

44
MEDICAL COUNCIL
OF NEW ZEALAND

ANNUAL REPORT

1986



MEDICAL COUNCIL OF NEW ZEALAND ANNUAL REPORT

FOR YEAR ENDED 30 JUNE 1986



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MEMBERS OF THE MEDICAL COUNCIL

(At 30 June 1986)

	<i>Appointed by Governor-General on recommendation of:</i>
Dr W.S. Alexander (Chairman)	Minister of Health
Professor D.S. Cole (Deputy Chairman)	ex officio, Dean, University of Auckland, School of Medicine
Dr R.H. Briant	Royal Australasian College of Physicians
Dr T. Farrar	Royal New Zealand College of General Practitioners
Dr R.G. Gudex	Royal New Zealand College of Obstetricians and Gynaecologists
Dr M.M. Herbert	New Zealand Medical Association
Professor J.D. Hunter	ex officio, Dean, Faculty of Medicine, University of Otago
Mrs P.C. Judd	Minister of Health
Professor R.W. Medlicott	Minister of Health
Dr W.J. Pryor	New Zealand Medical Association
Dr G.C. Salmond	ex officio, Director-General of Health
Dr E.C. Watson	Royal Australasian College of Surgeons
Secretary	Mrs G.A. Jones, B.A.
Assistant Secretary	Mr J.R. Coster, B.A.

Council Offices	73 Courtenay Place, Wellington, 1.
Postal Address	P.O. Box 9249, Wellington.
Telephone	(04) 847-635

Solicitors	Kensington Swan, P.O. Box 10246, Wellington
Legal Assessor	Mr J.J. McGrath, P.O. Box 637, Wellington

Bankers	Bank of New Zealand, Courtenay Place Branch, Wellington ANZ Banking Group (New Zealand) Limited, Courtenay Place Branch, Wellington
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Auditors	Miller, Dean and Partners, P.O. Box 11253, Wellington
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MEDICAL EDUCATION COMMITTEE

Membership as at 30 June 1986

	<i>Appointed by:</i>
Dr W.J. Pryor (Chairman)	Medical Council
Dr P.M. Barham (on leave)	Royal New Zealand College of General Practitioners
Professor A.M. Clarke	ex officio, Dean, Christchurch Clinical School of Medicine, University of Otago
Professor D.S. Cole	ex officio, Dean, University of Auckland School of Medicine
Dr A.G. Dempster	Faculty of Medicine, University of Otago
Dr J.L. Jardine	Royal Australasian College of Surgeons
Dr G.M. Kirk	Royal Australasian College of Physicians
Professor J.D.K. North	Faculty of Medicine, University of Auckland
Professor T.V. O'Donnell	ex officio, Dean, Wellington Clinical School of Medicine, University of Otago
Professor R.J. Seddon	Royal New Zealand College of Obstetricians & Gynaecologists
Professor F.T. Shannon	Faculty of Medicine, University of Otago
Professor R.D.H. Stewart	representing Dean, Faculty of Medicine, University of Otago
Associate Professor S.R. West	New Zealand Medical Association
Professor J.C. Murdoch	Alternate for Dr Barham
Dr M.W. Guthrie	Observer, Department of Health

COMMITTEES

Committees appointed by the Council to deal with its principal activities.

Medical Practitioners Data Committee
 Professor J.D. Hunter (Chairman)
 Dr W.S. Alexander
 Mrs G.A. Jones
 Ms C. Leatham (Statistician)
 Dr G.C. Salmond
 Professor D.C.G. Skegg

Finance & Management Committee
 Dr T. Farrar (Chairman)
 Dr W.S. Alexander
 Mrs G.A. Jones
 Dr E.C. Watson

Preliminary Proceedings Committee
 Dr E.C. Watson (Convener)
 Professor D.S. Cole (In his absence, Dr R.H. Briant)
 Mr D.J. White (Legal Appointee)

Specialist Registration Sub-Committee
 Dr R.H. Briant (Convener)
 Professor D.S. Cole

OFFICE STAFF

Secretary: Mrs G.A. Jones
 Assistant Secretary: Mr J.R. Coster
 Clerk: Mrs J.L. Davies
 Clerk: Miss E. Hill
 Clerk: Miss J.S. Johns
 Typist Receptionist: Mrs M.M. Monks

CHAIRMAN'S REPORT

The year under review has seen major changes in the Medical Council scene. In December Mr K. A. G. Hindes the long serving Secretary of the Council tendered his resignation. Reference to his sterling contribution to the medical profession is made elsewhere in this report. Mrs Georgina Jones was appointed to the post of Secretary and assumed her duties at the end of May 1986.

MEMBERSHIP

Professor Geoffrey Brinkman, having retired from the position of Dean of the University of Otago Medical School in January 1986, has terminated a long period of service on the Medical Council. He joined the Council in January 1978 and has made important contributions both to the Council and to the Medical Education Committee. He will be remembered for very considerable help given in the areas of registration and examination of foreign graduates for entry into practice in this country. In recent months he was responsible for bringing together a report on Biomedical Ethics which was supported by the Royal Society of New Zealand, the Medical Research Council, the Law Society of New Zealand and the New Zealand Medical Association. The proposals in this report are now with Government for appropriate consideration. This contribution highlights the many ways in which Professor Brinkman's firm adherence to the ethical principles of our profession added depth to Council debate and guided Council in its decision-making.

Dr Ron Barker has now retired from Council. We record with much gratitude his wise counsel particularly in recent years when problems of staffing and accommodation have been before us. His experience in both hospital and government service has guided Council decisions to ensure that these are

acceptable to the authorities and at the same time achieve an environment in which the Council can work efficiently. We will miss his friendly presence at the Council table and wish him well in his retirement.

Dr George Salmond has succeeded Dr Ron Barker as Director-General of Health and as such is an ex officio member of the Medical Council. Dr Salmond has had much contact with Council on Medical Workforce matters and as alternate for Dr Barker. His contribution is both welcome and essential to the proper functioning of his body.

Dr Murdoch Herbert of Auckland has joined the Council as nominee of the New Zealand Medical Association. We welcome his contribution and he will ensure that the views and attitudes of general practitioners continue to be well represented.

