



Medical Council of New Zealand

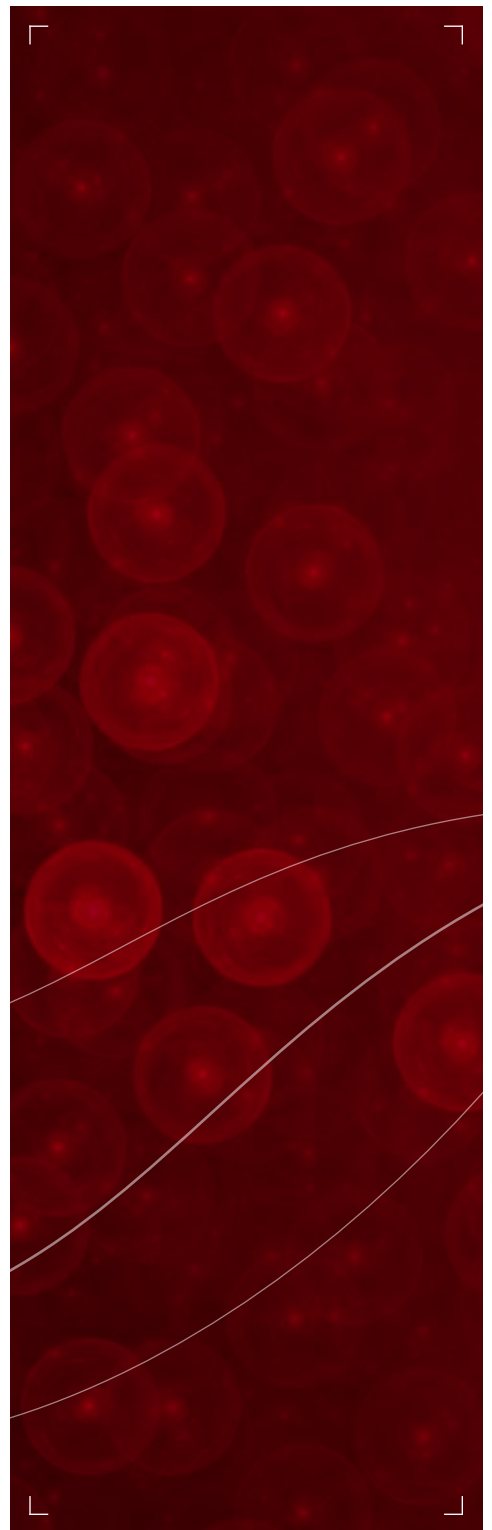
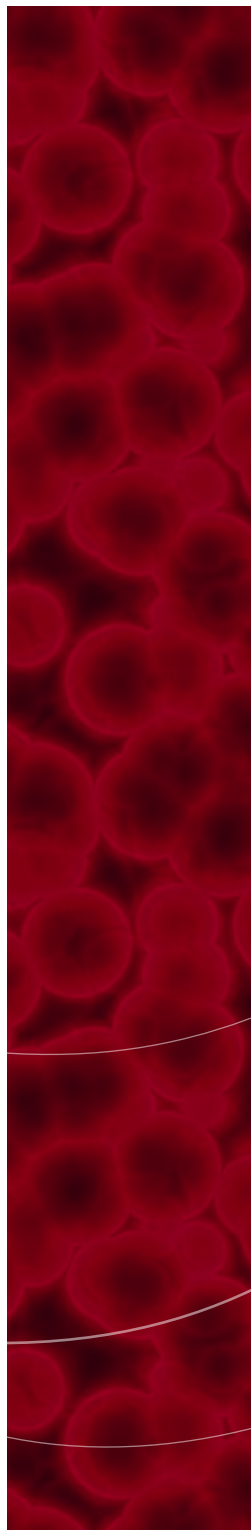
Protecting the public; promoting good medical practice. Te tiaki i te iwi whānui me te whakatairanga pai i te mahi e pā ana ki te taha rongoā

Annual Report 2008



The journey through growth,
healing and regeneration

**Nothing is
static within
the body
Movement
towards
improvement
(Healing)
Regeneration,
Growth,
Sustainability
Looking
towards the
future**



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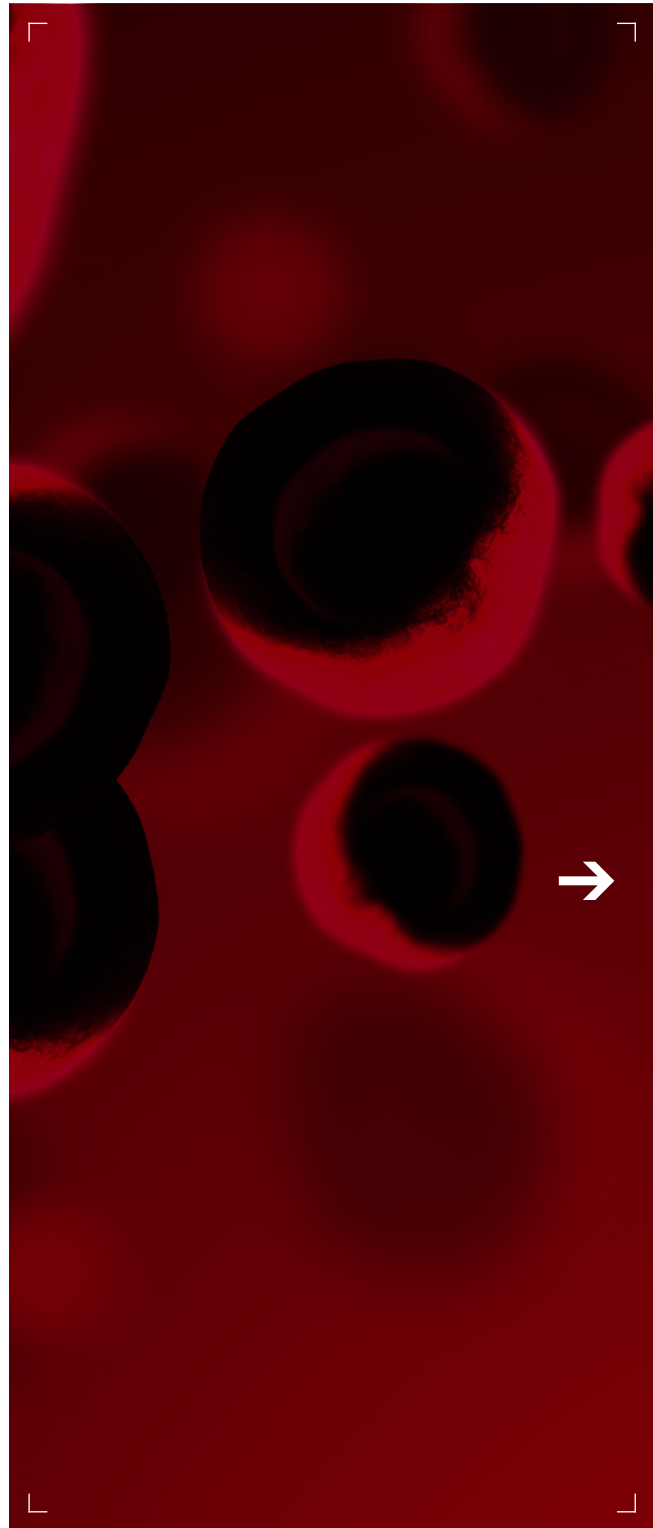
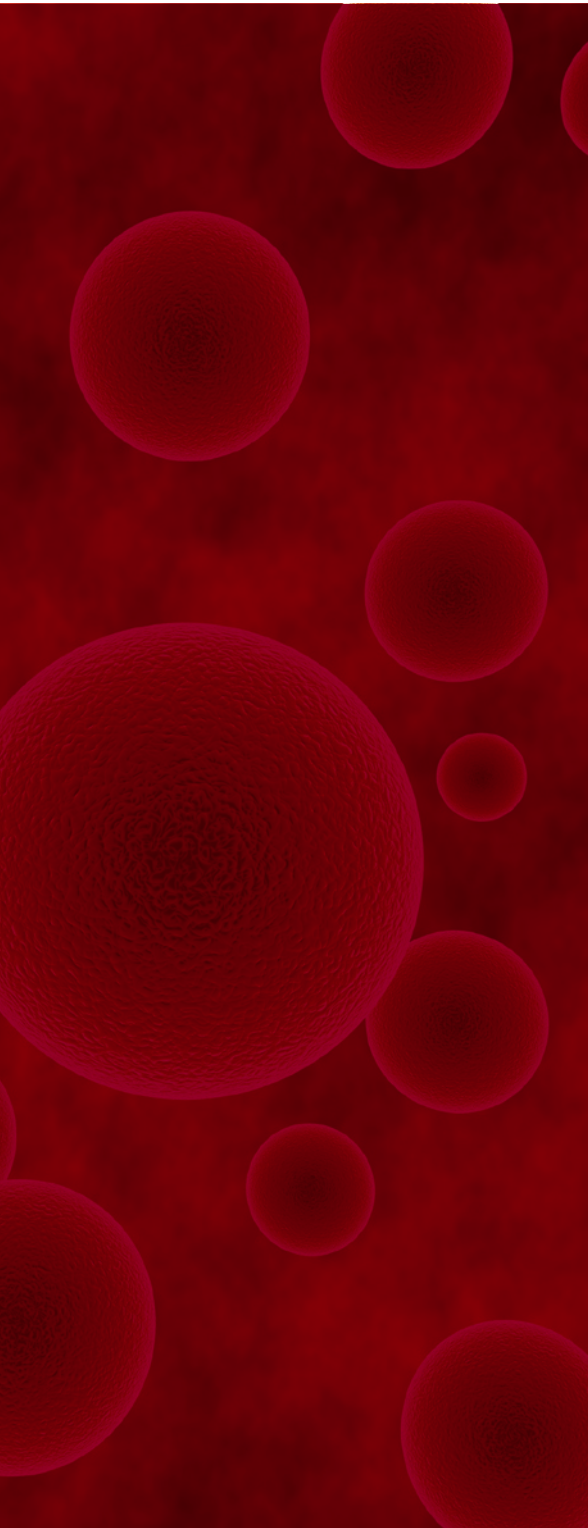
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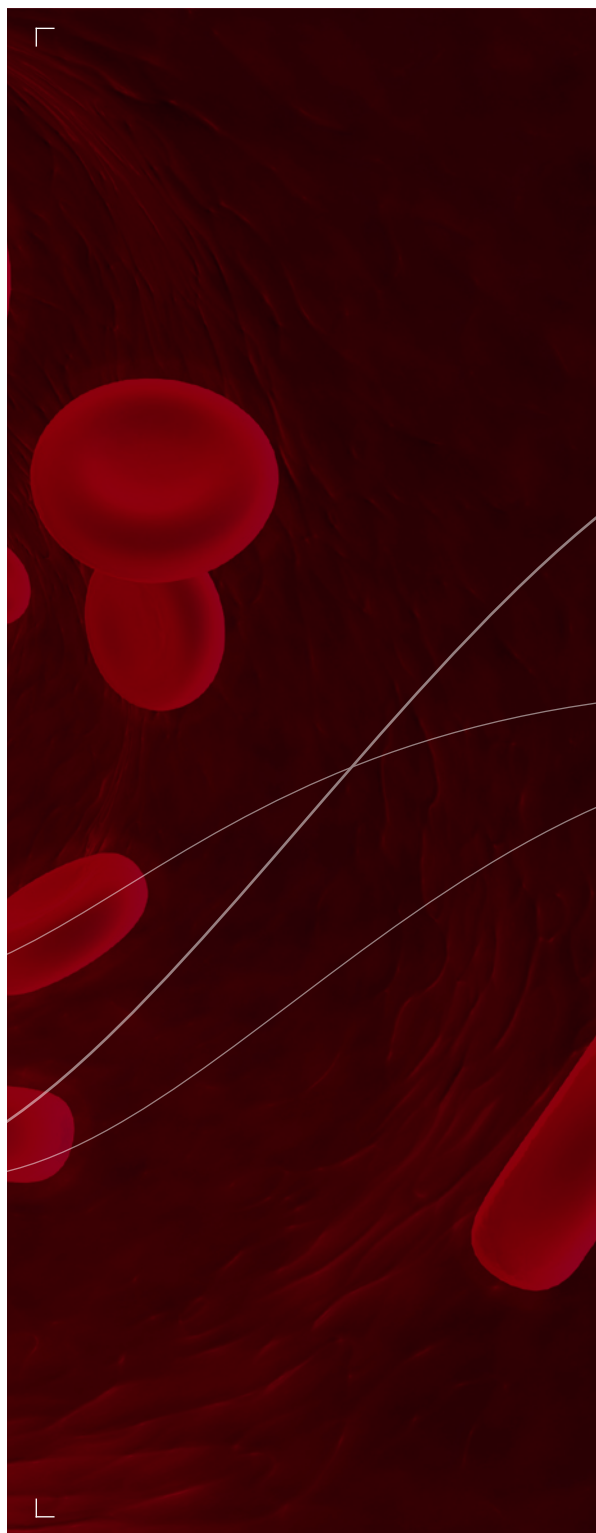
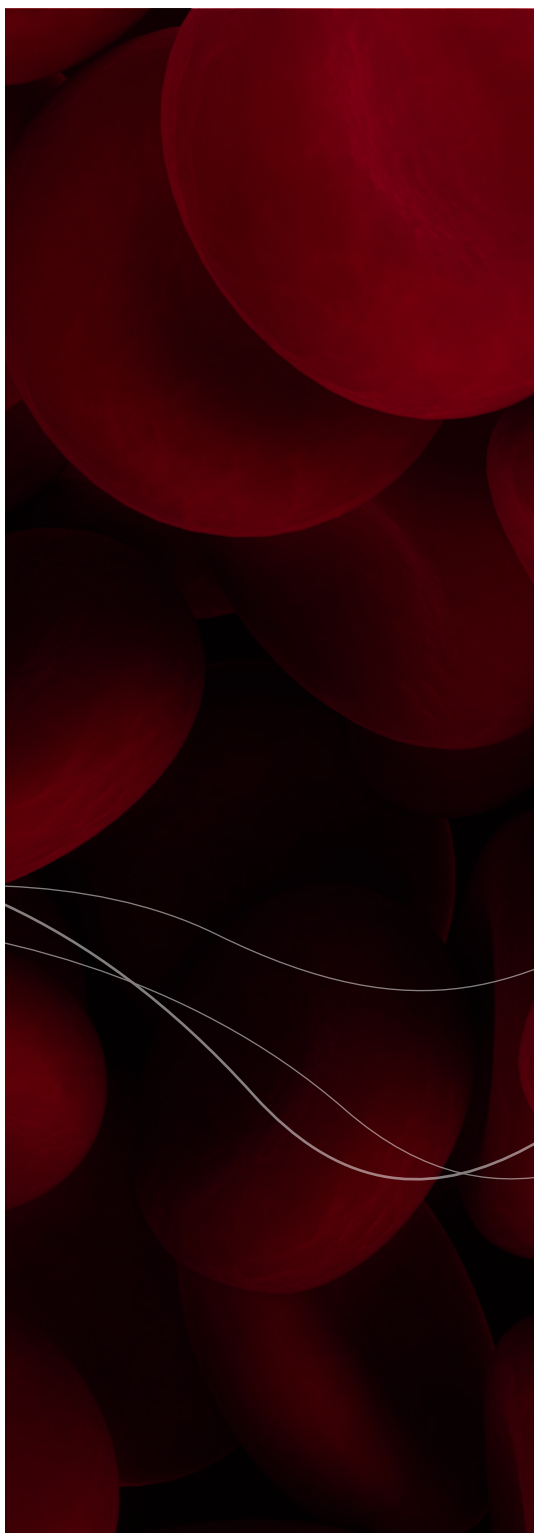
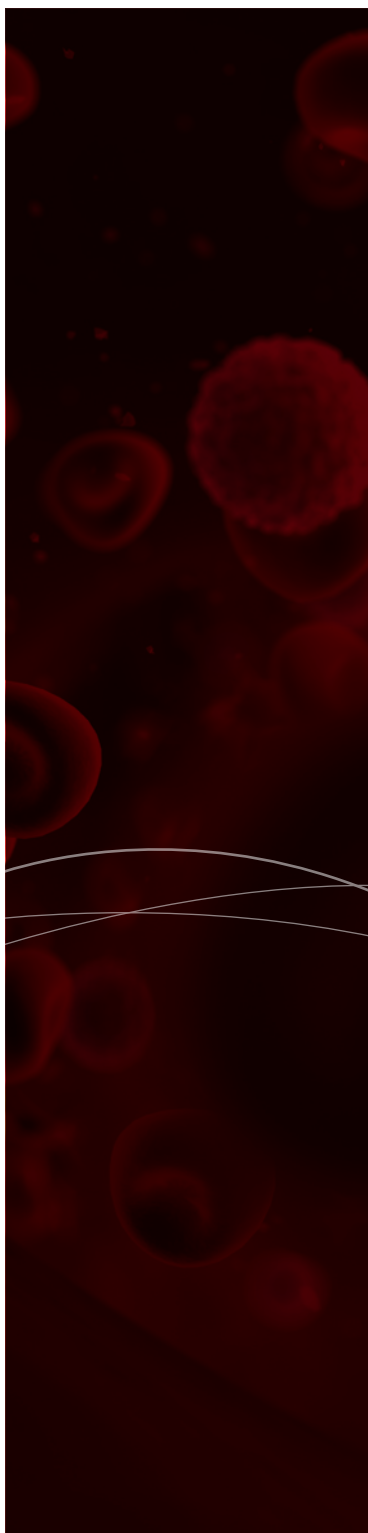
The Medical Council of New Zealand is pleased to submit this report for the year ended 30 June 2008 to the Minister of Health. The report is presented in accordance with section 134 of the Health Practitioners Competence Assurance Act 2003 and includes a report on activities of the Health Practitioners Disciplinary Tribunal for doctors only.



