the New Zealand Racing Board.)
- gives the three racing codes (thoroughbred, harness and greyhound) increased responsibilities, especially around expenditure and governance arrangements
- strengthens the accountability arrangements for industry bodies, including deeming the rules of racing to be regulations
- requires the NZRB to distribute betting profits to the three racing code bodies for onward distribution to their constituent racing clubs
- maintains horse racing's statutory judicial system managed by the Judicial Control Authority.
 Greyhound racing has its own judicial system.

3. The Minister's Role: Racing

Under the Racing Act 2003, the responsible Minister:

- · appoints all members to the New Zealand Racing Board (NZRB), as prescribed
- · tables the annual reports and statements of intent of the NZRB
- must approve (or determine) the terms of reference and the auditor for the five-yearly performance and efficiency audit of the NZRB
- may request that the NZRB investigate any matter.

The Racing Minister frequently receives submissions from organisations and individuals on a wide range of issues facing the industry such as taxation, ACC levies and racing administration. In many cases, the Minister is viewed as a final "court of appeal" when stakeholders (e.g. racing clubs) disagree with the decisions of the various decision-making bodies (e.g. the allocation of race dates or funds). In reality, the Minister has a limited role in these matters because most statutory decision-making powers are assigned by statute to industry bodies.

The Minister regularly meets with Australian state and territory racing ministers to discuss issues affecting the industry in this part of the world. The Australasian Racing Ministers' Conference meets once or twice a year. Recent agenda items have included Internet gambling, betting exchanges and equine disease management. New Zealand hosted the most recent conference in Auckland in March 2005, and Queensland will host the next conference in March 2006.

Other Ministerial portfolios you are likely to liaise closely with include Internal Affairs (in relation to gambling issues) and Finance.

4. The Department's Role: Racing

The Department provides policy advice and administrative support to the Minister in respect of both the Minister's statutory responsibilities outlined above and any ad hoc issues. The Gaming, Racing and Censorship policy team is responsible for providing policy advice on matters relating to the Racing portfolio.

Recently, the Department has provided advice and support on a range of topics including regulations under the Gambling and Racing Acts, the racing industry's access to gaming machines, ACC levies, taxation issues and the NZRB's submission to Government on improving the performance of the New Zealand racing industry. (Refer to section 5 below for more information on this.)

Under the Racing Act 2003, the Secretary for Internal Affairs has the power to appoint government inspectors to ensure that betting licences and rules are being complied with.

Vote: Racing for 2005/06 is \$307,000 (excluding GST). In 2005/06 this Vote includes an allocation of \$89,000 (excluding GST) to support an official analysis of the NZRB submission to Government on improving the performance of the New Zealand racing industry. (Refer to section 5 below for more information on this.)

5. Key Issues and Themes: Racing

ECONOMIC DEVELOPMENT

The New Zealand Racing Board (NZRB) has presented to the Government a plan for lifting the industry's economic performance. The plan calls for new funding to be applied to three

strategies:

Increasing returns to racehorse owners (via stake money) thus encouraging ownership

Improving payouts to punters thus enabling the TAB to compete with its off-shore competitors

Enhancing critical infrastructure

The NZRB believes that the funding required to implement the plan can be achieved through improved industry performance and greater efficiency (\$30m per annum over the next 3 - 5 years) and a reduction in totalisator duty (from 20% of gross betting profits to an eventual rate of 4%). Under the NZRB's plan, the initial cost of the tax reduction would be \$25m per annum,

rising to approximately \$35 million per annum, ongoing.

The NZRB contends that its plan would be almost revenue neutral because of the resulting growth in economic activity in the racing industry. It also contends that the New Zealand racing

industry carries an unfair gambling tax burden relative to other forms of gambling and other racing

jurisdictions.

The previous Minister for Racing advised the industry that the Government needs to be confident

that any tax reduction would have a positive impact on both the racing industry and the New Zealand economy. In consultation with other agencies, Internal Affairs and Inland Revenue

will evaluate the NZRB's submission and report to Ministers with policy options by 1 November

2005.