Accommodation of a suitable nature has been found and the Medical Council now has a permanent home. It is hoped that the boardroom facilities may be used by other medical organizations seeking to hold meetings in Wellington. The Medical Council occupies the top floor of the A.N.Z. Bank Building in Courtenay Place.

The Building Fund established by the sale of the Webb Street property has been sufficient to cover partitions, floor coverings and furniture and will also provide some data processing equipment. If there is any surplus it is planned to use this as seeding finance for the proposed National Counselling Service for Impaired Doctors.

A Working Party meeting was held on 30th April 1986, at which representatives of many organizations concerned with the recognition and treatment of impairment in medical practitioners discussed proposals formulated by the New Zealand Society on Alcoholism and Drug Dependency for a "help-line" programme, similar to

that recently introduced in the United Kingdom. Some aspects of this proposal had been raised at the Biennial Conference of the New Zealand Medical Association in May 1985. The workshop has produced an outline of the suggested programme and this is distributed to all practitioners with this Annual Report. It is expected that a National Trust will be set up to administer the programme and manage the necessary finances. A meeting to establish the Trust will be held before the end of 1986 and the whole system will be the subject of a special session at the 1987 Biennial Conference of the New Zealand Medical Association in Auckland.

Disciplinary matters continue to occupy a great deal of Council's time and the costs continue to escalate. There has been continuing dialogue with the New Zealand Medical Association and the Medical Practitioners Disciplinary Committee in an endeavour to develop an improved disciplinary system. This process has been delayed by consideration of possible statutory incorporation by the New Zealand Medical Association which would have involved assumption of some disciplinary functions within that body. This has now been resolved and renewed efforts will be made to find an acceptable disciplinary structure.

When this structure has been evolved it will form part of proposals to rewrite the Medical Practitioners Act. Discipline within the profession is the subject of Part III of the Act. Any alteration must take into account the increase in consumer awareness and must provide a speedy and inexpensive method of investigating and dealing with complaints.

Part 1 of the Act concerns the constitution and composition of the Council. Many professional bodies have been asked to give their views on this

matter but few have responded in the year under review. Part II of the Act concerns registration and this year has seen the arrival of many foreign medical graduates, some in response to a recruiting drive for short service hospital medical officers and others seeking to enter the New Zealand medical workforce on a permanent basis. Each one of these applications creates considerable work for our office staff, as issues of immigration status, registration and workforce policies affect each case. For foreign medical graduates who are not coming to specialist or academic appointments but who have established permanent entry immigration status, the Council continues to require a pass in the Probationary Registration Examination (PRENZ). This is conducted for Council by the University of Otago. The pass rate is low. The situation in New Zealand is similar to that in Australia although the numbers involved are many times greater in Australia. Australia requires graduates from most overseas countries to sit its Australian Medical Council examination and the time may soon come when only New Zealand graduates will be accepted in Australia without first passing this examination.

Foreign medical graduates on short service hospital contracts who are not from Third Schedule medical schools are admitted to temporary registration only. This means that at the end of two years at the most, their registration will lapse and they will have to leave the country — a condition to which they have agreed at the time of issuing the temporary certificate. There will undoubtedly be attempts to evade this requirement. Graduates from Third Schedule schools are fully registered. In addition to those who arrive in New Zealand the Council office handles a very large number of enquiries from doctors from all over the world seeking

information on registration in this country.

In an attempt to assist refugees and other immigrant doctors to obtain some experience of New Zealand medicine, Council has encouraged Hospital Boards where facilities exist, to offer candidates accepted for PRENZ, attachments as Clinical Assistants. This enables them to attend ward rounds, clinics and meetings and to become more familiar with medical English as spoken in this country by both doctors and patients. To date no satisfactory English test as used in Australia and the United Kingdom is available for use in New Zealand, but contacts with the examining authorities overseas are being maintained and it is hoped that a formal English test will be possible. In the meantime English communication ability is assessed at an interview, but this is not a reliable test and some candidates have difficulties in the examination setting because of language. All except those who are clearly fluent in English should be encouraged to take the courses available at Polytechnics or English Language Institutes as well as any medical studies.

Financial matters are controlled by the Finance and Management Committee of Council and every effort is made to ensure that the funds available are managed with care. The report of this Committee included in this Annual Report and the audited Financial statement give full information on the financial affairs of the Council. Recent increases in the fee for the Annual Practising Certificate will it is hoped eliminate the need for Council to operate with a deficit. It may be desirable that Council should seek to obtain authority to index the Annual Practising Certificate fee using an appropriate statistical source and thus ensure sufficient income to service its functions adequately.

Council has been served over a number of years by eminent members of the legal profession as its Legal Assessors. In recent years Mr T. Eichelbaum and Mr A.A.T. Ellis have served the Council in this capacity and have subsequently been elevated to the High Court Bench. In September 1985 Council appointed Mr John McGrath of Wellington as its Legal Assessor and he has given very considerable guidance in procedural matters. Recent appeals to the High Court and to the Court of Appeal both here and in the United Kingdom have resulted in pronouncements affecting both the conduct of Council disciplinary hearings and also the manner in which findings are announced and the reasons for such findings are to be given. We are indebted to Mr McGrath for his help in guiding Council so that these various requirements are met.

My colleagues on the Medical Council have been of inestimable help to me during this year. The abrupt loss of our long-serving Secretary at a time when we had committed Council to a shift of premises produced a series of major difficulties. Each member of Council has contributed not only by the performance of allotted duties with continuing efficiency, but also in the loyal support given to me and to the permanent and temporary staff of the office in very trying times. We have now emerged with most of the transitional problems solved. We have a new Secretary who has already achieved much to improve staff morale and hence the Council operates more efficiently. Our next major task is to install appropriate data processing equipment to streamline the procedures still further.