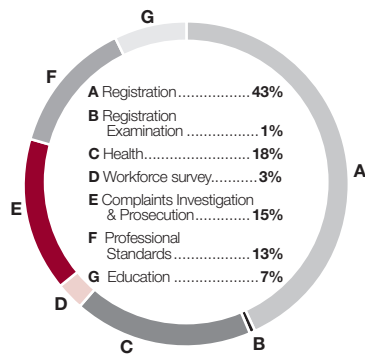
Facts at a glance

1 July 2007–30 June 2008

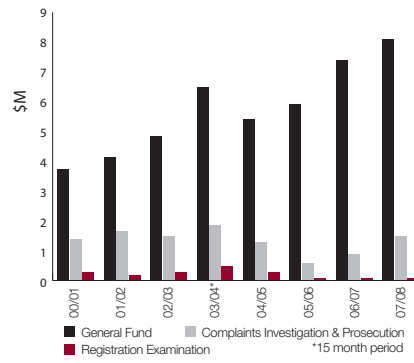
Doctors registered		Candidates who sat NZREX Clinical	56
– Trained in New Zealand	290	Candidates who passed NZREX Clinical	35
– International medical graduates	1,081	Professional conduct committees	19
Total practising doctors at 30 June 2008	12,152	Referrals to competence	38
Doctors registered with vocational scopes	7,811	Referrals to education programmes	6
		Health referrals	66



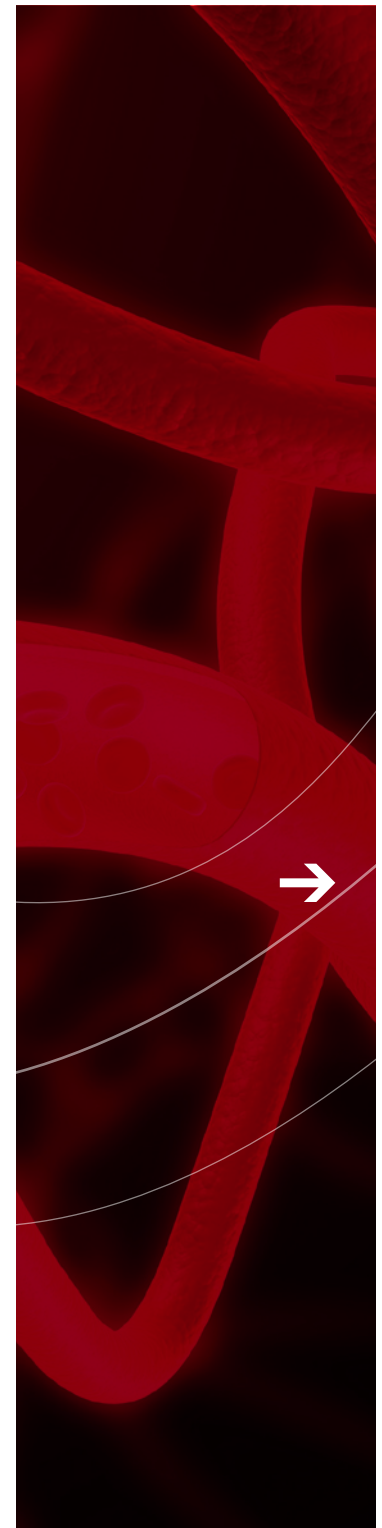
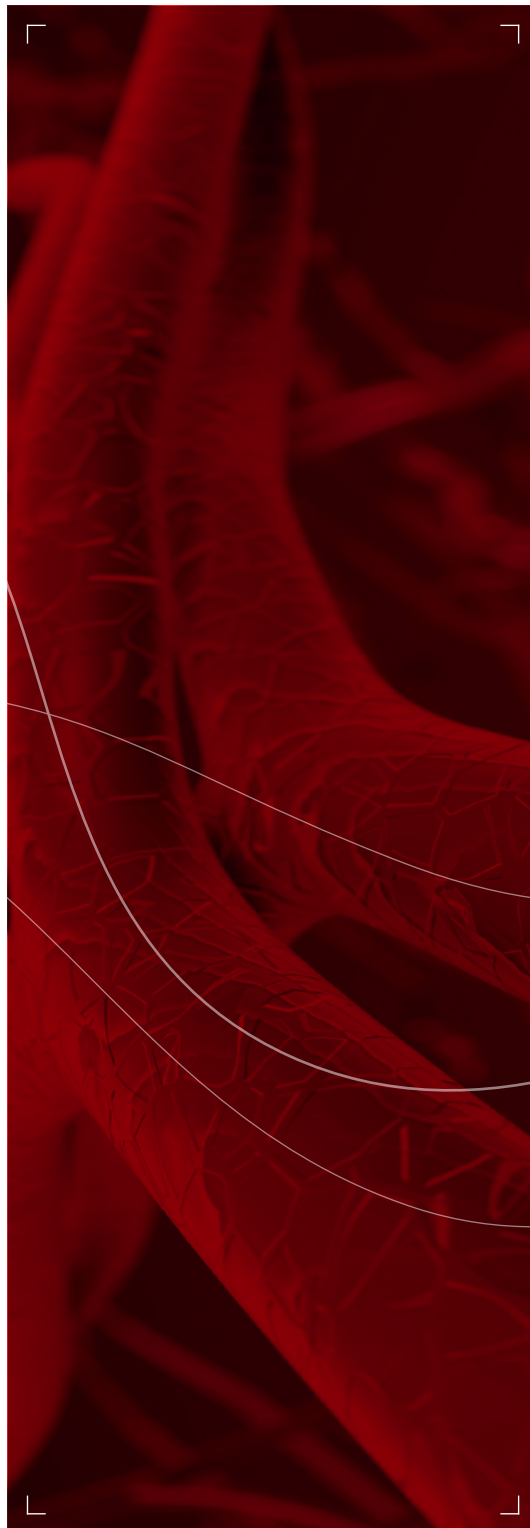
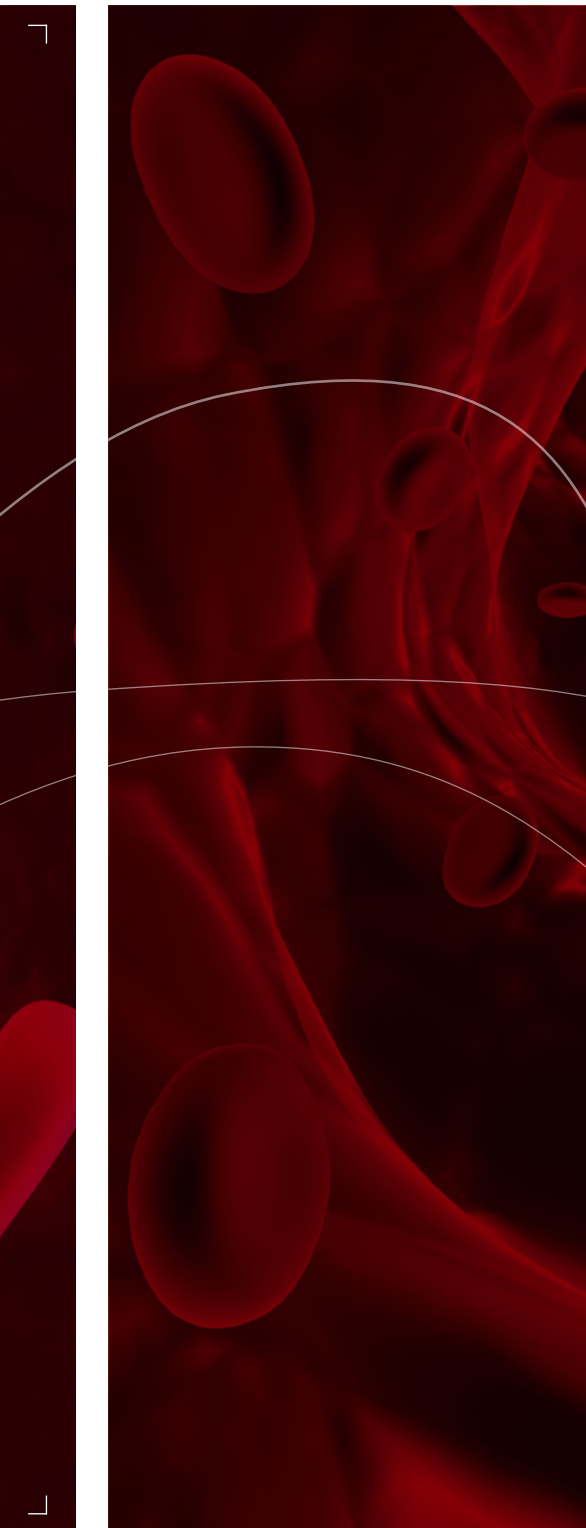
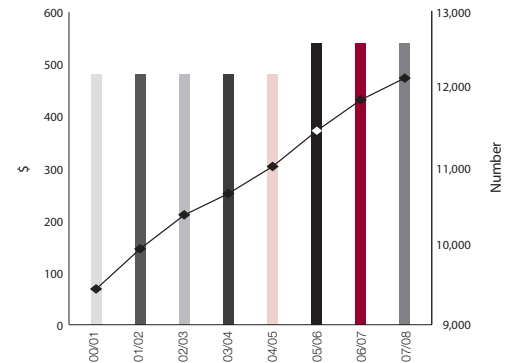
Summary of Expenditure



Total Expenditure



Annual Practising Certificate Fee



Members of the Medical Council

at 30 June 2008



Dr Richard Acland

MB ChB, FAFRM (RACP)

Dr Acland practises in rehabilitation medicine at Burwood Hospital, Christchurch, and consults in chronic pain at the Mercy Hospital, Dunedin. He is a former Clinical Director of anaesthesia and the Spinal Unit in Christchurch.

He practised anaesthesia mainly in Auckland from 1979 to 1994. Dr Acland was President of the New Zealand Pain Society from 2002 to 2003 and has been a member of the Medicines Assessment and Advisory Committee since 1996.



Dr Barnett Bond

MB ChB, FRNZCGP

Dr Bond has worked in rural general practice for 23 years. He was part of a small group practice in the rural Waikato from 1977 to 1994 where he had a large obstetric practice and taught in the family medicine training programme. Between 1983 and 1994 he gave two sessions of general anaesthetics each week at Matamata's Pohlen Hospital.

Dr Bond has worked as a locum in a remote part of Newfoundland and in a small mission hospital in western Thailand. He has a general practice on Waiheke Island and is a GP liaison for Auckland District Health Board. He is also a member of the New Prescribers Committee for the Ministry of Health and a member of an international air repatriation team. Dr Bond is chairperson of the Council's Audit Committee.



**Professor
A John Campbell**

MB ChB, MD, DipObst, FRACP

Professor Campbell has been a consultant physician with the Otago District Health Board since 1980. He has a particular clinical and research interest in geriatric medicine and has been professor of geriatric medicine at Otago Medical School since 1984. Between 1995 and 2005, he was dean of the University of Otago's faculty of medicine. Professor Campbell joined the Council in 2001 and is the current chairperson.

Professor Campbell has numerous professional affiliations. He has been a member of the National Advisory Committee on Health and Disability and a member of the Medical Reference Group. Professor Campbell has both convened and been a member of government committees on services for elderly people.



Ms Jean Hera

NZ Certificate in Science, Bachelor of Social Work (Hons), PhD, Postgraduate Diploma in Social Service Supervision (with Distinction), MANZASW

Ms Hera is a community health worker/manager at the Palmerston North Women's Health Collective and provides professional supervision to social and community workers.

She is a member of the Palmerston North Community Advisory Group of the Manawatu Primary Health Organisation (PHO). She is also a consumer representative on the Quality Improvement Committee (QIC) (previously the National Health Epidemiology and Quality Assurance Committee, known as EPIQUAL).



Ms Liz Hird

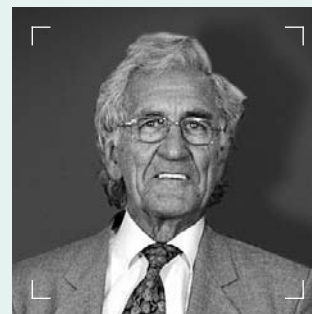
LLB (Hons)

Ms Hird has been a barrister since 1987 and has a wide-ranging commercial and administrative law practice. Ms Hird has had a long involvement in community health, beginning with the founding of the Otaki Women's Health Group in 1987. She was also an initial member of the Otaki community health committee of the area health board and founding trustee and chairperson of the Otaki Community Health Trust. The trust manages a community health services facility. Ms Hird is the current Chair of the trust.

Ms Hird was a member of the Otaki PHO steering committee that established the Otaki Community PHO. Ms Hird is also national legal adviser to Healthcare Aotearoa (Inc), a network of community primary health providers and PHOs.

In 2004, Ms Hird was appointed district inspector for intellectually disabled services for the lower half of the North Island. In 2005, she was reappointed district inspector of mental health services for MidCentral District Health Board.

Ms Hird is a member of the Council's Audit and Education Committees.



Dr Peter Moller

MNZM, MB ChB, MRCPed, MRCP, FRACP

Dr Moller has worked as a junior doctor and general practitioner in New Zealand and London. He specialised in rheumatology and worked at the Christchurch School of Medicine until 2004. He is a rheumatologist in Christchurch.

Dr Moller has been a member of the Medicines Assessment Advisory Committee, Ministry of Health, an adviser to the pharmaceutical industry and a member of the editorial board of the *New Zealand Medical Journal*.

He was appointed to the Council in March 2005 and is a member of the Council's Education Committee.



Dr Joanna MacDonald

MB ChB, FRANZCP, PhD

Dr MacDonald graduated from the University of Otago in 1978, was vocationally registered in psychiatry in 1986, and has since worked in psychiatry in the public health system. She is a senior lecturer in the department of psychological medicine at the Wellington School of Medicine and Health Sciences, works in a clinical position with the Porirua community mental health team and is the Director of Psychiatric Registrar Training for the lower central North Island.

Dr MacDonald has extensive experience in psychiatry. She spent 6 years on the Examination Committee of the Royal Australian and New Zealand College of Psychiatrists and a further 7 years as an ex officio member of the committee and chairperson of its case history subcommittee. More recently, she chaired the bi-national committee responsible for accrediting the Formal Education Programmes of the College. She is a member of the College's professional conduct committee and its Committee for external liaison and reporting.

Dr MacDonald was awarded a PhD in 2008 for a qualitative study of supervision in psychiatric training.



Dr Kate O'Connor

BHB, MB ChB, FRANZCR

Dr O'Connor graduated from the University of Auckland in 1995 and completed her vocational training in diagnostic radiology in 2002. She worked as a house officer in Waikato and Tauranga Hospitals and as a registrar in all the public hospitals in Auckland.

During that time she served on the national executive of the New Zealand Resident Doctors' Association for six years, including two years as national president.

Dr O'Connor is a radiologist at Auckland District Health Board and a partner at Auckland Radiology Group.

She is currently Chair of the Council's Health Committee.



Dr Deborah Read

MB ChB, Dip Com Health, MCCM (NZ), FAFPHM (RACP)

Dr Read is a public health physician with a special interest in environmental health. She works as a consultant in the public sector and as a Medical Officer of Health for the Hutt Valley District Health Board.

Dr Read's career in public health medicine has included positions with the Wellington School of Medicine, the former Public Health Commission and Central Regional Health Authority, MidCentral Health and the Environmental Risk Management Authority New Zealand.

Dr Read is a board member of the Environmental Risk Management Authority and an honorary research fellow at the Centre for Public Health Research at Massey University. She has held a World Health Organization fellowship in environmental health.

Dr Read is Deputy Chairperson of the Council and a member of the Education Committee. She was chair of the Education Committee from 2001 to 2007.



Dr Ian St George

**MB ChB, FRACP,
FRNZCGP, DipEd**

Dr St George is a Wellington general practitioner and Medical Director of McKesson New Zealand (the operator of Healthline). He was medical adviser to the Medical Council between 2001 and 2006. He has held several offices in the Royal New Zealand College of General Practitioners and has been its Chief Censor. He has many professional affiliations, including membership of the International Physicians Assessment Coalition, which he has chaired since 2006. He has been a member of several national non-governmental health organisations.