TAXATION: GAMBLING TAXES

Taxation matters are primarily the responsibility of the Minister of Finance and Revenue. Nevertheless, industry representatives frequently make representations to the Minister for Racing both on totalisator duty and on the depreciation rates for bloodstock, arguing that racing is unfairly taxed when compared to its competitors in the wider gambling sector and in overseas jurisdictions. The issue of totalisator duty is canvassed in the NZRB's plan for lifting the industry's

economic performance (see above) and will be evaluated by officials.

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It is very difficult to make a simple comparison of the tax obligations of the different gambling sectors because they are taxed at different rates and on different bases. Furthermore, it is possible only to estimate some of the taxes paid because of tax secrecy issues and the fact that some gambling operators are private companies and do not report publicly.

Gaming Duty

Operators in the four major gambling sectors pay gaming duty at different rates and on different bases. Gaming duty for racing and sports betting, casino games and non-casino gaming machines is set as a percentage of gamblers' expenditure². The Lotteries Commission pays gaming duty on the basis of turnover³:

- Totalisator duty (racing and sports betting) is 20% of expenditure (GST exclusive), after certain deductions.
- Casino duty is 4% of expenditure
- Non-casino gaming machine operators are liable for gaming machine duty at the same rate as racing - 20% of expenditure - but without any deductions
- Lottery duty is 5.5% of turnover.

Income Tax

Gambling operators are treated differently for income tax purposes:

- Income derived by the NZRB (the TAB operator), NZ Thoroughbred Racing, Harness Racing NZ, the NZ Greyhound Racing Association and racing clubs is exempt from income tax⁴. This exemption applies to all sources of their income betting profits, gaming machine revenue, gate sales, on-course bars and catering, hireage of racecourse facilities, and other ventures.
- Similar to other companies, casinos are subject to income tax at the rate of 33% on their taxable income. This includes their gambling income.
- Non-casino gaming machine operators are liable to pay income tax unless a tax exemption
 applies (such as charitable status). Most operators qualify for an income tax exemption, and
 a bill has been introduced to amend the Income Tax Act 2004 to make this a formal, statutory
 exemption.
- The Lotteries Commission is exempt from income tax.

² EXPENDITURE (gross profit) is the gross amount wagered minus the total amount paid out or credited as prizes or dividends.

³ TURNOVER is the total (gross) amount wagered by punters. It includes a 'churn' or reinvestment factor, which means that the same dollar is counted more than once.

⁴ In respect of racing clubs, the income tax-exemption does not apply if club funds are used for the private pecuniary profit of members. Further, section 26 of the Racing Act 2003 states that a racing club member must not have a pecuniary interest in a racing club.

GST

All gambling operators whose turnover exceeds a \$40,000 annual threshold are liable for GST on

gamblers' expenditure and are able to claim an input credit in respect of GST on expenditure

incurred in running their business.

TAXATION: BLOODSTOCK DEPRECIATION

Racehorse breeders have previously made submissions arguing for more favourable depreciation

rates for bloodstock to encourage investment in the breeding industry. In response, the Inland

Revenue Department (IRD) reviewed the tax treatment of breeding bloodstock to ensure that

depreciation rates reflected economic realities.

IRD analysed depreciation rates on the basis of bloodstock breeding patterns in New Zealand. It

found that the basic depreciation for broodmares was too low, but that the rates for stallions and

older broodmares (age 12 or older) were appropriate. Accordingly, the age by which a

broodmare can be fully depreciated was reduced from age 15 to age 11.

Breeders continue to advocate for a more rapid depreciation rate for stallions (an immediate one-

year 100% rate). They believe that this would encourage greater investment in New Zealand-

owned and based stallions, rather than relying on 'shuttle stallions'.