Although the Council is set up by statute to protect the public by assuring that standards of medical practice are maintained it must still serve efficiently

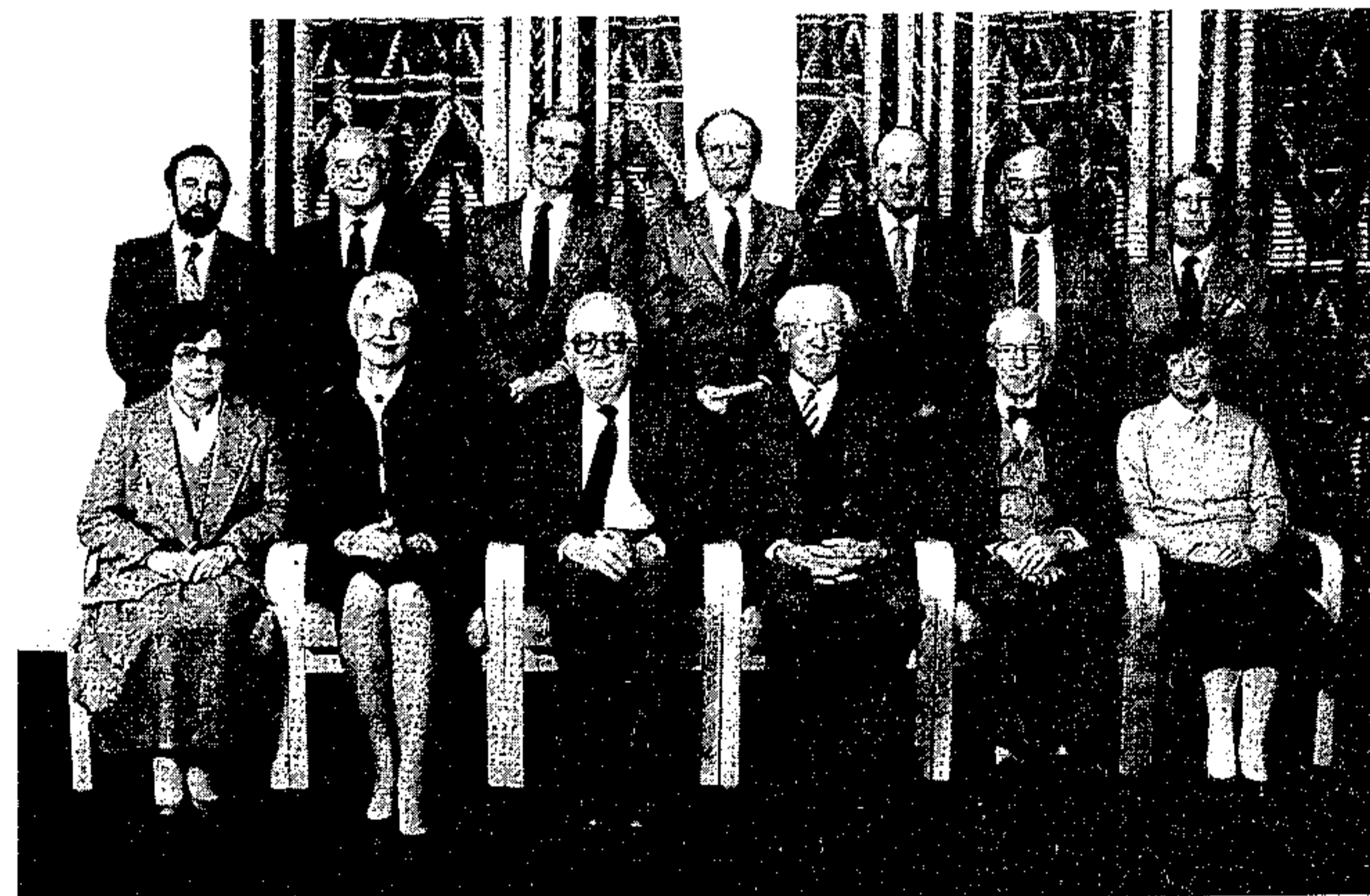
the members of the profession who are registered with it. The Medical Council will continue to strive to do both of these tasks in competent fashion.

W. S. Alexander
CHAIRMAN

POSTSCRIPT

As this report goes to press we are saddened at the loss of our colleague and friend Professor R. W. Medlicott. As the longest serving member of Council Professor Medlicott has made a tremendous contribution to our profession and we will miss him. Our sympathy is extended to his wife and family.

THE MEDICAL COUNCIL OF NEW ZEALAND — 1986



Back Row (left to right)
Mr J.R. Coster (Assistant Secretary), Dr M.M. Herbert, Dr R.G. Gudex, Dr E.C. Watson,
Professor J.D. Hunter, Dr G.C. Salmond, Dr T. Farrar

Front Row (left to right)
Mrs G.A. Jones (Secretary), Dr R.H. Briant, Dr W.S. Alexander (Chairman),
Professor D.S. Cole (Deputy Chairman), Dr W.J. Pryor, Mrs P.C. Judd

Absent: Professor R.W. Medlicott

REPORT OF THE MEDICAL EDUCATION COMMITTEE

There have been two meetings of this Committee during the year.

Professor G. L. Brinkman, having retired from the post of Dean of the University of Otago Medical School, has completed his term on the Committee. Professor R. D. H. Stewart has been appointed to fill this place. Professor J. D. Hunter has been succeeded as Dean of the Christchurch Clinical School by Professor A. M. Clarke who now joins the Committee.

Professor R. H. Johnson has retired from the Committee and has been succeeded by Professor T. V. O'Donnell, whose previous role as appointee of the Royal Australasian College of Physicians is now filled by Dr G. M. Kirk.

Professor J. C. Murdoch has joined the Committee for 1986 as alternate for Dr P. M. Barham who is on sabbatical leave.

Reports of visits made to the Taranaki Base, Hawera, Northland Base, Masterton, Wanganui and Gisborne hospitals were reviewed and runs approved and categorized as appropriate.

Appointments of intern supervisors at Taranaki Hospital Board, Carrington, Kingseat, Auckland, Waikato, Tauranga, Northland Base and Wairau hospitals were approved.

Towards the end of 1985 the issue of Junior Hospital Medical Staff workloads had received much publicity and the Committee gave some consideration to this matter. The subsequent issue of a determination by the Health Services Personnel Commission (now usually referred to as M10) overtook this discussion at the end of 1985 but has led to much further study by the Committee in 1986.

Early in 1986 the Committee considered the effects of the M10 determination on the content of runs approved for 1st year conditionally

registered house surgeons. The Committee has therefore brought forward its hospital visiting programme so that as many hospitals as possible have been visited in the first half of the year. The form (MC1) used to gather information at these visits has been modified to record the impact of the revised work schedules on the educational aspects of the runs themselves and of the other educational activities within the hospitals.