Dr St George is the author of many papers and several books. He is editor of *Cole's Medical Practice in New Zealand*, now in its sixth edition. He has served as editor of *New Zealand Family Physician* and as a member of the editorial board of the *New Zealand Medical Journal* and several international journals of family medicine.

Dr St George is Chairperson of the Council's Education Committee, and represents the Council on several Australasian educational groups.



Mrs Heather Thomson

Mrs Thomson is in her third term as a public member of the Council. She has been a public member on many boards including several of the Cartwright committees, the former Public Health Commission, the Māori Health Commission and the Bay of Plenty District Health Board.

Mrs Thomson is the manager of Rural Health Services Eastern Bay and lives in Whitianga Bay, 50 kilometres east of Opotiki. Her interest in health has been mainly in health management, the development of services for Māori, and community and rural development. Her hapu is Ngati Paeakau; her iwi te Whanau a Apanui.

Mrs Thomson is a member of the Council's Audit and Health Committees.



Chairperson's foreword

The Council's principal purpose is to protect the health and safety of the public. To help the Council achieve its purpose, we have established four strategic directions:

1 fitness to practise

2 medical migration

3 medical education

4 accountability to the public and stakeholders.

The last year has been one where at times there has been intense media and public scrutiny of the profession, medical errors and the Council's processes. It is during these moments that our role in protecting public health and safety is highlighted, and we have a critical role in allaying concerns about doctors' competence.

It is important we all learn from these episodes. This year the Council has improved several registration and other processes and updated our primary resource *Good Medical Practice*.

Despite the focus on "hard news" stories in the health sector, the good news is that every day some 12,000 doctors see countless patients. Doctors' diagnostic and patient management skills and experience make profound changes to the lives of their patients and families, but often go largely unrecognised.

Articles

Once again, I would like to record my thanks to *New Zealand Doctor* for providing us with the opportunity to raise issues such as cultural competence and supervision through their newspaper.

Good Medical Practice updated

We have reviewed and updated our key resource *Good Medical Practice*, which sets out our expectations of best practice by the medical profession.

The revised *Good Medical Practice* is easier to follow because of more direct and focused language and the use of sidebars linking the resource to other Council statements and resources.

We expect all doctors to be familiar with *Good Medical Practice* and to follow the guidance it contains.

Some of the key changes to *Good Medical Practice* are:

- We expect doctors to properly supervise staff for whom they are responsible or who require supervision including locums, junior colleagues and international medical graduates (IMGs) new to practice in New Zealand.
- We acknowledge that, if doctors delegate care to a colleague, they are not responsible for the decisions and actions of that colleague; however, they remain responsible for their decision to delegate and for the overall management of the patient.
- We expect doctors to be aware of cultural diversity and to act effectively and respectfully when working with and treating people of all cultural backgrounds.
- We expect doctors to behave at all times in a way that justifies their patients' trust in them and the public's trust in the profession.
- We clarify the requirement that doctors inform the Council without delay if, anywhere in the world, they have been charged with, or found guilty of, a criminal offence; or if another professional body has made a finding against their registration as a result of "fitness to practise" proceedings.

Health and Disability Commissioner's Report on Dr Roman Hasil and the Whanganui District Health Board

The report of the Health and Disability Commissioner (HDC) on Dr Roman Hasil and the Whanganui DHB was released in late February 2008.

The report noted several changes to processes that the Council should consider, particularly for registration. After the release of the report, the Council took the following actions.

- We wrote to all DHBs and recruitment agents reminding them that they must provide all relevant information to the Council when submitting a registration application.
- We added a declaration confirming that all information has been provided to the form that DHBs and recruitment agents sign.
- We changed the certificate of good standing (CGS) requirements. From 1 August 2008, all doctors applying for registration in New Zealand need to supply a CGS from each jurisdiction in which they have been registered in the last 5 years. (The previous requirement applied to the last 3 years). As well, any doctors who disclose concerns about competence, conduct or health need to supply a CGS from the jurisdiction in which the doctor was registered at the time, regardless of the time elapsed.



Media briefings

We held a media briefing session for general and health journalists in July 2007 focusing on the value that international medical graduates add to our healthcare system. We were very grateful for the contributions from the following speakers:

- Dr Ian Brown, Chair – National Chief Medical Officers' Groups
- Dr Geoff Robinson, Chief Medical Officer, Capital & Coast DHB
- Dr Peter Foley, Chairman, New Zealand Medical Association
- Mr Ron Paterson, Health and Disability Commissioner
- Dr Alec Ekeroma, Chairman, New Zealand Committee, Royal Australian and New Zealand College of Obstetricians and Gynaecologists.

In mid-June this year, we held another media briefing for general and health journalists. The theme for the day was "The changing face of your doctor" with the following speakers:

- the Honourable Steve Chadwick, Associate Minister of Health
- Mr Len Cook, Chair of the Medical Training Board
- Ms Anna Dare, President of the New Zealand Medical Students Association
- Dr Sue Hancock, Censor in Chief, Royal New Zealand College of General Practitioners.

These briefings help us build on our existing relationships with the media and keep them informed about important current or potential issues.

Our policy on commenting on individual doctors

The Council has a long-standing policy of not commenting publicly about individual doctors. However, a doctor may sometimes make information public, or the doctor's patient or other people may comment publicly. In such cases, the Council may decide to comment if providing additional information is likely to correct misconceptions and clarify the issues. We decide whether to comment on a case-by-case basis.

Maintaining relationships with stakeholders

As in other years, Council members, the chief executive and senior staff met with stakeholders throughout New Zealand.

Meetings were held with hospital doctors and GPs in Auckland, Hawke's Bay, Rotorua and on the West Coast. These meetings provide us with a valuable opportunity to hear and discuss first hand the concerns of the profession. They also provide us with an opportunity to explain our decision-making process and hear from those doctors affected by our decisions.

New vocational scope – rural hospital medicine

In June 2008 the Council recognised the new vocational scope of rural hospital medicine.

The new scope will help workforce management in rural areas by creating a career pathway for doctors working in the rural sector. A major benefit for patient safety is that these doctors will now undergo an accredited training programme.

The total number of recognised vocational scopes in New Zealand is now 35.

Workforce issues

The release of the Quality Improvement Committee report on sentinel events in February, and some recent reports from the Health and Disability Commissioner, led to considerable public discussion about quality in the health sector.

An essential requirement for quality is a well-trained and well-maintained medical workforce. This requires investment not only in undergraduate and vocational training, but also in the years immediately after graduation and in the years of continuing practice.

It is time for a planned, substantial investment in the quality of health-care education in New Zealand. Such an investment is essential if we are to assure the public that all doctors are fit to practise.

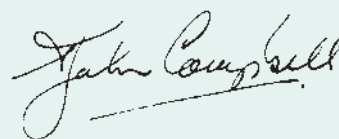
This year the Council has been advocating that all doctors undertake a practice review as a more direct assessment of professional performance and a guide to strengths and weaknesses.

Any deficiencies identified by such an assessment would be best handled at the college, association or educational provider level. The Council would need to be involved only if there were unresolved problems or concerns about patient safety.

Even if done only every 5 years, two doctors reviewing the practice of a colleague for a day will be an expensive exercise. Currently those doctors undergoing performance reviews as part of their continuing professional development are meeting the costs themselves. If we are to introduce practice reviews across the profession – and it is most important for public confidence and safety that we do – then we shall need to explore funding options.

Thanks

Finally, I would like to acknowledge the dedication and the professionalism of staff and the commitment and support of Council members during the last year.



John Campbell
Chairperson



Chief Executive's introduction

This year we have continued to focus on our four strategic directions.

1 Fitness to practise

We will:

- ensure that poorly performing doctors or doctors with health concerns are well managed and that the public is protected
- improve the standards of the medical profession in consultation with the public, doctors and other stakeholders.

2 Medical migration

We will:

- research the role and the effect of international medical graduates (IMGs) in New Zealand
- work in partnership with branch advisory bodies, district health boards, primary health organisations and other stakeholders to ensure IMGs are appropriately inducted and supervised.

3 Medical education

We will work with stakeholders to develop, consult on and implement a competency-based approach to medical education and intern training.

4 Accountability to the public and stakeholders

We recognise our key purpose is to protect the health and safety of the public. In consultation with the public, doctors and other stakeholders, we will:

- obtain feedback about the purpose and processes of the Council
- promote understanding of the Health Practitioners Competence Assurance Act 2003 (HPCAA).

Much of the year has been spent researching and planning with Council members and stakeholders to bring these goals to fruition.

Core business and increased costs

This year the Council has faced substantial and increasing workloads, as well as costs associated with professional conduct committees (PCCs), the Health Practitioners Disciplinary Tribunal (HPDT) and performance assessment committees (PACs).

The number of PCCs has increased from six in 2005/2006 to 18 in 2007/2008. The number of hearing days for the Health Practitioners Disciplinary Tribunal has also increased, and PACs have increased from 19 to 42 in the same period. In one PCC case alone, the costs to the Council have been about \$0.71 million.

The costs associated with the development of the Council's new information and technology systems will be about \$3.0 million. We intend that in a year's time doctors will be able to access their own full record online, which will enable them to organise their annual practising certificate (APC) and carry out several other tasks electronically. The system has a planned lifespan of at least 10 years.

Like many other organisations, our fixed costs have also risen, with substantial cost increases for administrative services over the past 2 years.

Disaster planning committee

The disaster planning committee is developing a business continuity plan. This plan will make sure processes and resources are in place for continued delivery of key business objectives if a disaster occurs such as an earthquake or pandemic (or an event such as a fire at the Council premises).

Our disaster planning committee has also worked closely with the Ministry of Health to discuss resourcing issues for mobilising the medical practitioner workforce and the responsibilities of the Council during and after a major disaster or pandemic.

Ongoing discussions with the Ministry of Health are proving useful in determining whether changes need to be made to the Council's *New Zealand Gazette* notice on scopes of practice and whether a 'disaster response' scope of practice needs to be added.

The Council will consult on a wider basis with the district health boards and other stakeholders if a change to the *Gazette* notice is needed.

Information technology

Using a request for proposal process we have selected two vendors to help develop the Council's information technology systems.

Optimation Ltd has been selected to enter into contract negotiations for the development of MedSys, the replacement system for MedCln (our electronic database). MedSys incorporates greater automation and in time will include interactive capability such as enabling doctors to apply online for annual practising certificates and allowing doctors to update their personal information electronically.

TechTonics Ltd has been selected as the vendor of an electronic document and record management system (EDRMS). TechTonics have provided the EDRMS software (OpenText) and will support the Council in the implementation, configuration and ongoing use of the system. Initial implementation of the system will be completed in mid-2008.

Research

In August we commissioned TNS Conversa to conduct research with key stakeholders and the profession.

The purpose of the research was to find out:

- what understanding key stakeholders, the public and the profession have of the role and functions of the Council
- whether the Council's communications (through publications and media comments) are clearly understood and effective.

The research included online interviews with both health consumers and doctors. Other stakeholders interviewed were journalists, representatives of medical colleges, medical groups, doctors' groups, and advocacy and consumer groups.

The results of the survey are now being used to improve our service delivery to the profession, as well as our consultation and communications with stakeholders.

Staff

The Council has continued its drive to be "an employer of choice" for staff by offering flexible working hours wherever possible, actively encouraging all staff to undertake personal development or other training programmes and initiating a reward and recognition scheme.

Thanks

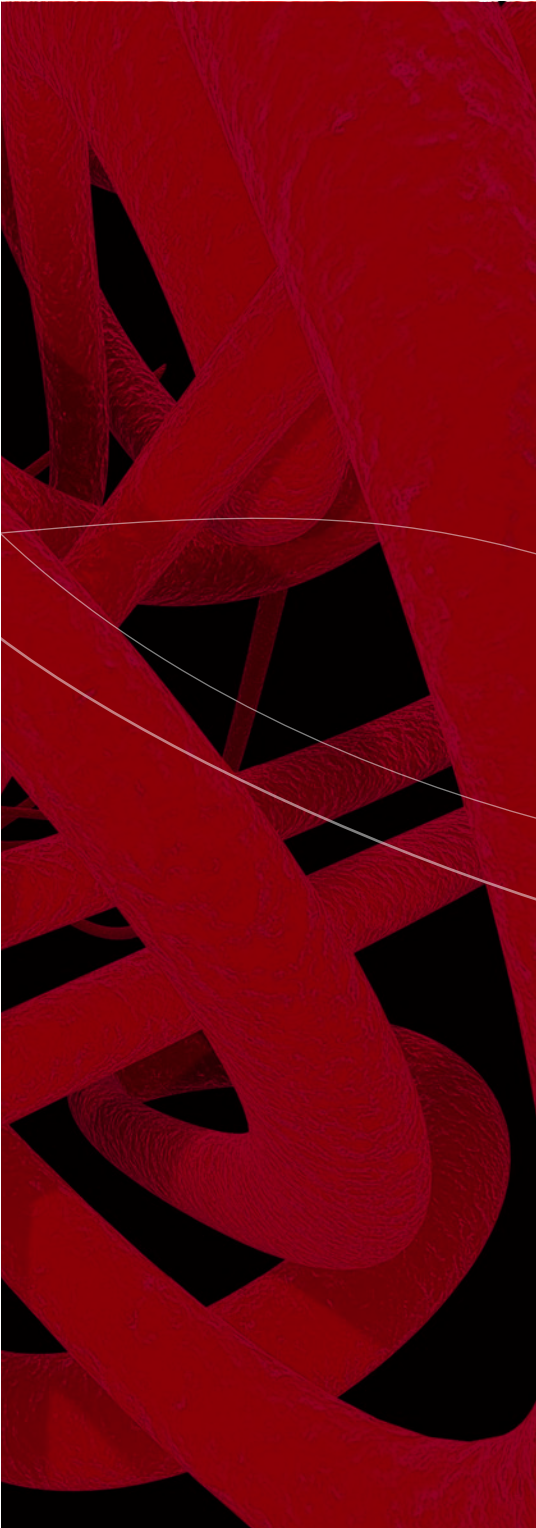
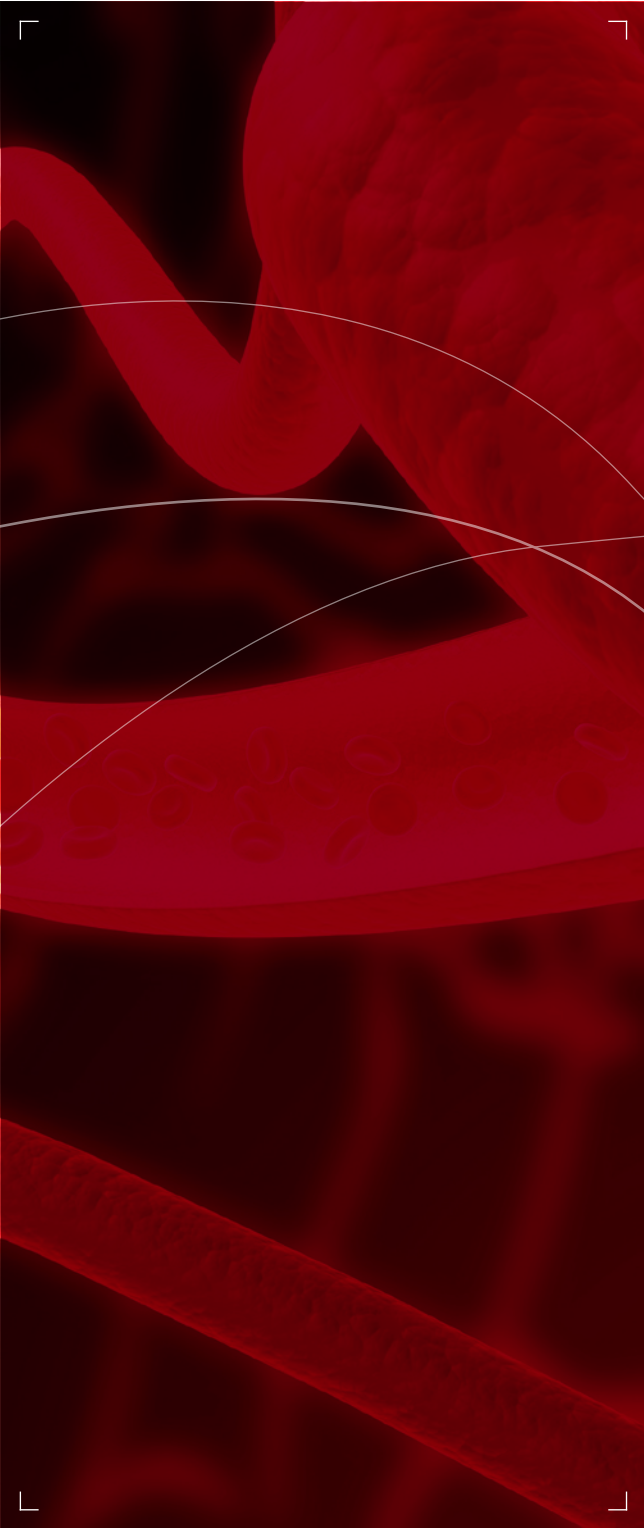
My thanks go to Professor John Campbell, all Council members and staff for their support and professionalism during the year.