IRD has advised that it is not clear that an immediate one-year 100% depreciation rate for

stallions would produce long-term benefits for New Zealand or for the industry because it could

result in an increased risk of bloodstock breeding being used in tax avoidance schemes, and it

could also distort investment decisions in the overall economy.

THE GAMBLING ACT 2003

Following a formal review of gambling in New Zealand, the Gambling Act was enacted in 2003.

The Gambling Act 2003 gives the racing industry various rights and responsibilities.

example, it:

preserves the industry's monopoly on race and sports betting

preserves the NZRB's ability to offer its products via the Internet/TV

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- preserves racing clubs' ability to apply for funds from gaming machine trusts
- enables the NZRB to establish betting outlets in casinos (with the casino's agreement)
- prohibits the advertising within NZ of overseas-based gambling opportunities.

The Gambling Act 2003 also allows the NZRB and racing clubs to apply to operate gaming machines in TAB agencies and at racecourses (provided they comply with all aspects of the licensing regime and the territorial authority policies). However, the NZRB and racing clubs are not permitted either to operate gaming machines on commercial venues (TABs aside) or to receive any money derived from gaming machines at a non-racing venue in which they have a commercial interest (i.e. they are not permitted to buy a pub that is a gaming machine venue to secure the gaming machines profits from that venue).

In respect of non-casino gaming machines, the Gambling Act 2003 establishes a clear separation between venue owners and operators, machine operators, and grant recipients. A commercial venue owner / operator must be neither the machine operator nor a grant recipient.

PROBLEM GAMBLING / HARM MINIMISATION

From 1 October 2004, the New Zealand Racing Board (as well as other gambling providers) has been levied to fund a public health approach to problem gambling, which the Ministry of Health manages. The NZRB will pay a levy that was estimated to be \$1.01 million (GST inclusive) in 2004/05 and is estimated to be \$1.37 million in 2005/06 and \$1.40 million in 2006/07. (The exact amounts will depend on the amounts of betting expenditure in those years.) This equates to approximately 6.8% of the total levy payable by the four main gambling sectors over the three-year period.

The Racing (Harm Prevention and Minimisation) Regulations 2004 were made on 30 August 2004 and will be fully in force from 1 October 2005. The regulations prohibit ATM machines in TAB venues, require the NZRB to display signage at TAB venues promoting responsible gambling and containing advice about how to seek assistance for problem gambling, and require the NZRB to provide its staff with problem gambling awareness training.

ACC

ACC levies in the racing industry increased significantly between 2001/02 and 2004/05 (in thoroughbred racing, for example, from \$3.61 to \$8.01) to become the highest levy rates across all professions.

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	BRIEFING FOR INCOMING MINISTER - RACING	

In response to industry concerns, responsible Ministers facilitated meetings between ACC and industry representatives to seek solutions. As a first step, the underlying injury data was analysed to ensure that it was an accurate basis for setting the levies. Secondly, an industry / ACC strategy group was formed and prepared a strategic plan geared towards injury prevention and reducing levies.

In the event, the 2005/2006 employer levy rates for thoroughbred employers decreased by some 40% to \$4.81. There was a lesser reduction for harness racing employers (from \$6.00 to \$4.81). However, the non-income rate for the self-employed in racing increased.

CROSS-BORDER BETTING AND BETTING EXCHANGES

Cross-border betting

Racing authorities and governments in many jurisdictions are concerned at the potential loss of revenue from punters betting with bookmakers based in other jurisdictions. These bookmakers are generally able to offer attractive odds to punters because they make no contribution to the industry that is producing the races, they have relatively low-cost businesses (they offer Internet or telephone account betting only), they pay no racing taxes or levies to the government of the jurisdiction in which the punter is located, and they may have relatively low tax rates within their own jurisdiction. In contrast, the New Zealand TAB returns all its profits to racing (mainly the clubs) to sustain the domestic industry, pays totalisator duty and GST, and funds problem gambling initiatives.