This fact-finding exercise will be followed by a meeting of representative intern supervisors and representatives from the Hospitals Division of the Department of Health and the Resident Medical Officers to document the information received from all these sources. (This meeting was held in August 1986).

This overview of the pre registration year will be discussed at an additional meeting of the Medical Education Committee at which the employers, viz the Health Services Personnel Commission, and the Hospital Boards Association will participate.

Further investigations have been made into the procedures for Medical School accreditation. The Accreditation Committee of the Australian Medical Council has kept our Committee informed of the present state of its planning. The reports provided by the Otago and Auckland University Schools of Medicine to the General Medical Council of the United Kingdom have been made available. Correspondence with the Medical Schools on assessment procedures has led to arrangements being made for observers from the Committee to visit both schools for familiarisation with the assessment procedures in the later years of the medical course.

As part of the Probationary Registration Examination there should be a formal evaluation of

communication skills in English language. Professor G. Kennedy of the English Language Institute, Victoria University of Wellington has been approached for advice in this field. Both Australia and the United Kingdom have developed tests for foreign graduates in this area. It is hoped that Professor Kennedy may be allowed to use one or other of these tests in New Zealand on behalf of the Medical Council of New Zealand.

The Medical Education Committee feels that it would be strengthened and its range of functions might be extended if it were to be expanded by the addition of non-academic and lay members and by the representation of consumers of the educational efforts. It now seems appropriate that moves in this direction should be made as it might be some considerable time before a revision of the Medical

Practitioners Act could be enacted. A recommendation along these lines to the Medical Council is being developed.

The Committee has been in communication with the New Zealand Council for Postgraduate Medical Education on the topic of peer review. Following the National Workshop on Peer Review the Medical Education Committee was exhorted to require hospitals to establish peer review procedures before approval was given for preregistration house surgeon training. At this stage the Committee has advised hospitals that peer review activities are regarded as highly desirable and may soon become essential if accreditation is to continue.

W. J. Pryor
CHAIRMAN

REPORT OF THE PRELIMINARY PROCEEDINGS COMMITTEE

The Preliminary Proceedings Committee, a Statutory Committee of the Medical Council, is required to screen complaints which may lead to the referral of a charge of disgraceful conduct in a professional respect before the Medical Council, or of professional misconduct before the Medical Practitioners Disciplinary Committee.

In this respect there is a significant difference between the conduct of disciplinary procedures before the Medical Council and before the Medical Practitioners Disciplinary Committee. Any complaint to the Medical Practitioners Disciplinary Committee that is not considered by its Chairman to be frivolous, vexatious or sufficiently substantial, is deemed to be a charge of professional misconduct. (Section 42A (2) of the Medical Practitioners Act 1968)

The following complaints were received by the Preliminary Proceedings Committee and deemed to be serious enough to be heard before the Medical Council. The defendants were found guilty of disgraceful conduct in a professional respect upon the following charges

Trafficking in controlled drugs	1
Improper relations with female patients	1
Abuse of controlled drugs	2
High Court conviction for assault	1

Several other complaints under investigation by the Preliminary Proceedings Committee may require to be heard before the Medical Council.

These are:

1. Trafficking in controlled drugs 1
2. High Court conviction for improper use of controlled drugs 1
3. Breach of confidentiality 2
4. Improper relationship with female patients 1
5. Inadequate professional services 2

Three complaints which may have amounted to a charge of professional misconduct were not pursued after investigation by the Committee.

Nine further complaints were considered by the Preliminary Proceedings Committee and were dealt with either by formal correspondence or referred for comment to the Medical Practitioners Disciplinary Committee.

Much public interest surrounded the complaints against Dr I. A. Duncan, who issued review proceedings in the High Court challenging the validity of an earlier Medical Practitioners Disciplinary Committee decision and the formulation of the charge of disgraceful conduct in a professional respect, which the Preliminary Proceedings Committee had framed against him. The Court of Appeal, in a judgment delivered on 26 May 1986, decided that the form of the Committee's charge was in order and could proceed to a hearing before the Medical Council. This will now take place on 11 September 1986.

The charge of disgraceful conduct in a professional respect was divided into two broad heads, those in turn broken down into subheadings. The judgement of the Court of Appeal permitted the Council to consider the charges in relation to each of the particulars and any of them cumulatively. The

judgement included these comments "the document can thus be analyzed as charging not one course of conduct but several different courses of conduct" and also "it may be important that the appropriate professional tribunal should be able to look at the practitioners whole attitude to practice".

A revision of discipline suggested by the Medical Council in 1983 is now to be considered at a meeting with an independent moderator, Sir George Laking, in September 1986. The parties

involved in this discussion are representatives of the Medical Council, the Medical Practitioners Disciplinary Committee and members of the Council of the New Zealand Medical Association. This meeting hopefully will assist in resolving the future roles of the Medical Council and the New Zealand Medical Association in the disciplinary process within the medical profession.

E. C. Watson
CONVENER

REPORT OF THE SECRETARY

During the past year many significant changes have occurred affecting the administration of the Council. Others are in the planning stages. Functions of the Council have often had to be carried out as well as was practicable in difficult circumstances. There have been some regrettable but unavoidable disruptions in communications with practitioners and others.

I write these comments having only just taken up my appointment and aware of the daunting but challenging task ahead of me. My aim is to carry on the tradition of excellent administrative attention to detail created by the example and service of the previous secretary. I hope especially to facilitate prompt and effective communication with all sectors of the medical profession and to create an environment where doctors and members of the public are happy to approach the Council Secretariat on all matters which come within the ambit of the Council.

Maintaining effective liaison with large numbers of practitioners does necessitate many written communications. Delays and misunderstandings would be kept to a minimum if all doctors kept the Council informed of their current address and quoted their file number (included with this report) in all letters or phone calls. I seek your cooperation in this matter and at the same time stress that prompt return in March/April of each year of fully completed applications for Annual Practising Certificate, accompanied by the correct fee, would greatly assist us to maintain the Register in an up-to-date state at all times, as is required by statute. About 5% of doctors are tardy in these matters and create a disproportionate amount of follow-up work, taking time which could be spent in more productive ways.