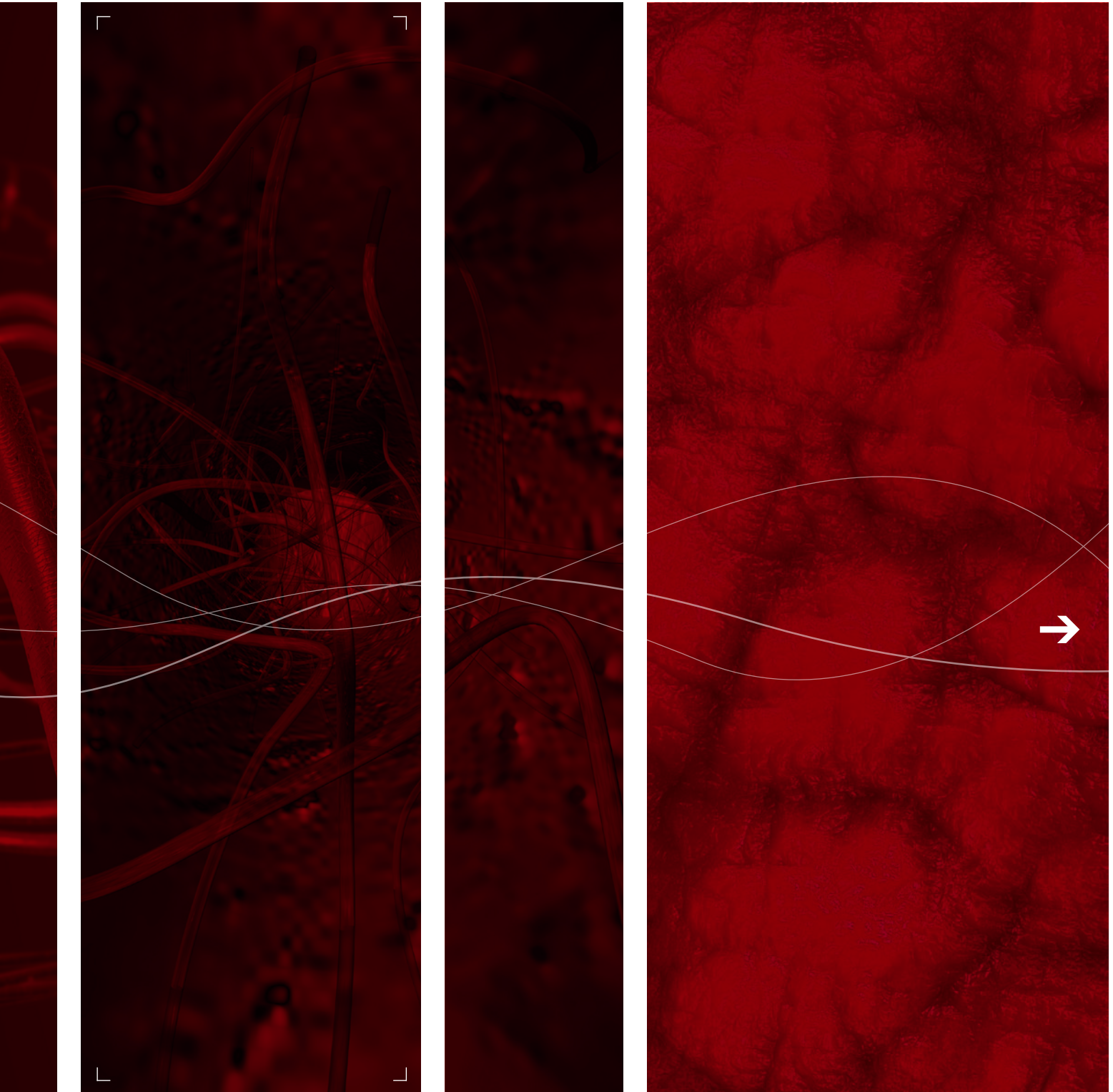
Philip Pigou
Chief Executive



Significant Activities



- 16 Medical education
- 17 Doctors' health
- 19 Registration of doctors
- 34 Examinations
- 36 Professional standards
- 38 Complaints
- 39 Medical workforce survey
- 41 Tribunals
- 43 Corporate governance
- 45 Council committees



Medical education

Principal activities: accreditation of medical schools, assessing teaching and learning environments in hospitals for interns, maintaining a network of intern supervisors, setting policy on the intern and pre-vocational years, considering applications for recognition and reaccreditation of vocational scopes of practice, approving recertification programmes.

Total cost: \$701,122

Our focus on medical standards and public safety begins with the education of doctors.

Our areas of responsibility are:

- accreditation of medical schools and courses in conjunction with the Australian Medical Council
- education, training and supervision during a doctor's intern year
- vocational education and training
- accreditation and reaccreditation of branch advisory bodies (BABs) and colleges.

The Council's Education Committee

The Education Committee is made up of doctors and educators. It includes two resident medical officers who provide an important perspective as recent graduates.

See page 45 for the members of the Education Committee.

Overseeing interns

The Council is responsible for promoting medical education and training under the HPCAA. This includes overseeing the intern year – the period when junior doctors are registered in a provisional general scope.

The Council recognises that educational goals and policies for interns must:

- support public health and safety at all times
- provide appropriate education, training, supervision and experience to enable interns to become registered within a general scope of practice
- take account of workforce shortages in New Zealand and other medical workforce factors.

Doctors' health

Principal activities: considering the cases of doctors with possible health conditions, establishing treatment and monitoring programmes for doctors whose health conditions affect their fitness to practise, promoting doctors' health.

Total cost: \$1,733,046

The Council aims to protect patients by appropriately managing doctors who may not be fit to practise because of a mental or physical condition.

Doctors, like the general population, can suffer from various afflictions including drug and alcohol dependence, psychiatric problems and a wide range of physical disorders, all of which can affect their performance.

Referrals to the Health Committee

The Health Committee received 66 new referrals of doctors during the year. Of these, 11 doctors were involved in a high-level monitoring programme and 36 needed a lower level of monitoring. Another 16 cases were closed.

Monitoring programmes

In addition to new referrals, the Council continued to monitor 196 doctors from the previous year. Of these, 59 were in a high-level monitoring programme, 72 were monitored at a lower level and 71 files were closed.

A high-level monitoring programme involves regular review and follow-up of a doctor's health by the Health Committee. A low-level programme involves periodic monitoring of a doctor's health, often through progress reports from the doctor's treatment team.

The total number of doctors monitored for the year was 172. See Table 1 for a summary of health statistics for doctors.



1. Doctors' health statistics

1 July 2007–30 June 2008

NEW REFERRALS RECEIVED	66
High-level monitoring	11
Low-level monitoring	36
In abeyance	3
Closed	16
MONITORING CONTINUED FROM PREVIOUS YEAR	196
High-level monitoring	59
Low-level monitoring	72
Closed	71
Total doctors monitored at 30 June 2007	172
NEW REFERRALS – SOURCE OF REFERRAL	
Self	37
Employer	9
Council	7
Treating doctor	5
Media	2
Other	6
NEW REFERRALS – SUSPECTED CONDITION	
Drug abuse	2
Alcohol abuse	16
Psychiatric	34
Physical – includes cognitive, transmissible major viral infections	14

Registration of doctors

Principal activities: maintaining the medical register, considering applications for registration, issuing annual practising certificates and certificates of good standing, developing registration policy.

Total cost: \$4,231,664

To practise medicine in New Zealand, all doctors must be registered by the Council and hold an annual practising certificate (APC). Registration ensures that a doctor has met the required training standards of the Council and that the Council is fulfilling its role of protecting public health and safety.

Registration continues to be the Council's largest area of activity. See Table 2 for a summary of registration status and Table 3 for a summary of the Council's registration activities.

Table 4 gives details of the New Zealand Vocational Register and Table 5 shows registrations issued by country of primary qualification. See Table 6 for statistics about vocational scopes and Table 7 for a summary of the outcomes of vocational assessments. Table 8 shows the numbers of doctors on the New Zealand medical register, by country of primary qualification.

Key statistics

Key registration statistics for the year ended 30 June 2008 were:

- 1,081 international medical graduates (IMGs) were registered
- 290 New Zealand graduates were registered
- 16,698 doctors were on the medical register and 12,152 of these held a current APC.

2. Summary of registration status

At 30 June 2008

Provisional general	2,169
General	6,319
Provisional vocational	144
Vocational	7,811
Special purpose	241
Total practising	12,152
Suspended	5
Total on register	16,689

Note: Doctors holding more than one registration status concurrently have been counted once for this table.

3. Registration activities

1 July 2007–30 June 2008

	Number
PROVISIONAL GENERAL / VOCATIONAL ISSUED	
New Zealand graduates (interns)	284
Australian graduates (interns)	3
Approved examination passed	25
Graduate of competent authority accredited medical school	420
Worked in comparable health system	258
New Zealand and overseas graduates (reregistration following erasure)	–
Transitional	6
Non-approved postgraduate qualification – vocational assessment	46
Non-approved postgraduate qualification – vocational eligible	52
Approved postgraduate qualification – vocational eligible	3
GENERAL SCOPE ISSUED	
New Zealand graduates	2
Overseas graduates	55
Reinstatements	23
SPECIAL PURPOSE SCOPE ISSUED	
Visiting expert	15
Sponsored trainee	–
Research	–
Postgraduate training or experience	42
Locum tenens in specialist post	160
Emergency or other unpredictable short-term situation	–
GENERAL SCOPE AFTER COMPLETION OF SUPERVISED PERIOD	
New Zealand / Australian graduates (interns)	294
Approved examination passed	25
Graduate of competent authority accredited medical school	162
Worked in comparable health system	22
Transitional	33
VOCATIONAL SCOPE AFTER COMPLETION OF SUPERVISED PERIOD	
Non-approved post graduate qualification – vocational assessment	14
Non-approved post graduate qualification – vocational eligible	63
Approved post graduate qualification – vocational eligible	1
Approved BAB training programme	–

Continued...

	Number
SUSPENSIONS	
Suspended or interim suspension scope	–
Revocation of suspension scope	2
Suspended or interim suspension certificate	–
Revocation of suspension certificate	–
CONDITIONS	
CANCELLATIONS UNDER THE HPCAA	
Death – s 143	33
Discipline order – s 101(1)(a)	3
False, misleading or not entitled – s 146	–
Revision of register – s 144(5)	199
At own request – s 142	138



4. Doctors registered in vocational scopes

1 July 2007–30 June 2008

Vocational scope	Vocational registration at 30/6/2007 ¹	Added 2007/2008	Removed 2007/2008	Net change	Vocational scope at 30/6/2008 ^{1,2}
Accident and medical practice	126	10	1	9	135
Anaesthesia	591	35	5	28	621
Breast medicine	5	–	5	–5	–
Cardiothoracic surgery	28	1	–	1	29
Clinical genetics	8	–	–	–	8
Dermatology	53	3	1	1	55
Diagnostic and interventional radiology	324	23	1	19	346
Emergency medicine	120	18	–	18	138
Family planning and reproductive health	24	3	1	2	26
General practice	2810	123	39	77	2894
General surgery	277	16	1	15	292
Intensive care medicine	54	3	–	3	57
Internal medicine	817	48	8	38	857
Medical administration	16	2	–	2	18
Musculoskeletal medicine	20	1	–	1	21
Neurosurgery	19	2	1	2	20
Obstetrics and gynaecology	287	12	5	6	294
Occupational medicine	50	2	1	1	51
Ophthalmology	141	4	–	4	145
Oral and maxillofacial surgery	14	1	–	1	15
Orthopaedic surgery	236	11	3	6	244
Otolaryngology, head and neck surgery	103	6	1	5	108

Continued...

Vocational scope	Vocational registration at 30/6/2007 ¹	Added 2007/2008	Removed 2007/2008	Net change	Vocational scope at 30/6/2008 ^{1,2}
Paediatric surgery	18	–	–	–	18
Paediatrics	294	13	2	11	305
Palliative medicine	35	4	–	4	39
Pathology	286	15	2	11	299
Plastic and reconstructive surgery	53	7	2	5	58
Psychiatry	536	37	2	33	571
Public health medicine	187	12	3	7	196
Radiation oncology	59	2	1	1	60
Rehabilitation medicine	12	2	–	2	14
Sexual health medicine	19	2	1	1	20
Sports medicine	14	4	–	4	18
Urology	56	5	1	4	60
Vascular surgery	23	1	–	1	24
Total	7,715	428	87	318	8,056

Notes:

¹ Includes doctors who may currently be inactive (have no APC).

² Includes 243 doctors with vocational registration in two branches and one doctor with vocational registration in three branches.



5. Registration issued by country of primary qualification

1 July 2006–30 June 2007

Country	PROVISIONAL GENERAL							PROVISIONAL VOCATIONAL					SPECIAL PURPOSE					
	New Zealand / Australian graduates	Exams	Competent authority	Comparable health system	Discipline	Transitional	Total	Non-app postgrad qual voc assessment	Non-app postgrad qual voc eligible	App post grad qual voc eligible	BAB training programme	Total	Visiting expert	Sponsored trainee	Research	Post grad training/exp	Locum tenens	Total
Antigua and Barbuda	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Argentina	-	1	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-
Australia	3	-	-	-	-	-	3	-	1	-	-	1	5	-	-	-	2	7
Austria	-	-	-	-	-	-	-	1	-	-	-	1	-	-	-	-	-	-
Belgium	-	-	-	2	-	-	2	-	-	-	-	-	-	-	-	-	-	-
Brazil	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	1
Bulgaria	-	-	-	1	-	-	1	-	-	-	-	-	-	-	-	-	1	1
Canada	-	-	-	15	-	-	15	1	-	-	-	1	-	-	-	1	15	16
China	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Colombia	-	1	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-
Costa Rica	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Croatia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cuba	-	-	-	-	-	-	-	1	-	-	-	1	-	-	-	-	-	-
Czech Republic	-	-	-	1	-	-	1	-	-	-	-	-	-	-	-	-	1	1
Denmark	-	-	-	2	-	-	2	-	-	-	-	-	-	-	-	-	-	-
Dominica	-	-	-	1	-	-	1	-	-	-	-	-	-	-	-	-	-	-
Dominican Republic	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Egypt	-	-	-	3	-	-	3	1	-	-	-	1	-	-	-	-	2	2
England	-	-	274	-	-	-	274	9	17	-	-	26	2	-	-	-	19	21
Fiji	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	1
Finland	-	-	-	2	-	-	2	-	-	-	-	-	-	-	-	-	-	-
France	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Germany	-	-	-	27	-	-	27	1	-	-	-	1	-	-	-	-	3	3
Ghana	-	-	-	1	-	-	1	1	-	-	-	1	-	-	-	-	-	-
Greece	-	1	-	1	-	-	2	-	-	-	-	-	-	-	-	-	-	-
Grenada	-	-	-	1	-	-	1	-	-	-	-	-	-	-	-	-	-	-
Hong Kong	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hungary	-	-	-	2	-	-	2	-	-	-	-	-	-	-	-	-	1	1
Iceland	-	-	-	1	-	-	1	-	-	-	-	-	-	-	-	-	-	-
India	-	12	-	44	-	-	56	3	4	-	-	7	1	-	-	9	7	17
Indonesia	-	1	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-
Iran	-	3	-	1	-	-	4	1	-	-	-	1	-	-	-	-	1	1
Iraq	-	-	-	2	-	-	2	-	-	-	-	-	-	-	-	-	-	-

Continued...