At the Australasian Racing Ministers' Conferences in Sydney in October 2003 and in Canberra in March 2004, Ministers supported a proposal that bookmakers should be required to pay a product fee to the relevant racing authorities when they conduct betting on inter-state racing, and that any product fee regime should also apply to New Zealand racing. The Australian Racing Board (ARB) engaged in negotiations with the Australian corporate bookmakers to try to establish a framework for a product fee regime, but was unable to reach an agreed position that was satisfactory to all parties.

Betting exchanges

Betting exchanges are a new, and increasingly popular, mode of gambling. They match punters who wish to bet on opposing outcomes of an event, e.g. a horse race or a football match. The exchange operator does not participate in the gambling, but makes its money by charging a

commission on net winnings. Unlike traditional bookmakers, betting exchanges allow customers to bet that a particular outcome will <u>or will not</u> occur. The British company Betfair is the dominant betting exchange and reportedly turns over more money each day than the London Stock Exchange.

Betfair matches bets and turns over significant sums of money on most Australian race meetings, but it does not currently cater for betting on many New Zealand races (and very little betting takes place on those New Zealand races that are listed on Betfair).

Many people within the racing industry are concerned at the potential impacts of betting exchanges on:

- racing integrity (because people can profit anonymously from horses <u>losing</u>)
- the revenue streams of the racing industry and governments from traditional forms of betting.

The New Zealand Government position on *remote interactive gambling* under the Racing and Gambling Acts is that only the NZRB, the NZ Lotteries Commission and persons running sales promotions may operate remote interactive gambling in New Zealand, but New Zealanders are not prohibited from betting with on-line gambling providers based overseas. However, the previous Minister for Racing noted at the Canberra Racing Ministers' Conference in 2004 that the Government would review this policy if there were sufficient evidence brought to light that betting exchanges were damaging the integrity of horse racing.

At the Auckland Racing Ministers' Conference in March 2005, all jurisdictions except Tasmania (which abstained) supported a motion that "Unless the issues of the effects of betting exchanges on the integrity of racing, wagering revenue streams to the racing industry and governments, and responsible wagering are resolved, no Australasian State or Territory will proceed to license a betting exchange." Since then there have been talks between Betfair and the Tasmanian government about the possibility of the Tasmanian government issuing Betfair with a licence to operate a betting exchange out of Tasmania. There would be major ramifications from any such decision not only for the Australian racing and wagering industries, but potentially for New Zealand racing and the New Zealand TAB too.

The Kerry Packer-owned company PBL Holdings Ltd. is believed to have purchased an option to buy a 50% share of any Betfair operation licensed in Australia.

6. Key Stakeholders: Racing

STATUTORY BODIES

The Racing Act 2003 established the New Zealand Racing Board and continued the Judicial Control Authority. It disestablished the Racing Industry Board and the TAB (but preserved the TAB brand name for the exclusive use of the NZRB).

New Zealand Racing Board

The Racing Act 2003 prescribes the following functions for the NZRB:

- to develop policies that are conducive to the overall economic development of the racing industry, and the economic well-being of people who, and organisations which, derive their livelihoods from racing
- to determine the racing calendar each year and issue betting licences
- · to conduct racing betting and sports betting, and make rules relating to betting
- · to distribute funds obtained from betting to the racing codes
- to administer the racing judicial system
- to develop or implement (or arrange for) programmes for the purposes of reducing problem gambling and minimising the effects of that gambling
- to undertake (or arrange for) research, development and education for the benefit of New Zealand racing
- to use its resources for purposes that will directly or indirectly benefit NZ racing
- to keep under review all aspects of racing and to advise the Minister of any issues
- any other functions that it is given by or under the Racing Act 2003 or any other Act.

Judicial Control Authority (JCA)

The JCA, established in 1996, appoints judicial panels for harness and thoroughbred race meetings and to hear non-raceday enquiries relating to the rules of racing (e.g. horse ownership issues, racehorse doping, etc). It also appoints tribunals to hear raceday and non-raceday appeals. Greyhound racing judicial panels are appointed in accordance with the rules of greyhound racing, and are not part of the racing judicial system mandated by statute.