Those who have already had contact

with me when I worked at the School of Medicine, University of Auckland, will know that I place great importance on effective personal communication whilst not losing sight of the absolute necessity for efficient administration and accurate sensitive advice on professional matters. None of these can be achieved without a free flow of information and respect for each others perspectives. I trust my association with the medical profession through my role as Secretary to the Medical Council will meet the needs of the profession and the public alike. The Council Secretariat looks forward to making a positive contribution and reporting in more detail at this time next year, particularly in relation to the planned automation/computerisation of some administrative procedures. Finally I ask for your cooperation and understanding over this transition period.

I believe the Council is in a period of exciting development.

Georgina A. Jones
SECRETARY

REPORT OF THE SPECIALIST REGISTRATION SUB-COMMITTEE

In the year 1985/6 eighty seven medical practitioners have had their names registered on the specialist list.

The criteria for specialist registration are laid down in the Medical Practitioners (Registration of Specialists) Regulations 1971. In summary these are as follows:

1. A medical practitioner shall be entitled to have his/her name entered in the Register of Specialists if the Council is satisfied
 - a. that he/she holds a qualification specified in the First Schedule of these regulations, or that he/she has undergone training and acquired experience in that specialty comparable to the training undergone and experienced by a person holding a qualification so specified;
 - b. that he/she is recognised by colleagues in the medical profession as having such training and experience in the specialty in respect of which the application is made, as would entitle him/her to specialist status in relation to that speciality;
 - c. that he/she has at least five years training and practical experience in the speciality in respect of which the application is made; and
 - d. that so far as is practicable he/she limits practice to the branch or branches of medicine or surgery in which he/she specialises.
2. Notwithstanding anything in sub-clause 1 of this Regulation, if the Council sees fit in relation to any particular case the name of a medical practitioner may be entered in the Register of Specialists if the Council is satisfied that he/she is recognised by colleagues in the medical profession as having special experience in the specialty in respect of which the application is made, entitling him/her

to specialist status in relation to that specialty.

In order to obtain the assessment of colleagues, applications for specialist registration are sent to the professional College or Society most closely representing the applicant. These referral bodies do an excellent job in making recommendations to the Medical Council as to whether or not an applicant should be registered as a specialist. The assistance of the referral bodies in this matter is acknowledged.

After a lengthy correspondence with referral bodies, the Council has instituted an informal process defining some applicants as "specialist eligible" and this is currently being evaluated. Where a doctor fulfills all the requirements for specialist registration but does not yet work in a specialist capacity (e.g. still working as a registrar), that doctor is informed that he/she is eligible for specialist registration when specialist work in the public or private sector is commenced. The intention of this practice is to assure employing authorities and the applicant that there are no expected impediments to full specialist registration. So far nine people have been notified that they are specialist eligible and one has had specialist registration subsequently confirmed.

R. H. Briant
CONVENER

REPORT OF THE MEDICAL PRACTITIONERS DATA COMMITTEE

During October 1985 questionnaires were sent to all New Zealand medical graduates with overseas addresses recorded in the New Zealand register. Additional questions sought information about intentions to return to New Zealand, the intended year of return to New Zealand and the discipline in which the respondent intended to practice in New Zealand. Questionnaires were also sent to all overseas graduates registered in New Zealand, but currently residing overseas, to seek information on intentions to relocate to or return to New Zealand.

In the March 1986 questionnaire sent to all registered medical graduates with a New Zealand address, those not currently practising were asked about their intentions to return to medical employment.

Follow-up of improperly completed questionnaires is continuing. Although there has been an improvement over the last two years, those returns giving

no indication about the correctness of the data continue to amount to several hundred annually.

Statistical information provided from the annual questionnaires is being used increasingly by various groups but only statistical information is released and Council must approve of any access to such data.

The Data Committee of Medical Council did not hold any formal meetings during the last year.

In the table opposite, the figures in the medical workforce for 1985 indicate a continuing increase to a new total of 5,556 which is a 14 per cent increase since 1980. A detailed commentary on the workforce is now given in the report "New Zealand Medical Workforce Statistics 1984 and 1985" of the National Health Statistics Centre, Department of Health (ISSN 0112-8868).

J. D. Hunter
CHAIRMAN

NEW ZEALAND MEDICAL WORKFORCE

as at 30 June 1986

Total Doctors on register	8,312
Total active Doctors (issued with practising certificates)	6,090
New Zealand Population (June 1986)	3,248,400
Ratio active Doctors to Population	1:533
Temporary registrants	177
New Probationary registrants	23
Names removed from register (Various reasons)	105
Doctors deceased	28

NEW ZEALAND MEDICAL WORKFORCE

	1981		1982		1983		1984		1985	
	Total	N.Z. Graduates	Total	N.Z. Graduates	Total	N.Z. Graduates	Total	N.Z. Graduates	Total	N.Z. Graduates
Active	5037	3457	5210	3666	5403	3854	5437	3936	5556	4095
Full-time Equivalents	4742.4	3278.0	4894.4	3475.3	5043.8	3634.5	5061.3	3704.1	5156.1	3834.3
House Officers	573	471	611	539	648	599	627	598	628	600
Registrars	595	375	623	439	662	495	695	565	718	592
Medical Officers Special Scale	152	79	159	80	166	81	159	77	150	75
General Practitioners	1856	1225	1908	1271	1968	1321	1998	1353	2106	1473
Other Primary Medical Care	65	39	61	34	78	43	89	55	95	62
Specialists	1710	1226	1748	1255	1784	1267	1770	1239	1767	1248
Miscellaneous (non-specialist)	86	42	100	48	97	48	99	49	92	45

Members of the medical and dental professions will have noticed that the signature on their annual practising certificates this year is not that familiar signature of K. A. G. Hindes. After service to the professions for 26 years Ken Hindes has resigned. Mr Hindes first became responsible for the affairs of the Medical Council when the secretarial services were provided by the Health Department of which he was then a member. Some time later the activities of the Medical and Dental Councils and of the Medical Research Council were moved out of the Health Department and Mr Hindes left the employ of the Department to become the Secretary of all three bodies in their new quarters. When the administrative offices of the Medical Research Council were moved away from Wellington Mr Hindes continued as Secretary to the Medical and Dental Councils until his resignation at the end of 1985. During these years the Councils moved several times occupying accommodation in an office block on The Terrace, a house in Webb Street and a suite above the Urgent Pharmacy in Cambridge Terrace. Each shift must have been a considerable strain on the keeper of the records. All the files and registers had to be accessible and locatable within hours of each move. For those who were more closely associated with Council activities the meticulous accuracy and attention to detail involved in the maintenance of the record system was always a source of wonder. Everything was checked and rechecked and every transaction for each doctor or dentist was recorded in the personal file. Despite the enormous volume of paper work involved it was always a source of amazement to find how Mr Hindes' phenomenal memory carried the details of matters long since past and how the records confirmed his recollection of these events.