Country	PROVISIONAL GENERAL							PROVISIONAL VOCATIONAL					SPECIAL PURPOSE					
	New Zealand / Australian graduates	Exams	Competent authority	Comparable health system	Discipline	Transitional	Total	Non-app postgrad qual voc assessment	Non-app postgrad qual voc eligible	App post grad qual voc eligible	BAB training programme	Total	Visiting expert	Sponsored trainee	Research	Post grad training/exp	Locum tenens	Total
Ireland	-	-	37	2	-	-	39	-	1	-	-	1	-	-	-	-	2	2
Israel	-	-	-	1	-	-	1	-	-	-	-	-	-	-	-	1	-	1
Italy	-	-	-	4	-	-	4	-	-	-	-	-	-	-	-	-	-	-
Japan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Kazakhstan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Kenya	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Korea (Republic of)	-	-	-	1	-	-	1	-	-	-	-	-	-	-	-	-	1	1
Libya	-	-	-	1	-	-	1	-	-	-	-	-	-	-	-	-	-	-
Malaysia	-	1	-	-	-	-	1	-	-	-	-	-	-	-	-	2	-	2
Malta	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mexico	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Montserrat	-	-	-	1	-	-	1	-	-	-	-	-	-	-	-	-	-	-
Myanmar	-	-	-	2	-	-	2	-	-	-	-	-	-	-	-	-	1	1
Nepal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Netherlands	-	-	-	16	-	-	16	2	2	-	-	4	-	-	-	-	-	-
Nigeria	-	-	-	3	-	-	3	-	-	-	-	-	-	-	-	-	2	2
Northern Ireland	-	-	2	-	-	-	2	-	-	-	-	-	-	-	-	-	-	-
Oman	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pakistan	-	3	-	3	-	-	6	-	-	-	-	-	-	-	-	-	2	2
Peru	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Philippines	-	-	-	1	-	-	1	-	-	-	-	-	-	-	-	2	1	3
Poland	-	1	-	2	-	-	3	-	-	-	-	-	-	-	-	-	-	-
Romania	-	-	-	-	-	-	-	1	-	-	-	1	-	-	-	-	1	1
Russia	-	-	-	-	-	-	-	1	-	-	-	1	-	-	-	-	1	1
Scotland	-	-	83	-	-	-	83	2	6	2	-	10	-	-	-	-	9	9
Sierra Leone	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Slovakia	-	-	-	2	-	-	2	-	-	-	-	-	-	-	-	-	-	-
South Africa	-	-	-	7	-	6	13	6	2	-	-	8	1	-	-	2	19	22
Spain	-	-	-	1	-	-	1	-	-	-	-	-	-	-	-	-	-	-
Sri Lanka	-	1	-	3	-	-	4	1	2	-	-	3	-	-	-	16	-	16
Sudan	-	-	-	1	-	-	1	-	-	-	-	-	-	-	-	-	-	-
Sweden	-	-	-	11	-	-	11	2	-	-	-	2	1	-	-	-	-	1
Switzerland	-	-	-	2	-	-	2	-	-	-	-	-	-	-	-	-	-	-
Syria	-	-	-	2	-	-	2	-	-	-	-	-	-	-	-	-	-	-

Continued...



Country	PROVISIONAL GENERAL							PROVISIONAL VOCATIONAL					SPECIAL PURPOSE					
	New Zealand / Australian graduates	Exams	Competent authority	Comparable health system	Discipline	Transitional	Total	Non-app postgrad qual voc assessment	Non-app postgrad qual voc eligible	App post grad qual voc eligible	BAB training programme	Total	Visiting expert	Sponsored trainee	Research	Post grad training/exp	Locum tenens	Total
Taiwan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trinidad and Tobago	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ukraine	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
United States of America	-	-	-	82	-	-	82	10	13	1	-	24	4	-	-	7	66	77
Uruguay	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Uzbekistan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wales	-	-	24	-	-	-	24	1	2	-	-	3	-	-	-	-	2	2
Yemen	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Zambia	-	-	-	2	-	-	2	-	-	-	-	-	-	-	-	-	-	-
Zimbabwe	-	1	-	1	-	-	2	-	-	-	-	-	-	-	-	-	1	1
New Zealand	284	-	-	-	-	-	284	1	2	-	-	3	1	-	-	-	-	1
Total	287	26	420	258	0	6	997	45	52	3	0	101	15	0	0	42	160	217



6. Vocational scopes granted to doctors, by vocational scope

1 July 2007–30 June 2008

Vocational scope	Overseas	New Zealand
Accident and medical practice	7	3
Anaesthesia	18	17
Breast medicine	–	–
Cardiothoracic surgery	–	1
Clinical genetics	–	–
Dermatology	–	3
Diagnostic and interventional radiology	10	13
Emergency medicine	12	6
Family planning and reproductive health	2	1
General practice	64	59
General surgery	9	7
Intensive care medicine	1	2
Internal medicine	20	28
Medical administration	2	–
Neurosurgery	1	1
Obstetrics and gynaecology	9	3
Occupational medicine	2	–
Ophthalmology	2	2
Oral and maxillofacial surgery	0	1
Orthopaedic surgery	5	6
Otolaryngology, head and neck surgery	2	4
Paediatric surgery	–	–
Paediatrics	4	9
Palliative medicine	2	2
Pathology	9	6
Plastic and reconstructive surgery	0	7
Psychiatry	28	9
Public health medicine	2	10
Radiation oncology	1	1
Rehabilitation medicine	1	1
Sexual health medicine	1	1
Sports medicine	1	3
Urology	1	4
Vascular surgery	1	–
Total	217	210

7. Outcomes of vocational assessments

1 July 2007–30 June 2008

Branch	Incomplete applications	Pending (at College / Council)	Withdrawn / lapsed	Vocational scope	Vocational eligible	Vocational assessment	NZFEX	Total
Anaesthesia	2	3	1	1	7	5	4	23
Dermatology	1	1	–	–	1	–	–	3
Diagnostic and interventional radiology	2	1	–	–	2	6	2	13
Emergency medicine	–	–	2	6	3	2	–	13
General practice	1	–	3	2	2	3	–	11
General surgery	1	3	1	1	5	2	1	14
Intensive care medicine	–	–	1	–	–	1	–	2
Internal medicine	3	6	1	2	8	7	1	28
Medical oncology	–	1	–	–	–	–	–	1
Neurosurgery	–	1	–	–	2	–	2	5
Obstetrics and gynaecology	1	4	–	–	4	4	3	16
Occupational medicine	1	–	–	–	–	–	–	1
Ophthalmology	1	–	–	–	1	–	2	4
Oral and maxillofacial surgery	–	2	–	–	1	–	–	3
Orthopaedic surgery	3	2	1	–	5	–	2	13
Otolaryngology head and neck surgery	–	1	–	–	1	3	–	5
Paediatric surgery	–	–	–	–	–	1	1	2
Pathology	4	–	–	3	5	5	1	18
Plastic and reconstructive surgery	–	–	–	–	1	–	–	1
Psychiatry	12	4	4	5	4	13	1	43
Public health medicine	–	–	–	–	–	1	–	1
Radiation oncology	1	1	–	–	–	3	–	5
Rehabilitation medicine	–	1	–	–	1	1	–	3
Sexual health medicine	–	–	–	–	–	1	–	1
Urology	–	1	–	–	1	–	–	2
Vascular surgery	–	1	–	–	1	–	–	2
Total	33	33	14	20	58	55	20	233
Percentages based on total number of outcomes				13.07%	37.91%	35.95%	13.07%	

8. Doctors on the New Zealand medical register, by country of primary qualification

As at 30 June 2008

Country	Provisional general	General	Provisional vocational	Vocational	Special purpose	Total	Number with practising certificates
England	665	557	21	918	25	2,186	1,433
South Africa	152	306	27	592	11	1,088	789
India	121	170	10	238	23	562	414
Scotland	205	185	6	252	8	656	413
Australia	4	381	1	206	4	596	321
United States of America	198	18	28	95	76	415	202
Sri Lanka	11	99	2	166	41	319	201
Germany	71	32	5	54	3	165	122
Iraq	9	95	–	55	–	159	112
Ireland	97	49	3	51	2	202	97
Bangladesh	5	88	–	19	–	112	86
Wales	44	30	2	38	1	115	73
Canada	51	24	1	44	13	133	62
Fiji	1	16	–	38	6	61	55
Egypt	8	38	2	27	2	77	53
Netherlands	36	9	7	16	–	68	49
Pakistan	23	21	1	19	2	66	48
China	3	34	–	9	–	46	42
Philippines	4	32	2	9	–	47	38
Zimbabwe	3	6	2	23	2	36	30
Russia	5	18	1	9	–	33	28
Hong Kong	1	5	–	33	–	39	28
Yugoslavia (Federal Republic)	–	20	1	21	–	42	27
Northern Ireland	20	16	–	21	–	57	26
Romania	4	7	4	9	2	26	21
Poland	9	11	–	10	–	30	18
Sweden	17	5	2	5	1	30	17
Singapore	–	2	–	20	–	22	17
Myanmar	5	7	–	9	1	22	17
Croatia	1	7	–	8	–	16	14
Nigeria	5	4	–	2	1	12	12
Italy	6	2	1	2	–	11	11
Papua New Guinea	–	3	–	6	–	9	9
Hungary	5	3	–	4	1	13	9
Czech Republic	1	5	–	4	–	10	8
Bulgaria	1	3	–	6	1	11	8
Ukraine	3	–	–	2	–	5	8

Continued...

Country	Provisional general	General	Provisional vocational	Vocational	Special purpose	Total	Number with practising certificates
Denmark	5	2	–	4	–	11	7
Malaysia	1	2	–	5	2	10	7
Zambia	4	2	–	2	1	9	7
Syria	4	3	–	–	–	7	7
Norway	1	2	1	4	–	8	7
Belgium	5	1	–	3	–	9	6
Switzerland	4	1	–	6	–	11	6
Other ¹	49	46	14	54	11	174	116
New Zealand	302	3,952	–	4,693	1	8,948	7,071
Total	2,169	6,319	144	7,811	241	16,689	12,152

¹ "Other" represents 50 countries with fewer than six practising doctors.



Examinations

Principal activity: ensuring that international medical graduates who wish to be registered in New Zealand are safe to practise.

Total cost: \$150,068

New Zealand registration examination – NZREX Clinical

New Zealand's health system requires all doctors to meet practice standards defined by the Council. Doctors qualified outside New Zealand and Australia must pass the Council's medical registration exam, NZREX Clinical, if they wish to be registered but do not satisfy the criteria for other registration pathways. This examination is set at the level of sixth-year medical studies.

NZREX Clinical is a 16-station Objective Structured Clinical Examination (OSCE) that tests various competencies including communication, history taking and physical examination.

The prerequisites for applying to sit NZREX Clinical are:

- a medical degree listed in the FAIMER International Medical Education Directory
- an overall score of 7.5 in the International English Language Testing System (IELTS)
- a satisfactory result in the United States Medical Licensing Examination (USMLE) Step 1 and 2 (CK) or the Australian Medical Council multiple-choice question examination.

During the year, 56 candidates from 24 countries sat NZREX Clinical, and 35 passed (see Table 9).

Twenty-eight candidates passed on their first attempt, five on their second, and another two passed after three or more attempts.

9. Candidates sitting and passing NZREX Clinical

1 July 2007–30 June 2008

COUNTRY	Number sitting	Attempts				Number of passes	Passes on attempts			
		1	2	3	4		1	2	3	4
Argentina	1	1	–	–	–	1	1	–	–	–
Bangladesh	1	1	–	–	–	1	1	–	–	–
Brazil	1	1	–	–	–	1	1	–	–	–
China	1	1	–	–	–	–	–	–	–	–
Colombia	1	1	–	–	–	1	1	–	–	–
Cyprus	1	1	–	–	–	1	1	–	–	–
Dominican Republic	1	1	–	–	–	–	–	–	–	–
Germany	1	1	–	–	–	1	1	–	–	–
India	20	13	6	1	–	12	8	4	–	–
Indonesia	1	1	–	–	–	1	1	–	–	–
Iraq	4	3	1	–	–	4	3	1	–	–
Malaysia	3	3	–	–	–	3	3	–	–	–
Nigeria	1	1	–	–	–	–	–	–	–	–
Pakistan	6	3	–	2	1	4	2	–	1	1
Philippines	2	2	–	–	–	–	–	–	–	–
Poland	1	1	–	–	–	–	–	–	–	–
Russia	2	1	1	–	–	–	–	–	–	–
Serbia	1	1	–	–	–	1	1	–	–	–
Sri Lanka	2	2	–	–	–	1	1	–	–	–
Syria	1	1	–	–	–	–	–	–	–	–
Taiwan	1	1	–	–	–	1	1	–	–	–
Uganda	1	1	–	–	–	1	1	–	–	–
Ukraine	1	1	–	–	–	–	–	–	–	–
Zimbabwe	1	1	–	–	–	1	1	–	–	–
Total	56	44	8	3	1	35	28	5	1	1



Professional standards

Principal activities: undertaking performance assessments (previously called competence reviews) and establishing educational programmes, developing policy on performance assessments, monitoring doctors who are subject to conditions arising from disciplinary action.

Total cost: \$1,296,696

The Council seeks to implement mechanisms to ensure doctors are competent to practise.

The Council referred 42 doctors to the competence process (see Table 10) and six went on to take part in educational programmes. Doctors were referred to the Council, primarily by the Health and Disability Commissioner (HDC), because of concerns about clinical skills, record keeping, communication or prescribing.

More information about the competence process can be found on our website at www.mcnz.org.nz>>Competence.

10. Performance referrals

1 July 2007–30 June 2008

Source of concern	Number
Accident Compensation Corporation	–
Complaints assessment / professional conduct committee	3
Employer	7
Health and Disability Commissioner	36
Medical Council of New Zealand	5
Medsafe	–
Peer	9
Public	–
Other	2
Total referrals	62

Type of concern	Number
Boundaries	8
Clinical skills	38
Communication	27
Prescribing	10
Records	25
Surgical skills	9
Other	7

Outcomes of competence referrals (may relate to cases referred in the previous financial year)	Number
To performance assessment	42
No performance assessment	15
To educational programme	6
Referred to other committee (eg health)	3



Complaints

Principal activity: operating professional conduct committees (PCCs) – to consider complaints and policy on the complaints assessment process.

Total cost of PCCs: \$844,467

Complaints about doctors can be made to either the Council or the Health and Disability Commissioner (HDC), but all complaints must be referred to the HDC. The HDC may refer complaints that do not involve patients back to the Council. The Council must then promptly assess the complaint and consider what action, if any, should be taken, including possibly referring the complaint to a PCC. The HDC must notify the Council of any investigation under the Health and Disability Commissioner Act 1994 that directly involves a doctor. See Table 11 for information about professional conduct committees.

11. Schedule of professional conduct committees

1 July 2007–30 June 2008

New PCCs appointed	19
Categories of complaints sent to PCC	
– convicted of an offence	15
– inappropriate conduct	4
– other	–

Medical workforce survey

Each year the Council collects workforce data through the annual practising certificate (APC) application process. The data is used by the New Zealand Health Information Service to analyse workforce needs.

Total cost: \$280,005

During the 2007 survey, 11,808 survey forms were sent out to doctors with a current APC; of these 84 percent responded.

These estimates are limited by the lower-than-usual response rate this year (84 percent down from 92 percent in 2004 and 95 percent in 2003). This decrease in response rate may be due to the phasing-out of temporary registration with the introduction of new legislation, the HPCAA.

The results of the 2007 survey showed that New Zealand has the equivalent of one doctor for every 334 people in the New Zealand population or 2.99 doctors for 1,000 people. Registration data show that the number of active doctors increased by 2.9 percent from 12,283 in 2006 to 12,643 in 2007.

Table 12 summarises changes in the medical workforce. For the full report, go to our website at www.mcnz.org.nz >>Publications>>Statistics.

Major findings from the survey

As well as an increase in the number of active doctors, the survey produced other major findings.

- International medical graduates (IMGs) make up 38.4 percent of the medical workforce.
- Women make up 38 percent of the medical workforce.
- The average age of doctors is 44 years.
- Doctors on average are working 44.8 hours each week.

Increases in some vocational scopes

There were significant increases in doctors working in the following vocational scopes:

- accident and medical practice (17 percent)
- diagnostic and interventional radiology (15 percent)
- intensive care medicine (13 percent)
- public health medicine (11 percent).

High numbers of international medical graduates in some areas

All doctors working in the Wairoa and Mackenzie Districts were IMGs. South Taranaki, Horowhenua and Buller Districts also had a high proportion of IMGs (more than 75 percent).

By contrast, Opotiki District had no IMGs, and Wellington City, and Hauraki, Westland, Waimakariri and Central Otago Districts had a low proportion of IMGs (less than 30 percent).



Ethnicity

The proportion of doctors who identified as Māori increased slightly to 2.7 percent, and the proportion of Pacific doctors remained at 1.6 percent. Both Māori and Pacific doctors continue to be markedly underrepresented compared to their proportion in the general population.

The number of doctors identifying as Chinese increased from 5.2 percent to 5.7 percent.

Māori, Pacific and Chinese doctors all have average ages lower than the overall figure, with Chinese doctors having the lowest average ages for both women and men. Men identifying as New Zealand European / Pakeha had an average age higher than the overall figure, as did women identifying as other European.

Retention of doctors

Fewer than 50 percent of IMGs are retained in the year immediately after initial registration. After this initial drop, the percentage of IMGs continues to decrease more gradually, dropping to just over 31 percent after 3 years from initial registration.

On average, 83 percent of graduates are retained by the second year after graduation and that figure drops to 76 percent by the third year. Retention rates level out to between 63 and 68 percent in years 8 to 12 after graduation.

12. Changes in the medical workforce

Workforce role	Active Doctors ¹ 2002	Active Doctors ¹ 2003	Active Doctors ¹ 2004	Active Doctors ¹ 2005	Active Doctors ¹ 2006	Active Doctors ¹ 2007	Active Doctors ¹ 2006 to 2007
General practice	2,917	3,006	3,013	2,924	3,106	3,195	2.9
House officer	774	842	816	811	911	841	-7.7
Medical officer	277	303	315	307	329	363	10.3
Primary care other than GP	166	138	138	157	181	203	12.2
Registrar	1,238	1,319	1,338	1,365	1,504	1,529	1.7
Specialist (not including GP)	2,723	2,873	2,946	2,940	3,175	3,359	5.8
Other	252	244	314	207	248	237	-4.4
No answer	56	65	111	35	93	30	-67.7
Total	8,403	8,790	8,991	8,746	9,547	9,757	2.2

¹ Each year the Council collects workforce data through the annual practising certificate (APC) application process. The data is used by the New Zealand Health Information Service to analyse workforce needs.