THE RECOGNISED INDUSTRY ORGANISATIONS

The Racing Act gives recognition to over 140 "Recognised Industry Organisations". These include the three racing code bodies, numerous racing clubs (galloping, harness or greyhound) and several sector groups:

Racing Code Bodies

The governing bodies of the three racing "codes" are New Zealand Thoroughbred Racing, Harness Racing New Zealand and the New Zealand Greyhound Racing Association. The racing code bodies are sometimes referred to as the "racing conferences" because they are associations of racing clubs that meet at an annual conference. The code bodies are responsible for the rules of racing, and for the licensing and registration of all racing participants (e.g. horses, greyhounds, trainers, breeders, jockeys, drivers etc.).

The codes' main officeholders are:

NZ Thoroughbred Racing Chairman: Guy Sargent

Chief Executive: Allan Fenwick (until Nov 2005)

Paul Bittar (from Nov 2005)

Harness Racing NZ Chairman: John Penney

General Manager: Edward Rennell

NZ Greyhound Racing Association President: Trevor Deed

Chief Executive: Lance Bickford

Racing Clubs

Racing clubs promote, conduct and control race meetings in accordance with the relevant rules of racing. They are mostly incorporated societies. There are approximately 70 thoroughbred racing clubs, 50 harness racing clubs and 12 greyhound racing clubs currently holding licences to conduct totalisator race meetings.

Sector Groups

The following sector groups represent the interests of various industry professionals and other participants, and are recognised by the Racing Act 2003:

- New Zealand Racehorse Owners' Federation
- New Zealand Thoroughbred Breeders' Association
- New Zealand Trainers' Association
- New Zealand Jockeys' Association

- New Zealand Standardbred Breeders' Association
- New Zealand Harness Racing Trainers' and Drivers' Association
- New Zealand Trotting Owners' Association.

OTHER STAKEHOLDERS

Other racing industry stakeholders include:

- New Zealand Bloodstock Ltd New Zealand's premier thoroughbred sales company. In January / February each year it runs the national yearling sales series at Karaka, which is the focal point of New Zealand's thoroughbred bloodstock activities.
- New Zealand Thoroughbred Marketing Ltd (NZTM) a body established in 1997 to market the New Zealand thoroughbred industry to domestic and international markets. NZTM is funded by industry contributions.
- the Association of Provincial Racing Clubs a lobby group that claims to represent more than half the galloping clubs and their associated communities
- Racing Support New Zealand another predominantly rural racing lobby group.

Membership of Statutory Bodies

NEW ZEALAND RACING BOARD

Member	Membership	
	Commences	Expires
Warren Larsen (Chairperson)	1 August 2003	31 July 2006
Murray Acklin (NZTR nominee)	1 August 2003	31 July 2005*
Julie Crengle (independent)	1 August 2003	31 July 2006
Thayne Green (NZGRA nominee)	1 August 2003	31 July 2006
Alan Jackson (independent)	1 August 2003	31 July 2006
Anne Urlwin (independent)	1 August 2003	31 July 2005*
Jim Wakefield (HRNZ nominee)	1 August 2003	31 July 2005*

Chief Executive: Graeme Hansen

JUDICIAL CONTROL AUTHORITY

Member	Appointment Details	
John Grant	A person who is or has been a barrister and solicitor of	
(Chairperson)	the High Court of not less than seven years' practice,	
	appointed by NZTR and HRNZ	
Paul Kenny	appointed by the Chairperson of the JCA and the	
Vacant	President of New Zealand Thoroughbred Racing	
Lew Christensen	appointed by the Chairperson of the JCA and the	
Garry Thompson	President of Harness Racing New Zealand	

Executive Officer: Maureen Stanbury

^{*}These members have agreed to stay in office until new members are appointed. Appointments were deferred until after the General Election in accordance with convention.