The Councils have had the benefit of

a long period of dedicated service from a very able man. Those who come after will have the advantage of a carefully maintained record system and, while they may have the assistance of modern data-processing equipment, they will have a tradition of accuracy and completeness which will be difficult to maintain and impossible to surpass.

Ken Hindes has served our professions well and we owe a considerable debt of gratitude for his selfless dedication to the requirements of the registration bodies. His knowledge of precedent and of past problems will be missed. We wish him well in the future and thank him for his contribution to the Medical and Dental Councils of New Zealand in the past 26 years.

The name of this committee was changed from Finance and General Purposes to Finance and Management in March of this year as an indication of its increasing role in the administration of Council business.

As in previous years this report covers the period 1st July to 30th June to fit in with the timing requirements of the Medical Practitioners Act which states that Council must publish a register of persons who are registered or conditionally registered as at the 30th day of June. The financial statements however cover the period 1st April 1985 to 31st March 1986. The Committee has met twelve times during the year.

NEW PREMISES

Although the leased premises in the Pharmacy Building in Cambridge Terrace, which the Council moved into in February 1984, were an improvement on the previously owned Webb Street building, there were still considerable short-comings. The most important of these were excessive traffic noise, insufficient filing and storage space, a boardroom which was acceptable for ordinary council meetings, but not big enough to accommodate the numbers attending large disciplinary hearings, and poor toilet facilities on an adjacent floor well away from the offices. Further, its situation outside the inner city limits with a lack of attractive near-by shops made it excessively difficult to attract good office staff which is a major problem in Wellington under any circumstances.

The original rental in the Pharmacy Building was for a period of two years, negotiated at the time at a figure below current market prices. The first renewal falling due in February 1986 was to be for a minimum period of three years with a very large increase in rental

being asked. As the move into the Pharmacy Building had always been looked on as an interim measure, strenuous efforts were made during the year to find alternative accommodation. It had been the Council's desire for some time to eventually purchase an owner-occupier floor. Several factors ultimately caused a change in this plan. Firstly, the extreme scarcity of suitable properties in Wellington, the vast majority of such floors being leased and not sold. Secondly, even if a property was to become available the price would have almost certainly been prohibitive. Lastly, the Government's repeated declaration to Council that it was opposed to the idea of the Council being a property owner.

In October 1985 the lease of the second floor in the ANZ Bank Building in Courtenay Place became available, and was taken up, appearing to be just what the Council needed. The rental was very reasonable at \$5.75 per square foot bare floor area, compared to figures of about three times this value in the Lambton Quay-Terrace parts of Wellington. With an area of 3,900 square feet there was enough space to allow for a large boardroom to accommodate major disciplinary hearings, and still have annual out-goings well below that of a smaller floor space in the more sought after areas of Wellington.

Alington Group Architects were commissioned to draw up plans for the partitioning of the floor space into suitable office accommodation, and to arrange and supervise the subsequent building alterations and installation of furniture and other equipment. Fortunately a builder was found who worked over the Christmas holiday period so that the staff were able to move into the new premises in March. On 12th June the Minister of Health officially opened the new offices in the

presence of former members of Council and invited guests.

The original budget price for the whole project was \$175,000. The final cost is likely to be about \$10,000 more.

INCOME

Fees from annual practising certificates continue to be the main source of income for the Council. The level of the fee remained at \$20 from 1979 until 1985 when Government approved a rise to \$25 for the current financial year. This was, as expected, quite inadequate and has resulted in the predicted losses of around \$20,000 occurring in each of the last two financial years — \$23,890 for the 1984/85 year, and \$18,335 for the 1985/86 year.

In March 1986 Cabinet gave approval to the fee for the annual practising certificate being raised to a more realistic figure of \$40 for the 1986/87 year, and Council has returned the disciplinary levy to \$20 for the 1986/87 year.

Other sources of income are from fees which are fixed under the Medical Practitioners (Fees) Regulations. The current rates are shown on page 27.

STAFF

The general difficulties in Wellington of obtaining good typing and clerical staff have already been commented on. Hopefully there will be some alleviation of this problem with the somewhat more central situation of the new office. In the past, salaries have been paid according to scales laid down by the University of Otago for administrative, clerical and secretarial staff. These figures are well below the current market rate in Wellington. There is no doubt that if the Council wants to obtain and retain competent office personnel, higher salaries will need to be paid in the future.

The last year has seen an unfortunately large turn-over of staff in

the Council's office. This has necessitated the employment of temporary staff for long periods of time with a resultant lack of continuity and considerable extra expenditure. The sudden resignation of Mr K. Hindes, Council's long serving Secretary, in December 1985 put the office under additional strain. Mr J. Ward acted as temporary Secretary for four months prior to the arrival of our new Secretary, Mrs Georgina Jones, in May. She comes to us from a senior administrative post with the School of Medicine in the University of Auckland. Her first priority has been to overcome transitional problems. Later in the year the implementation of the recommendations in the report received in 1985 from the consultant firm, Computer Sciences of New Zealand Limited will be undertaken. The registration functions of the Medical Council are very suited for data processing and it is to be hoped that computerisation can be introduced in 1987.

CONCLUSION

With the acquisition of premises which should be near permanent and the appointment of a new Secretary, we look ahead to a more stable coming twelve months. It is hoped that the net deficit for the previous two years will not continue, and that the coming year will see Council's income exceed its expenditure. The high costs of temporary staff and the effects of the Goods and Services Tax in the second half of the year cannot however be predicted with certainty.