Tribunals

Principal activities: both the Medical Practitioners Disciplinary Tribunal and the Health Practitioners Disciplinary Tribunal hear and determine disciplinary proceedings brought against doctors under Part VIII of the Medical Practitioners Act 1995 and under Part IV of the Health Practitioners Competence Assurance Act 2003.

When the Tribunal sits to hear and determine any matter, it sits with a Chairperson or Deputy Chairperson and four members – three medical practitioners and one layperson.

Medical Practitioners Disciplinary Tribunal

1 July 2007–30 June 2008

Total cost: \$9,297

The Medical Practitioners Disciplinary Tribunal (MPDT) is yet to complete hearing charges received before the establishment of the Health Practitioners Disciplinary Tribunal. During the year, the MPDT heard one charge of professional misconduct received from a complaints assessment committee in 2005. The doctor was found guilty of professional misconduct.

One charge from 2002 is yet to be completed from a complaints assessment committee. The Tribunal expects to hear this charge during 2008 / 2009 and, once completed, the MPDT will cease to function.

Medical charges before the Health Practitioners Disciplinary Tribunal

Total cost: \$382,228

During the year the Health Practitioners Disciplinary Tribunal (HPDT) received five charges relating to five doctors – one from the director of proceedings and four from a professional conduct committee.

The HPDT sat during the year to hear nine charges relating to eight doctors over 28 days. Six of these charges were received in the 2006/2007 year and three in the 2007/2008 year.

See Table 13 for a summary of information about charges heard by the HPDT.



13. Medical charges before the Health Practitioners Disciplinary Tribunal

1 July 2007–30 June 2008

Nature of charges	
Professional misconduct 2004/2005	–
Professional misconduct 2005/2006	–
Professional misconduct 2006/2007	6
Professional misconduct 2007/2008	4
Conviction 2007/2008	1
Total	11
SOURCE	
Prosecution of charges brought by professional conduct committee 2005/2006	–
Prosecution of charges brought by professional conduct committee 2006/2007	4
Prosecution of charges brought by professional conduct committee	2
Prosecution of charges brought by director of proceedings 2005/2006	–
Prosecution of charges brought by director of proceedings 2006/2007	2
Prosecution of charges brought by director of proceedings	1
Charges brought by professional conduct committee yet to be heard	2
Charges brought by director of proceedings yet to be heard	–
Charges brought by director of proceedings withdrawn	–
Total	11
OUTCOME OF HEARINGS	
Guilty – professional misconduct 2005/2006	–
Guilty – professional misconduct 2006/2007	4
Guilty – professional misconduct	3
Not guilty	1
Yet to be heard	2
Stay application declined	1
Total	11

For more information about these statistics go to the Tribunal's website www.hpdt.org.nz or www.mpdt.org.nz.

Corporate governance

Role of Council: members of Council set the strategic direction of the organisation, monitor management performance and ensure the Council meets the requirements of the Health Practitioners Competence Assurance Act 2003.

The Council is accountable for its performance to the Minister of Health, the medical profession and the public.

Council membership

The Council aims to have members who represent:

- a range of age, gender and ethnic groups
- a broad mix of the medical profession, New Zealand society as a whole and people with a wide general knowledge and breadth of vision, and one of the following:
 - broad health sector knowledge
 - experience in one of the main vocational scopes of practice
 - experience in health service delivery in a variety of provincial and tertiary settings
 - experience in medical education and assessment.

Stakeholder liaison

We have continued to be actively involved with registration bodies overseas. We share ideas for future developments and maintain contact with organisations including:

- Australian registration boards
- the International Association of Medical Regulatory Authorities
- the Federation of State Medical Boards and the Educational Commission for Foreign Medical Graduates (United States of America)
- the Medical Council of Canada
- the General Medical Council (United Kingdom).



As in previous years, the Council has had regular meetings with key stakeholders to discuss matters of mutual interest. Those stakeholders include:

- the Accident Compensation Corporation
- branch advisory bodies
- chief medical advisers of district health boards
- the Council of Medical Colleges
- District Health Boards New Zealand
- the Health and Disability Commissioner
- the Independent Practitioners Association Council of New Zealand
- the Medical Protection Society
- Medsafe
- the Minister of Health
- the Ministry of Health
- the New Zealand Medical Association
- members of the profession, medical students and community groups.

Council committee structure

The Council operates three standing committees: Audit, Health and Education. The membership of these committees is on page 45. The Council receives committee meeting minutes at its formal meetings and in approving those minutes confirms the decisions made. Delegation limits are established.

Council committees

Council standing committees at 30 June 2008

Audit Committee

Dr Barnett Bond (Chairperson)
 Dr Richard Acland
 Professor John Campbell
 Ms Liz Hird
 Mrs Heather Thomson

Education Committee

Council members
 Dr Ian St George (Chairperson)
 Professor John Campbell
 Ms Jean Hera
 Ms Liz Hird
 Dr Peter Moller
 Dr Deborah Read

Members appointed by Council

Dr Matthew Boyle
 Active consumer of education

Dr John Doran
 Intern supervisor

Professor Peter Ellis
 Medical Council of New Zealand representative of
 Medical Schools Accreditation Committee

Dr Tom Fiddes
 Nominee of appropriate College or branch
 advisory body — The Royal Australian and
 New Zealand College of Obstetricians and
 Gynaecologists

Dr Lorna Martin
 Nominee of appropriate College or branch
 advisory body – general practitioner

Dr James Moore
 Active consumers of education

Dr Iwona Stolarek
 Intern supervisor

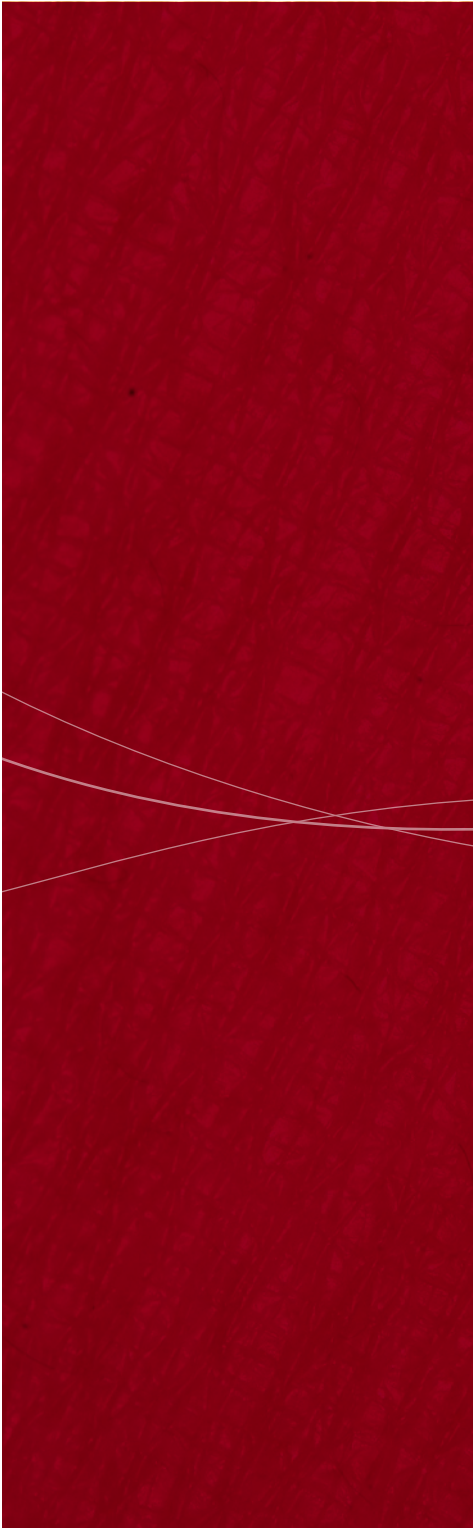
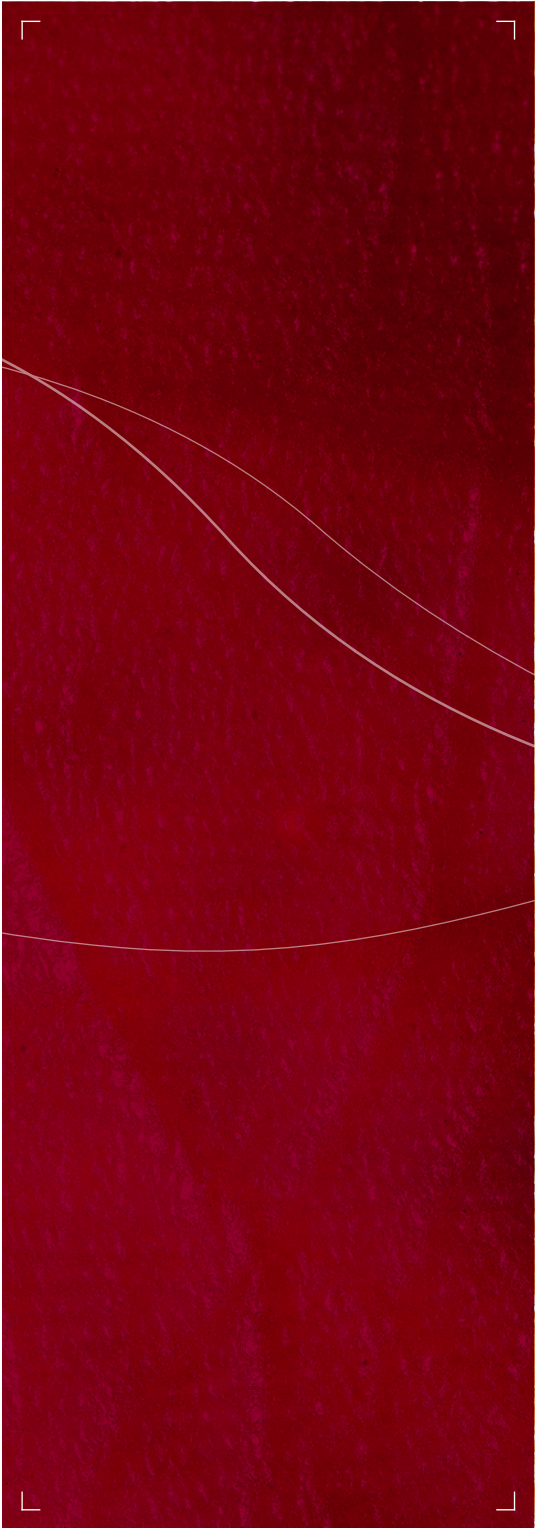
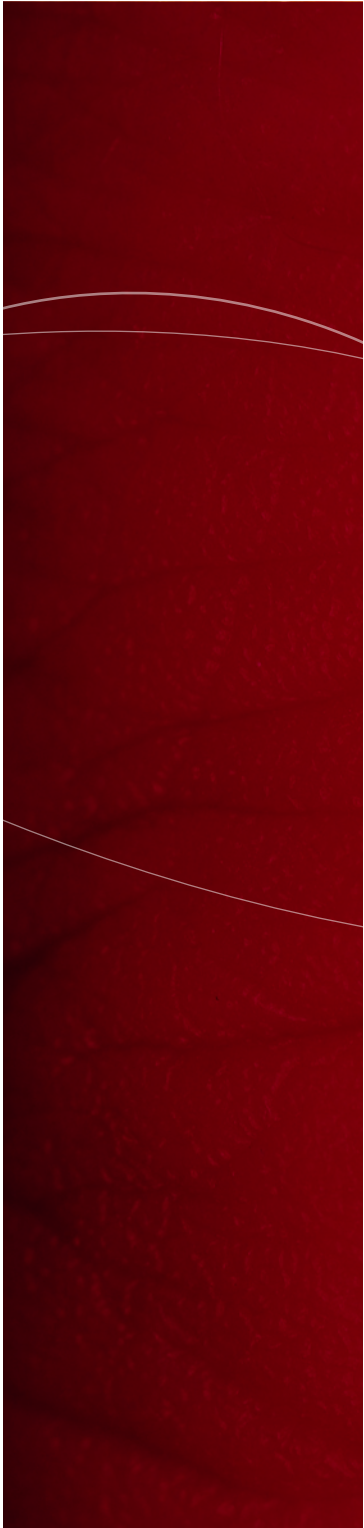
Assoc Prof Jennifer Wheeler
 Nominee of appropriate college or branch
 advisory body – The Australian and New Zealand
 College of Anaesthetists

Health Committee

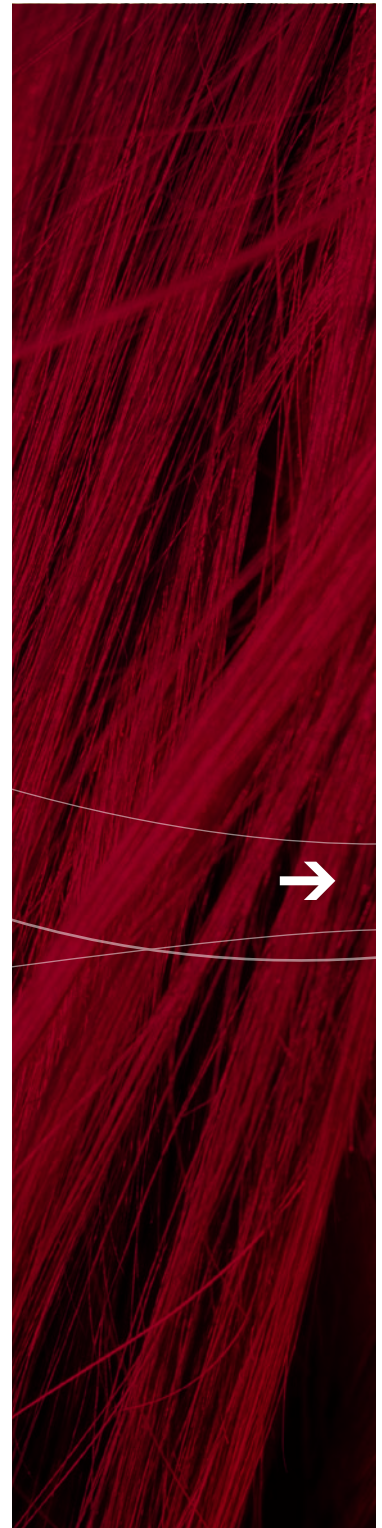
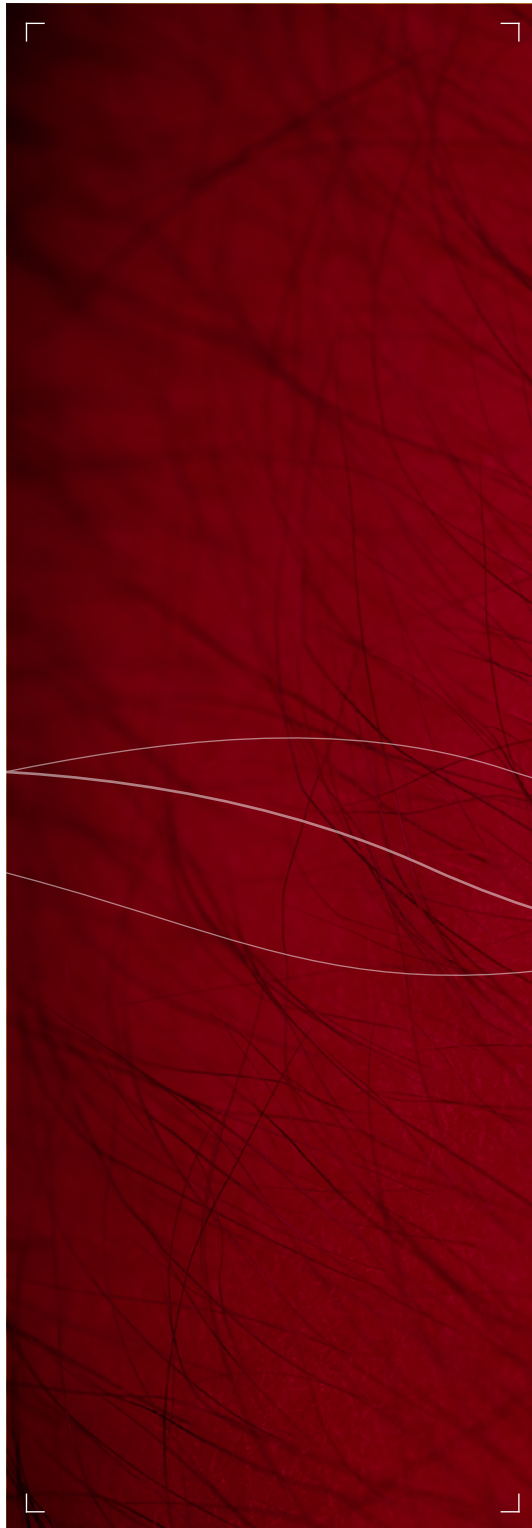
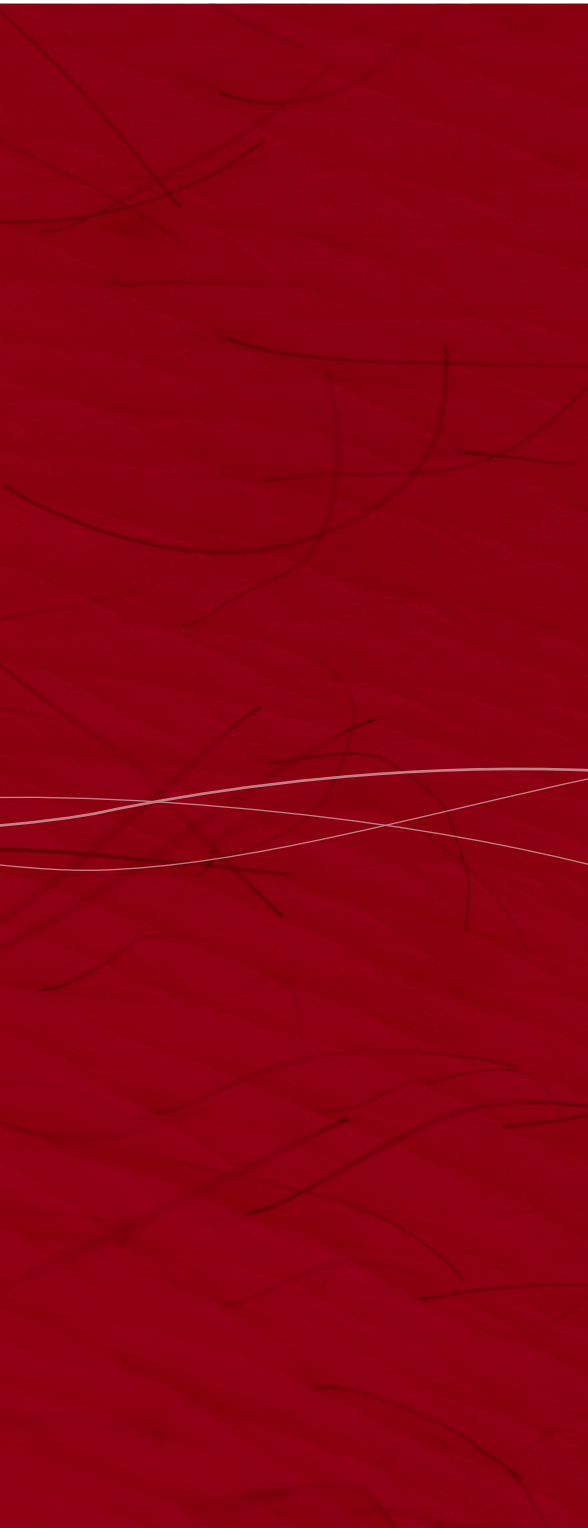
Dr Kate O'Connor (Chairperson)
 Dr Barnett Bond
 Dr Joanna MacDonald
 Mrs Heather Thomson
 Alternate layperson: Ms Jean Hera