T. Farrar
CHAIRMAN

COMMENTS FROM THE CHAIRMAN OF THE FINANCE AND MANAGEMENT COMMITTEE ON THE FINANCIAL STATEMENTS

A. REVENUE AND EXPENSES

The Council's total income for 1986 was \$289,085, an increase of \$89,630 on 1985. Of this increase an extra \$36,110 came from annual practising certificates, an extra \$41,446 from registration fees, and an extra \$10,258 from interest.

Expenditure for the current financial year totalled \$307,420, an increase of \$84,075 on 1985. Medical Workforce and associated fees have risen to \$12,500. Salaries and temporary staff totalled \$157,378 and staff recruiting cost \$11,002. There has been an increase in Council expenses offset to some extent by a decrease in Medical Education Committee expenses.

Net deficit for the year amounted to \$18,335, compared to \$23,890 in 1985. Accumulated capital on 31st March 1986, leaving aside the \$115,736 transfer from the building reserve, only amounts to \$1,499.

B. BUILDING RESERVE

This now stands at \$124,751 and will be more than adequate to meet the remaining architectural and building costs.

C. DISCIPLINARY RESERVE

Total disciplinary income amounted to \$113,512 bolstered to a large extent by an interest income of \$42,690 from the investment of the reserves at the then high interest rates.

Disciplinary expenses totalled \$162,764, an increase of \$29,619 over 1985.

Reserves have fallen from \$170,513 to \$121,261, justifying an increase in the disciplinary levy to \$20 for the 1986-87 year.

AUDITORS' REPORT

Miller, Dean and Partners

CHARTERED ACCOUNTANTS

COLIN F. DEAN, J.P., A.C.A., A.C.I.S.
JOSEPH KETKO, A.C.A.
DAVID N. A. DAVIS, B.COM., A.C.A., A.C.I.S.
RODNEY TAUCHER, A.C.A.
JOHN W. LITTLE, B.C.A., A.C.A.

5TH FLOOR,
WELLINGTON TRADE CENTRE BUILDING,
Victoria Street, WELLINGTON, N.Z.
P.O. BOX 11-253 TELEPHONE 850-862 (4 LINES)

AUDITORS' REPORT

TO THE MEMBERS OF THE MEDICAL COUNCIL OF NEW ZEALAND

We have examined the books and vouchers of the Council in accordance with accepted auditing standards and have carried out such procedures as we considered necessary.

The Financial Statements have been prepared by us from information shown in the Books of the Council and in our opinion are properly drawn up so as to give a true and fair view of the financial position of the Council as at 31 March 1986 and results of its activities for the year ended on that date.

Miller, Dean + Partners

CHARTERED ACCOUNTANTS

WELLINGTON

25 August 1986

FINANCIAL STATEMENT

for Year ended 31 March 1986

NOTES TO ACCOUNTS

1. GENERAL ACCOUNTING POLICY

The general principles recommended by the New Zealand Society of Accountants for the measurement and reporting of results and financial position on the basis of historical costs (except for the particular policies stated below) have been adopted.

Particular Accounting Policies

(a) Depreciation

Furniture and fittings — straight line depreciation is applied at 10% p.a.

Office Equipment — Straight line depreciation is applied at 20% p.a.

Alterations to New Premises — No depreciation has been claimed this year as the new premises were only occupied for one week of the financial year.

(b) Legal Expenses and Recovery

No provision has been made for legal proceedings which have not been settled and/or claimed for at balance date. Recovery of legal expenses is accounted for on a cash basis.

2. CHANGES IN ACCOUNTING PROCEDURE & PRESENTATION

In the previous year the recovery of discipline expenses through the General Account have been shown separately. For this financial year discipline and recovery of these expenses have been netted with the appropriate expense.

3. CHANGES IN ACCOUNTING POLICIES

There have been no changes in accounting policies from those adopted in the previous year.

4. FIXED ASSETS

	Cost 31/3/86	Book Value 1/4/85	Depreciation For Year	Book Value 31/3/86	Accumulated Depreciation to 31/3/86
New Office Alterations	115,736	—	—	115,736	
Fixtures & Furniture	5,234	4,190	523	3,667	1,567
Office Equipment	14,271	11,665	2,854	8,811	5,460
	<u>\$135,241</u>	<u>\$15,855</u>	<u>\$3,377</u>	<u>\$128,214</u>	<u>\$7,027</u>

BALANCE SHEET

for Year ended 31 March 1986

	1986	1985
5. INVESTMENTS		
(a) <i>Disciplinary Fund</i>		
Barclays New Zealand Limited Debenture @ 22.75% Maturing 1/5/86	100,837	
Marac Holdings Limited Debenture @ 12.75% Matured	<u>—</u>	<u>194,842</u>
(b) <i>Building Fund</i>		
Michael Veal & Associates 1st Mortgage @ 11% Maturing 9/5/86	20,000	20,000
Westpac Merchant Finance Limited Debenture @ 13.25% Maturing 17/5/86	167,007	146,596
Debenture @ 18% Maturing 16/7/86	2,250	—
Marac Holdings Limited Debenture @ 16.5% Maturing 11/9/86	22,248	19,003
Bank of New Zealand Autosave	1,393	1,974
U.E.B. Industries Limited Debenture @ 18% Matured	<u>—</u>	<u>22,555</u>
	<u>\$212,898</u>	<u>\$210,128</u>
6. BUILDING RESERVE		
Balance as at 1/4/85	210,419	
Plus Interest Credited or Accrued for Year	30,068	
	<u>240,487</u>	
Less Transfer to Accumulated Capital — Alterations to date on new premises	115,736	
Balance as at 31/3/86	<u>\$124,751</u>	

7. SUNDRY CREDITORS

The amount of \$131,684 includes alterations to new premises of \$75,236.