Finance



- 48** Auditors' report
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- 51** Consolidated statement of financial performance
- 52** Statement of movements in equity
- 53** Statement of cash flows
- 54** Notes to the financial statements





AUDIT REPORT

To the Readers of the Financial Statements of the Medical Council of New Zealand for the year ended 30 June 2008

The Auditor-General is the auditor of the Medical Council of New Zealand (the "Council"). The Auditor-General has appointed me, John Little, using the staff and resources of Markhams Miller Dean Audit to carry out the audit of the financial statements of the Council, on his behalf, for the year ended 30 June 2008.

Unqualified Opinion

In our opinion:

The financial statements of the Council on pages 50 to 67

- comply with generally accepted accounting practice in New Zealand;
- comply with New Equivalents to International Financial Reporting Standards, and;
- fairly reflect the Council's financial position as at 30 June 2008, and the results of its operations and cash flows for the year ended on that date.

The audit was completed on 16 December 2008 and is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Council and the Auditor, and explain our independence.

Basis of Audit Opinion

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed the audit to obtain all the information and explanations which we considered necessary in order to obtain reasonable assurance that the financial statements did not have material misstatements, whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

The audit involved performing procedures to test the information presented in the financial statements. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported data;
- reviewing significant estimates and judgements made by the Council;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied; and
- determining whether all financial statement disclosures are adequate.

We did not examine every transaction nor do we guarantee complete accuracy of the financial statements.

We evaluated the overall adequacy of the presentation of information in the financial statements. We obtained all the information and explanations we required to support our opinion above.

Responsibilities of the Council and the Auditor

The Council is responsible for preparing financial statements in accordance with generally accepted accounting practice in New Zealand. Those financial statements must fairly reflect the financial position of the Council as at 30 June 2008. They must also fairly reflect the results of its operations and cash flows for the year ended on that date. The Council's responsibilities arise from the Health Practitioners Competence Assurance Act 2003.

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001.

Independence

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the New Zealand Institute of Chartered Accountants.

Other than the audit, we have no relationship with or interests in the Medical Council of New Zealand.



John Little

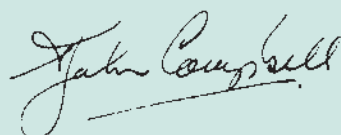
**Markhams Miller Dean Audit
On behalf of the Auditor-General
Wellington, New Zealand**

Finance

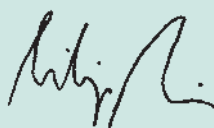
Statement of Financial Position

as at 30 June 2008

	Notes	2008	2007
CURRENT ASSETS			
Petty cash		200	300
ANZ bank account		244,250	217,763
GST		89,496	0
Receivables	7	55,793	116,224
Interest accrued		429,999	399,805
Investments	8	5,188,942	6,118,649
Total Current Assets		\$6,008,680	\$6,852,741
TERM ASSETS			
Investments	8	2,746,915	4,268,126
Property, Plant and Equipment	9	697,490	615,455
Intangibles	9	886,570	24,529
Total Term Assets		\$4,330,975	\$4,908,110
CURRENT LIABILITIES			
Sundry creditors		924,807	616,311
Employee Entitlements	1(k)	203,620	330,363
GST		0	14,922
Payments received in advance	1(j)	148,267	255,303
Total Current Liabilities		\$1,276,694	\$1,216,899
TERM LIABILITIES			
Employee Entitlements	1(k)	76,242	54,802
TOTAL NET ASSETS		\$8,986,719	\$10,489,150
CAPITAL ACCOUNT			
General Fund		7,227,762	7,907,726
Complaints Investigation and Prosecution Fund		1,733,117	2,643,960
Examination Fund		25,840	(62,536)
Total Capital Account		\$8,986,719	\$10,489,150



John Campbell
Chairperson
 Dated 16 December 2008



Philip Pigou
Chief Executive
 Dated 16 December 2008

The notes on pages 54 to 67 form part of these financial statements.

Consolidated Statement of Financial Performance

for the year ended 30 June 2008

	Notes	2008	2007
INCOME			
Fees received	1(a), 1(j)	7,278,501	9,654,500
Interest received		665,010	742,492
Other income		383,353	387,674
		\$8,326,864	\$10,784,666
EXPENDITURE			
Audit fees		21,000	22,000
Depreciation	1(b), 9	205,615	174,942
Fees paid to members of Council and standing committees		514,041	511,245
Other administrative costs		8,751,001	6,582,542
Rent		337,638	368,010
		\$9,829,295	\$7,658,739
Net surplus / (deficit) prior to adjustment for intangible assets		(\$1,502,431)	\$3,125,927
Less adjustment for intangible assets	1(l)	0	822,143
Net Surplus / (Deficit) for year		(\$1,502,431)	\$2,303,784

The notes on pages 54 to 67 form part of these financial statements.

Statement of Movements in Equity

for the year ended 30 June 2008

	2008	2007
A) ACCUMULATED FUNDS AND RESERVES		
Balance at 30 June 2007	10,489,150	8,185,366
Add Surplus	0	2,303,784
Deduct (Deficit)	(1,502,431)	0
Balance at 30 June 2008	\$8,986,719	\$10,489,150
B) ANALYSIS OF INDIVIDUAL FUNDS		
1) General Fund		
Balance at 30 June 2007	7,907,726	6,190,035
Deduct (Deficit)	(679,964)	0
Add Surplus	0	1,717,691
Balance at 30 June 2008	\$7,227,762	\$7,907,726
2) Complaints Investigation and Prosecution Fund		
Balance at 30 June 2007	2,643,960	2,068,922
Deduct (Deficit)	(910,843)	0
Add Surplus	0	575,038
Balance at 30 June 2008	\$1,733,117	\$2,643,960
3) Examination Fund		
Balance at 30 June 2007	(62,536)	(73,591)
Add Surplus	88,376	11,055
Balance at 30 June 2008	\$25,840	(\$62,536)

The notes on pages 54 to 67 form part of these financial statements.

Statement of Cash Flows

for the year ended 30 June 2008

	2008	2007
CASH FLOWS FROM STATUTORY FUNCTIONS		
Cash was provided from:		
Receipts pertaining to statutory functions	7,476,716	7,227,638
Cash was also distributed to:		
Council fees, disbursements and office expenses	(9,385,520)	(7,376,016)
Net cash flows from statutory functions	(1,908,804)	(148,378)
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash was provided from:		
Interest received	634,816	703,099
Sale of assets	0	0
Short-term investments	2,450,918	0
	3,085,734	703,099
Cash was applied to:		
Purchase of assets	(1,150,543)	(136,934)
Short-term investments	0	(427,037)
	(1,150,543)	(563,971)
Net cash flows from investing activities	1,935,191	139,128
Net increase / (decrease) in cash held	26,387	(9,250)
Opening cash brought forward	218,063	227,313
Ending cash carried forward	\$244,450	\$218,063
Represented by:		
Petty cash	200	300
ANZ bank account	244,250	217,763
	\$244,450	\$218,063

The notes on pages 54 to 67 form part of these financial statements.

Notes to the Financial Statements

For the year ended 30 June 2008

1. Statement of Accounting Policies

Reporting Entity

The Medical Council of New Zealand is a statutory body constituted under the Health Practitioners Competence Assurance Act 2003.

i. Statement of compliance

The financial statements have been prepared in accordance with the New Zealand equivalent to the International Financial Reporting Standards (NZ IFRS) and in accordance with Generally Accepted Accounting Practice in New Zealand (NZGAAP). These are the Council's first financial statements under NZ IFRS's and NZ IFRS 1 has been applied.

The Council is a public benefit entity.

An explanation of how the transition to NZ IFRS's has affected the reported financial position and financial performance is provided in Note 15.

ii. Basis of preparation

The financial statements are presented in New Zealand dollars. They are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: Nil.

The preparation of financial statements in conformity with NZ IFRS's requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

General Accounting Policies

These financial statements are a general purpose financial report as defined in the New Zealand Institute of Chartered Accountants Statement of Concepts and have been prepared in accordance with NZ IFRS.

Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of financial performance and financial position on a historical cost basis are followed by the Council.

Specific Accounting Policies

The following specific accounting policies which materially affect the measurement and reporting of financial performance and financial position have been applied:

- (a) Revenue – Annual Practising Certificate (APC) revenue is recognised in total in the year in which it is charged.

- (b) Depreciation - Property, Plant and Equipment have been depreciated on a straight line basis at the following rates:
- | | |
|------------------------|----------------|
| Furniture and Fittings | 10% pa |
| Office Alterations | 10% pa |
| Office Equipment | 20% pa |
| Computer Hardware | 33% pa |
| Computer Software | 10% and 33% pa |
- (c) Property, Plant and Equipment - is shown at cost less accumulated depreciation (Note 9).
- (d) Goods and Services Tax - These financial statements have been prepared on a GST exclusive basis.
- (e) Fines and costs recovered – Fines and recovery of legal costs (which occur infrequently) have been accounted for on a cash basis.
- (f) Income tax - The Council is not subject to income tax (Note 6).
- (g) Receivables - Receivables are valued at the amount expected to be realised.
- (h) Administration charge - This is a levy on the Complaints Investigation and Prosecution Fund and the Examination Fund to meet overhead costs incurred by the General Fund. The charge is based on the proportion of staff engaged in the activity.
- (i) Interest received - Interest owing at balance date has been accrued.
- (j) Payments received in advance – Doctors who have received their training overseas and who are seeking registration in New Zealand pay a fee for documentation review and an interview process with the appropriate College Advisory Body. Once the process is complete the money is either paid to the College or refunded to the doctor if the application does not proceed or an interview is not required.
- (k) Salaries, Holiday Pay accrual, Long Service Leave and Sick Leave – An accrual is made for any salaries relating to the subsequent financial period. Holiday Pay owing at balance date is valued at the applicable salary rate applying at the date of valuation. Long Service Leave is valued at the salary rate applicable at valuation date and discounted on an actuarial basis recognising the probability that the employee will reach entitlement as well as discounting for expected inflation and expected salary increases. Sick Leave is valued at the current salary rate at valuation date and based on the historical usage in excess of the annual entitlement.
- (l) Adjustment for Intangible assets - In undertaking the initial review for NZ IFRS in the 30 June 2007 Financial Statements the Council recognised that computer software expenditure on the existing registration software did not comply with the requirements for disclosure as an intangible asset and accordingly was expensed. The remainder of computer software was recognised as Intangibles as distinct from Property, Plant and Equipment in the Statement of Financial Position.
- (m) Leases – The Council leases the property occupied at 139-143 Willis Street. The value of the lease to the first right of renewal is recognised in the Statement of Commitments at the current negotiated value of the annual lease.
- (n) Software development – The external costs for the development of registration software is capitalised and disclosed as Intangibles in the Statement of Financial Position. All internal staff costs associated with this development are expensed in the Statement of Financial Performance.

- (o) Provisions – A provision is made for the amount of Receivables that are not expected to be received. This provision is created by reviewing all outstanding amounts at the end of the year and assessing the likelihood of payment.
- (p) Impairment – Asset carrying values are reviewed at the end of each year to determine whether there is any indication that the assets have suffered an impairment loss or increase in fair value. If any such indication exists, the fair value of the asset is estimated in order to determine the extent of the impairment loss or fair value gain. No changes in carrying value were assessed.
- (q) Statement of Cash Flows
 - ‘Cash’ refers to amounts held in banks, net of bank overdraft. It also includes short term deposits held as part of day-to-day cash management.
 - ‘Operating Activities’ are amounts received for the supply of services by the Council, and payments made to employees and suppliers necessary to support those services including borrowing costs. Operating activities also include any transactions or events that are not investing or financing activities.
 - ‘Investing Activities’ are the acquisition, holding and disposal of Property, Plant and Equipment and Investments. ‘Investments’ include securities not falling within the definition of cash.
 - ‘Financing Activities’ are the receipt and repayment of the principal on borrowings.

Changes in Accounting Policies

There have been no material changes in accounting policies during the year and the accounting policies have been applied on bases consistent with those used in the previous year.

New Zealand has implemented its own equivalent to NZ IFRS for the year ending 30 June 2008. The Council has also implemented NZ IFRS for the financial statements for the year ending 30 June 2008. In undertaking the initial NZ IFRS review the Council undertook a review of the accounting policies under existing generally accepted accounting practice. The following changes in accounting policies effected in the 2007 year were considered to more fairly reflect current ‘authoritative support’ than the policies which they replace. It was considered that these policies were, based on advice, in the opinion of the Council consistent with the requirements of NZ IFRS.

The financial impact of the changes in accounting policies is scheduled below.

- (r) APC revenue is no longer to be spread over the period of registration and is now recognised in the APC billing cycle to which it is charged. This has resulted in a non-recurring adjustment of additional APC and Disciplinary Levy revenue for the year ended 30 June 2007 of \$2,499,933 for the General Fund and \$499,986 for the Complaints Investigation and Prosecution Fund. This revenue would in the past have been recorded in the Statement of Financial Position under the heading Payments received in advance.
- (s) For the year ended 30 June 2007 \$54,802 was included in the Statement of Financial Position as a liability under the heading Salaries and holiday pay accrued. This provision was required as the long service leave and sickness leave owed at balance date constituted an obligation for employee entitlements.