	1986	1985
CURRENT ASSETS		
Petty cash	50	50
Bank of New Zealand		
— General Fund	9,127	65,710
— Disciplinary Fund	24,047	2,611
B.N.Z. Finance Limited — on Telephone Call Deposit		
— General Account	53,119	25,000
— Disciplinary Account	8,518	5,197
Payments in Advance & Sundry Debtors	8,412	874
Interest Accrued	2,989	1,404
	<u>106,262</u>	<u>100,846</u>
INVESTMENTS (Note 5)		
Building Fund	212,898	210,128
Disciplinary Fund	100,837	194,842
	<u>313,735</u>	<u>404,970</u>
FIXED ASSETS (Note 4)	128,214	15,855
	<u>\$548,211</u>	<u>\$521,671</u>
CURRENT LIABILITIES		
Sundry Creditors (Note 7)	131,684	13,723
Payments Received in Advance	53,280	107,182
	<u>184,964</u>	<u>120,905</u>
CAPITAL ACCOUNT		
Accumulated Capital	117,235	19,834
Disciplinary Reserve	121,261	170,513
Building Reserve (Note 6)	124,751	210,419
	<u>363,247</u>	<u>400,766</u>
	<u>\$548,211</u>	<u>\$521,671</u>

MEDICAL COUNCIL OF NEW ZEALAND
REVENUE STATEMENT
for Year ended 31 March 1986

	1986	1985
FEEs RECEIVED		
Annual Practising Certificate	163,992	127,882
Certificate of Good standing	7,613	3,622
Medical Registration Certificate	2,130	1,050
Change of Name	370	260
Registration Fees — including conditional, temporary and probationary	74,810	33,364
Specialist Registration Fee	5,508	5,560
Probationary Registration Examination Fee	3,313	4,275
INCOME FROM FEES	257,736	176,013
OTHER INCOME		
Administration Fee — Dental Council	6,000	5,000
Interest Received	19,069	8,811
Recovery of Disciplinary Expenses (Note 2)	—	3,160
Sales of Medical Registers	6,280	6,471
INCOME FROM OTHER SOURCES	31,349	23,442
TOTAL INCOME FOR YEAR	289,085	199,455
Less Expenses as per Schedule	307,420	223,345
NET DEFICIT FOR YEAR ENDED 31/3/86	18,335	23,890
Accumulated Capital Brought Forward	19,834	65,295
Plus Depreciation Recovered on Sale of Building	—	6,250
Plus Prior Year Adjustment	—	11,889
	19,834	83,434
	1,499	59,544
Plus (Less) Transfer from (to) Building Reserve (Note 6)	115,736	(39,710)
ACCUMULATED CAPITAL	\$117,235	\$ 19,834

MEDICAL COUNCIL OF NEW ZEALAND
SCHEDULE OF EXPENSES
for Year ended 31 March 1986

	1986	1985
ADMINISTRATION AND OPERATING EXPENSES		
Audit and Accountancy Fee	6,720	2,860
Advertising	—	506
Computer Consultants	1,200	—
Depreciation	3,377	4,145
Electricity	1,017	757
General Expenses	4,604	3,302
Legal Expenses	1,065	3,850
Micro Film Files	255	4,334
Medical Workforce & Associated Expenses (Net after Government Grant)	12,500	1,941
Motor Vehicle Expenses	—	603
Photocopying Expenses	1,774	1,363
Probationary Registration Exam Expenses	1,824	4,000
Postage	8,145	9,284
Printing & Stationery	20,871	19,337
Salaries	128,574	104,282
Superannuation	9,575	7,164
Staff Recruiting — Advertising & Placement	11,002	—
Temp Staff	28,804	4,286
Telephone & Tolls	4,200	4,219
TOTAL ADMINISTRATION & OPERATING EXPENSES	245,507	176,233
COUNCIL AND COMMITTEE EXPENSES		
Council Expenses		
— Chairman's Overseas Travel	1,211	2,017
— Chairman's Honorarium	4,082	2,996
— Fees, Travelling & Accommodation Expenses	31,969	18,148
Medical Education Committee		
— Fees, Travelling & Accommodation Expenses	2,538	8,239
— Hospital Visits	5,672	5,009
TOTAL COUNCIL AND COMMITTEE EXPENSES	45,472	36,409
RENTAL/PROPERTY EXPENSES		
Cleaning	1,455	1,664
Rent, Rates and Insurance	14,986	9,039
TOTAL RENTAL/PROPERTY EXPENSES	16,441	10,703
TOTAL EXPENDITURE	\$307,420	\$223,345

MEDICAL COUNCIL OF NEW ZEALAND
REVENUE STATEMENT
FOR DISCIPLINARY RESERVE ACCOUNT
for Year ended 31 March 1986

	1986	1985
Levies Received	66,122	64,090
Plus Interest received	42,690	29,733
Recovery of Disciplinary Costs	4,700	13,402
	<u>113,512</u>	<u>107,225</u>
Less Payments:		
Fees and Honorarium	12,464	4,430
Legal Expenses (Medical Council and Preliminary Proceedings Committee)	101,363	74,136
Medical Practitioners Disciplinary Committee	40,022	49,124
Disciplinary Expenses paid to General Account	—	1,893
General Expenses	5,519	1,606
Travel & Accommodation Expenses	3,396	1,956
TOTAL EXPENSES	<u>162,764</u>	<u>133,145</u>
Net Deficit for Year Ended 31/3/86	<u>49,252</u>	<u>25,920</u>
Disciplinary Reserve Balance brought forward	170,513	208,322
Less Prior Year Adjustment	—	11,889
	<u>170,513</u>	<u>196,433</u>
TOTAL DISCIPLINARY RESERVE	<u>\$121,261</u>	<u>\$170,513</u>

FEES

**TO BE PAID ON APPLICATION FOR MEDICAL COUNCIL SERVICES
DURING COUNCIL FINANCIAL YEAR
1 APRIL 1986 TO 31 MARCH 1987**

The following fees have been fixed by regulations under the act and have now been adjusted to include the appropriate level of Goods and Services Tax,

REGISTRATION: (Conditional or Full)

On deposit of evidence of qualifications	132
For provisional certificate	11
For annual practising certificate	42
For disciplinary levy	21
Total fees on registration	<u>\$206</u>

OTHER:

For certificate of temporary registration	88
For eligibility for probationary registration	77
For certificate of probationary registration	77
For * full registration (from probationary)	66
For annual practising certificate including disciplinary levy	63
For * restoration of name to Register after removal therefrom (including provisional certificate)	121
For initial entry on Specialist Register	55
For entry on Specialist Register in a second or further specialty	11
For change of name or other entry in Register, excluding change of address or entry of additional qualifications (free)	22
For Certificate of Good Standing	22
For Certificate of Registration (or other document in connection with applications to register in another country)	22
For any inspection of the Register	8.80

* Annual Practising Certificate and Disciplinary Levy to be paid at the time of this application