2. General Fund

Statement of Financial Performance for the year ended 30 June 2008

	Notes	2008	2007
REVENUE			
Annual Practising Certificates and other fees	1(a), 1(j)	6,284,176	7,959,778
Administration fee - Complaints Investigation and Prosecution Fund	1(h)	463,500	415,501
Administration fee - Examination Fund	1(h)	72,996	63,000
Interest received		491,619	548,899
Workforce survey and other income		250,279	256,649
Total revenue		\$7,562,570	\$9,243,827
ADMINISTRATION AND OPERATING EXPENSES			
Communications		423,667	330,899
Legal expenses and other consultancies		452,309	142,253
Administration and operating expenses		1,880,390	2,381,695
Staff costs including recruitment and training		3,932,269	3,192,621
Total administration and operating expenses		\$6,688,635	\$6,047,468
COUNCIL AND COMMITTEE EXPENSES			
Council			
- Fees and expenses		416,566	417,933
- Conference and liaison costs		76,751	173,677
- Strategic Directions		25,816	0
Audit committee			
- Fees and expenses		11,461	9,456
Health committee			
- Fees and expenses		52,991	49,292
- Independent assessment reports, Doctors' Health Advisory Service and other costs		186,760	251,279
Education committee			
- Fees and expenses		53,269	52,303
- Hospital visits, intern supervisor contracts and other costs		246,272	270,035
Professional standards			
- Performance assessments and other costs		423,493	225,336
Registration			
- Fees and expenses		0	0
- Workshops and other costs		60,520	29,357
Total Council and committee expenses		\$1,553,899	\$1,478,668
TOTAL EXPENDITURE		\$8,242,534	\$7,526,136
Net Surplus / (Deficit) for year		(\$679,964)	\$1,717,691

3. Complaints Investigation and Prosecution Fund

Statement of Financial Performance for the year ended 30 June 2008

	Notes	2008	2007
REVENUE			
Disciplinary levy received	1(a), 1(j)	757,659	1,521,389
Fines and costs recovered		87,061	82,650
Interest received		173,391	193,593
Other revenue		44,235	48,375
Total revenue		\$1,062,346	\$1,846,007
ADMINISTRATION AND OPERATING EXPENSES			
Administration fee	1(h)	463,500	415,501
General administration and operating expenses		273,697	245,665
Total administration and operating expenses		\$737,197	\$661,166
COUNCIL AND TRIBUNAL EXPENSES			
Complaints assessment committee costs			
- Fees		0	0
- Expenses		63,680	50,581
Total complaints assessment committee costs		63,680	50,581
Professional conduct committee costs			
- Fees		118,714	55,739
- Expenses		662,073	164,145
Total professional conduct committee costs		780,787	219,884
Medical Practitioners Disciplinary Tribunal			
- Fees and other hearing expenses		9,297	64,726
Total Medical Practitioners Disciplinary Tribunal costs		9,297	64,726
Health Practitioners Disciplinary Tribunal			
- Administration fee		218,264	3,021
- Fees and other hearing expenses		163,964	271,591
Total Health Practitioners Disciplinary Tribunal costs		382,228	274,612
Total Council and Tribunal expenses		\$1,235,992	\$609,803
TOTAL EXPENDITURE		\$1,973,189	\$1,270,969
Net Surplus / (Deficit) for year		(\$910,843)	\$575,038

4. New Zealand Registration Examination Fund

Statement of Financial Performance for the year ended 30 June 2008

	Notes	2008	2007
REVENUE			
NZREX candidate fees		236,666	173,333
Other income		1,778	0
Total revenue		\$238,444	\$173,333
ADMINISTRATION AND OPERATING EXPENSES			
Administration fee	1(h)	72,996	63,000
Centre costs		30,558	33,304
Examiners' fees and expenses		26,950	32,886
Honorarium, staff costs and other administrative expenses		19,564	33,088
Total administration and operating expenses		\$150,068	\$162,278
Net Surplus / (Deficit) for year		\$88,376	\$11,055

5. General Fund

These output categories represent the main activities of the General Fund and are discussed in detail in the text of the annual report.

Statement of Financial Performance by Outputs

Statement of Financial Performance for the year ended 30 June 2008

	Notes	2008	2007
TOTAL INCOME FOR YEAR	1(a), 1(i)	\$7,562,569	\$9,243,827
Less Expenditure			
EDUCATION			
Administration and operating costs		332,993	666,629
Council and committee costs		30,848	99,315
Hospital accreditation visits		53,501	38,585
Intern supervisor contract payments and meeting costs		167,422	186,046
Accreditation of vocational branches' medical schools and colleges		32,984	35,108
Liaison and other costs		83,374	78,830
Total education costs		\$701,122	\$1,104,513
HEALTH			
Administration and operating costs		1,392,892	1,260,840
Council and committee costs		151,370	134,343
Doctors' Health Advisory Service		8,004	65,914
Independent medical assessments		118,967	113,210
Mentoring costs		0	1,145
Liaison and other costs		61,813	88,404
Total health costs		\$1,733,046	\$1,663,856
PROFESSIONAL STANDARDS			
Administration and operating costs		816,345	875,325
Council and committee costs		52,109	65,390
Performance assessment costs		402,086	211,744
Research and advice on competence processes		0	13,330
Liaison and other costs		26,156	40,990
Total professional standards costs		\$1,296,696	\$1,206,779

Continued...

	Notes	2008	2007
REGISTRATION			
Administration and operating costs		3,888,168	3,119,882
Council and committee costs		255,701	220,960
Liaison and other costs		87,795	74,543
Total registration costs		\$4,231,664	\$3,415,385
WORKFORCE SURVEY			
Administration and operating costs		258,238	124,792
Council and committee costs		19,669	8,976
Liaison and other costs		2,098	1,835
Total workforce survey costs		\$280,005	\$135,603
TOTAL EXPENDITURE		\$8,242,533	\$7,526,136
Net Surplus / (Deficit) for year		(\$679,964)	\$1,717,691

6. Taxation

On 20 December 1996 the Court of Appeal found the Council to be exempt from income tax.

7. Receivables

	2008	2007
Debtors	688,224	858,653
Less Provision for Doubtful Debt	633,977	753,759
	54,247	104,894
Payments in advance	1,546	11,330
	\$55,793	\$116,224

8. Term deposits

	2008	2007
ANZ	1,308,091	2,555,067
ASB	1,337,790	1,317,463
BNZ	1,387,124	1,860,111
HSBC	963,121	1,266,404
National Bank	1,421,810	1,853,549
Taranaki Savings Bank	554,383	454,333
Westpac Trust	963,538	1,079,848
	\$7,935,857	\$10,386,775
Current	5,188,942	6,118,649
Term	2,746,915	4,268,126
	\$7,935,857	\$10,386,775

9. Fixed Assets

(a) Property, Plant and Equipment

	Cost 30/06/08	Deprec for year 30/06/08	Accum deprec 30/06/08	Book value 30/06/08	Cost 30/06/07	Deprec for year 30/06/07	Accum deprec 30/06/07	Book value 30/06/07
Computer Hardware	453,086	83,034	326,554	126,532	353,816	60,255	243,519	110,297
Furniture and Fittings	290,617	20,508	172,810	117,806	255,455	19,534	152,304	103,151
Office Alterations	653,907	62,238	262,668	391,239	522,159	51,653	200,431	321,728
Office Equipment	191,380	26,437	129,467	61,913	183,320	24,498	103,041	80,279
	\$1,588,990	\$192,217	\$891,499	\$697,490	\$1,314,750	\$155,940	\$699,295	\$615,455

(b) Intangibles

	Cost 30/06/08	Deprec for year 30/06/08	Accum deprec 30/06/08	Book value 30/06/08	Cost 30/06/07	Deprec for year 30/06/07	Accum deprec 30/06/07	Book value 30/06/07
Computer Software	965,334	13,397	78,764	886,570	87,586	19,002	63,057	24,529
	\$965,334	\$13,397	\$78,764	\$886,570	\$87,586	\$19,002	\$63,057	\$24,529

External costs associated with the development of the new computer software have been included in intangible assets. At balance date no depreciation has been provided as the software is not yet in use.

10. Related parties

Council members are paid fees for attending to Council and committee business. There were no other related party transactions.

11. Reconciliation of net surplus with the net cash flow from statutory functions for the year ended 30 June 2008

	2008	2007
SURPLUS / (DEFICIT) FOR YEAR:		
General Fund	(679,964)	1,717,691
Complaints Investigation and Prosecution Fund	(910,843)	575,038
Examination Fund	88,376	11,055
	(1,502,431)	2,303,784
Add non-cash items – depreciation and asset write off	205,615	997,069
	(1,296,816)	3,300,853
Add movements in working capital items:		
(Increase)/decrease in receivables	60,431	(16,181)
Increase/(decrease) in receipts in advance	(107,036)	(2,758,056)
Increase/(decrease) in creditors and GST	99,627	67,498
	53,022	(2,706,739)
	(1,243,794)	594,114
Less items classified as investing activity – interest	(665,010)	(742,492)
Net cash flows from statutory functions	(\$1,908,804)	(\$148,378)

12. Statement of Contingent Liabilities

One notice of legal proceedings has been lodged against the Council for damages. The claim is for \$250,000. Advice received suggests the likelihood of the claim succeeding in full is moderate to low.

13. Statement of Commitments

Lease commitments under non-cancellable operating leases;

	2008	2007
Not more than 1 year	290,465	348,552
Later than 1 year and not later than 2 years	0	290,465
	\$290,465	\$639,017

14. Financial instruments

Financial instruments that potentially subject the Council to credit risk consist principally of bank balances and accounts receivable. The Council places investments with recognised banking institutions within an approved reserves and investment policy to limit exposure to concentrations of credit risk.

The Council is exposed to interest rate risk as interest rate movements will affect the returns generated from investments and related cash flows. At year end the interest rates on term deposits ranged from 7.30% to 9.09%.

The estimated fair values of the financial instruments are as follows;

	2008	2007
Receivables	\$55,793	\$104,894
Bank-balances	\$8,180,107	\$10,604,538
Payables	(\$924,807)	(\$616,311)

15. Impacts of adoption of New Zealand Equivalents to International Financial Reporting Standards

In December 2002, the New Zealand Accounting Standards Board determined that all New Zealand reporting entities would be required to adopt NZ IFRS for reporting periods beginning on or after 1 January 2007, with the option of early adoption for periods beginning on or after 1 January 2005.

The Council chose to adopt NZ IFRS from 1 July 2006 and changed its accounting policies on 1 July 2006 to comply with NZ IFRS. The transition to NZ IFRS is accounted for in accordance with NZ IFRS-1 "First-time Adoption of New Zealand Equivalents to International Financial Reporting Standards", with 1 July 2006 as the date of transition.

An explanation of how the transition from NZ GAAP to NZ IFRS has affected the statements of Financial Performance and Financial Position is set out in the following tables and notes that accompany the tables.

Effect of NZ IFRS on the Statement of Financial Performance for the year ended 30 June 2007

Consolidated Statement of Financial Performance for the year ended 30 June 2007

	2007 Restated NZ IFRS	Transition Adjustments	2007 Published GAAP
INCOME			
Fees received	9,654,500		9,654,500
Interest received	742,492		742,492
Other income	387,674		387,674
	\$10,784,666		\$10,784,666
EXPENDITURE			
Audit fees	22,000		22,000
Depreciation	174,942		174,942
Fees paid to members of Council and standing committees	511,245		511,245
Other administrative costs	6,582,542		6,582,542
Rent	368,010		368,010
	\$7,658,739		\$7,658,739
Net surplus / (deficit) prior to adjustment for intangible assets	\$3,125,927		\$3,125,927
Less adjustment for intangible assets	822,143		822,143
Net Surplus / (Deficit) for year	\$2,303,784		\$2,303,784

Effect of NZ IFRS on the Opening Statement of Financial Position as at 1 July 2006

Opening Statement of Financial Position as at 1 July 2006

	2007 Restated NZ IFRS	Transition Adjustments	2007 Published GAAP
CURRENT ASSETS			
Petty cash	200		200
ANZ bank account	227,113		227,113
Receivables	100,043		100,043
Interest accrued	360,412		360,412
Investments	9,959,738		9,959,738
Total Current Assets	\$10,647,506		\$10,647,506
TERM ASSETS			
Investments	0		0
Property, plant and equipment	645,956	(846,672)	1,492,628
Intangibles	846,672	846,672	0
Total Term Assets	\$1,492,628		\$1,492,628
CURRENT LIABILITIES			
Sundry creditors	659,855		659,855
Employee Entitlements	278,517		278,517
GST	3,037		3,037
Payments received in advance	3,013,359		3,013,359
Total Current Liabilities	\$3,954,768		\$3,954,768
TERM LIABILITIES			
Employee Entitlements	50,000	50,000	0
TOTAL NET ASSETS	\$8,135,366		\$8,185,366
CAPITAL ACCOUNT			
General Fund	6,140,035	(50,000)	6,190,035
Complaints Investigation and Prosecution Fund	2,068,922		2,068,922
Examination Fund	(73,591)		(73,591)
Total Capital Account	\$8,135,366		\$8,185,366

Effect of NZ IFRS on the Closing Statement of Financial Position as at 30 June 2007

Closing Statement of Financial Position as at 30 June 2007

	2007 Restated NZ IFRS	Transition Adjustments	2007 Published GAAP
CURRENT ASSETS			
Petty cash	300		300
ANZ bank account	217,763		217,763
GST	0		0
Receivables	116,224		116,224
Interest accrued	399,805		399,805
Investments	6,118,649		6,118,649
Total Current Assets	\$6,852,741		\$6,852,741
TERM ASSETS			
Investments	4,268,126		4,268,126
Property, plant and equipment	615,455		615,455
Intangibles	24,529		24,529
Total Term Assets	\$4,908,110		\$4,908,110
CURRENT LIABILITIES			
Sundry creditors	616,311		616,311
Employee Entitlements	330,363		330,363
GST	14,922		14,922
Payments received in advance	255,303		255,303
Total Current Liabilities	\$1,216,899		\$1,216,899
TERM LIABILITIES			
Employee Entitlements	54,802		54,802
TOTAL NET ASSETS	\$10,489,150		\$10,489,150
CAPITAL ACCOUNT			
General Fund	7,907,726		7,907,726
Complaints Investigation and Prosecution Fund	2,643,960		2,643,960
Examination Fund	(62,536)		(62,536)
Total Capital Account	\$10,489,150		\$10,489,150

Council office

Office of the Council at 30 June 2008

Chief Executive
Registrar and General Counsel
Executive Assistant to CE

Executive Team Administrator
Strategic Programme Manager

Philip Pigou
Simon Robb
Merianne
McArdell

Dot Harvey
Joan Crawford

Personal Assistant to
Executive Officer

Personal Assistant to
Executive Officer

Dianne Haswell

Nikita Takai

Adviser group

Communications Manager
Human Resources Manager
IT Project Manager
Medical Adviser
Senior Policy Analyst
Business and Registrar Adviser

George Symmes
Valencia van Dyk
Adam Miller
Dr Steven Lillis
Michael Thorn
Jane Lui

Registration

Registration and Professional
Standards Manager

Personal Assistant

Daniel Eakins
Deborah
Harrison

Registration Adviser
Registration Coordinator
Registration Administrator
Registration Administrator

Karen Ross
Jenni Rutherford
Robin Deacon
Imojini
Kotelawala

Registration Administrator
Registration Administrator

Sandi Millar
Tamzyn
Luafalealo

Registration Administrator
Registration Administrator
Registration Administrator
Registration Administrator

Sidonie
Natalia Taylor
Charlotte Wakelin
Pavi Gurumurthi

Vocational Registration Adviser
Vocational Registration
Administrator

Nisha Patel

Katie Beu

Vocational Registration
Administrator
Vocational Registration
Administrator

Chris Mangan

Jason Ng

APC Coordinator
APC Administrator

Gyllian Turner
Bronwyn
Courtney

APC Administrator
APC Audit Administrator

Sharon Mason
Sandra Clark

Professional standards

Professional Standards Adviser
Professional Standards Coordinator
Professional Standards Coordinator
Professional Standards Coordinator
Professional Standards Coordinator
Education Coordinator

Mere Just
Sarah Campbell
Angela Graham
Hayden Holmes
Lindsey Riley
Megan Purves

Corporate services

Corporate Manager
Business Analyst
Information Systems Analyst
Information Systems Coordinator
IT Administration Officer
Office and Records Administrator
Receptionist

Tony Hanna
Diane Latham
Andrew Cullen
Bill Taylor
Rebecca Winiata
Betty Wright
Marika Puleitu

Finance

Finance Manager
Financial Controller
Finance Officer
Finance Officer

David Low
John de Wever
Atish Pathak
Elaine Pettigrew

Health

Health Manager
Health Administrator
Health Case Administrator
Health Case Administrator
Health Case Administrator
Health Case Administrator

Lynne Urquhart
Viv Coppins
Helen Arbuckle
Jo Hawken
Eva Petro
Anne Whitelaw

Health Practitioners Disciplinary Tribunal for medical practitioners

HPDT Manager
Executive Officer
Legal Officer

Gay Fraser
Karen Crosby
Kim Davies

Solicitors

Bell Gully
PO Box 1291
Wellington 6140

Buddle Findlay
P O Box 2694
Wellington 6140

Bankers

ANZ Banking Group (New Zealand) Ltd
18-32 Manners Street
Wellington 6011

Auditors

Miller Dean Audit
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Wellington 6142

Office of the Auditor-General
Private Box 3928
Wellington 6140

Medical Council of New Zealand

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