ANNUAL REPORT

1984

MEDICAL COUNCIL OF NEW ZEALAND

ANNUAL REPORT YEAR ENDING 30 JUNE 1984

Incorporating the report of

THE MEDICAL EDUCATION COMMITTEE

MEDICAL COUNCIL OF NEW ZEALAND

Annual Report for 1984

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MEMBERS OF THE MEDICAL COUNCIL

(at 30 June 1984)

	Appointed by Governor-General on recommendation of
Dr W.S. Alexander (Chairman)	Minister of Health
Professor D.S. Cole (Deputy Chairman)	ex officio, Dean, University of Auckland School of Medicine
Dr R.A. Barker	ex officio, Director-General of Health
Dr R.H. Briant	Royal Australasian College of Physicians
Professor G.L. Brinkman	ex officio, Dean, University of Otago Medical School
Dr J.M. Broadfoot	New Zealand Medical Association
Dr T. Farrar	Royal New Zealand College of General Practitioners
Dr R.G. Gudex	Royal New Zealand College of Obstetricians & Gynaecologists
Professor R.W. Medlicott	Minister of Health
Dr W.J. Pryor	New Zealand Medical Association
Mr D.V. Sutherland	Minister of Health
Dr E.C. Watson	Royal Australasian College of Surgeons

Secretary	Mr K.A.G. Hindes
Assistant Secretary	Mr J.R. Coster
Council Offices:	59 Cambridge Terrace, Wellington 1.
Postal Address:	P.O. Box 9249, Courtenay Place, Wellington.
Solicitor:	Mr D.J. White (Young Swan Morison McKay)
Bankers:	Bank of New Zealand, Mayfair Branch, Wellington
Auditors:	Miller Dean & Partners, P.O. Box 11253, Wellington.

MEDICAL EDUCATION COMMITTEE.

Membership as at 30 June 1984

	Appointed By
Dr W.J. Pryor	Medical Council - Chairman
Associate Professor R.A. Boas	Faculty of Medicine, University of Auckland
Professor G.L. Brinkman	ex officio, Dean, University of Otago Medical School
Professor D.S. Cole	ex officio, Dean, University of Auckland School of Medicine
Associate Professor J.H. Heslop	Faculty of Medicine, University of Otago
Professor J.D. Hunter	ex officio, Dean, Christchurch Clinical School, University of Otago
Dr J.L.Jardine	Royal Australasian College of Surgeons
Professor R.H. Johnson	ex officio, Dean, Wellington Clinical School, University of Otago
Dr L.J.E. McLennan	Royal New Zealand College of General Practitioners
Professor J.D.K. North	Faculty of Medicine, University of Auckland
Professor T.V. O'Donnell	Royal Australasian College of Physicians
Professor R.J. Seddon	Royal New Zealand College of Obstetricians & Gynaecologists
Professor F.T. Shannon	Faculty of Medicine, University of Otago
Associate Professor S.R. West	New Zealand Medical Association
Dr A.J. Sinclair	Department of Health (Observer)

COMMITTEES

Committees appointed by the Council to deal with its principal activities

Medical Practitioners Data Committee

Professor G.L. Brinkman (Chairman)
Dr W.S. Alexander
Mr K.A.G. Hindes
Miss C. Leatham (Statistician)
Dr G.C. Salmond
Professor D.C.G. Skegg

Preliminary Proceedings Committee

Dr E.C. Watson (Convener)
Professor D.S. Cole
Mr D.J. White (Legal Appointee)

Specialist Register Committee

Dr R.H. Briant (Convener)
Professor D.S. Cole

Finance & General Purposes Committee

Dr T. Farrar (Chairman)
Dr W.S. Alexander
Dr R.A. Barker
Mr K.A.G. Hindes
Mr D.V. Sutherland
Dr E.C. Watson

Office Staff:

Secretary	Mr K.A.G. Hindes
Assistant Secretary	Mr J.R. Coster
Clerk	Miss M.A. Macleod
Clerk	Mrs E.M. King
Typist/Receptionist	Mrs B.J. Struthers (As from September 1984)

CHAIRMAN'S REPORT

In accordance with the Medical Practitioners Act 1968, Section 14(5A) I have the honour to present the report of the Medical Council of New Zealand for the year ended 30 June 1984. This report is intended to give members of the profession information on the activities of the Medical Council and of the Medical Education Committee. A number of changes have occurred in the Membership of the Council during the past year. Following the retirement of Dr A.O.M. Gilmour who was the nominee of the Royal Australasian College of Physicians, Dr Robin Briant of Auckland was appointed on the nomination of that College. Dr B.W. Grieve, after long service on the Council as the nominee first of the New Zealand Council of the Royal College of Obstetricians and Gynaecologists, and subsequently of the Royal New Zealand College of Obstetricians and Gynaecologists, retired, and was succeeded by Dr R.G. Gudex of Hamilton. Dr P.D. Delany who was appointed by the Minister on the recommendation of the New Zealand Medical Association retired and was succeeded by Dr J.M. Broadfoot of Wanganui. The appointment of Mr D.V. Sutherland of New Plymouth as the lay member of Council was also made during the year. It is a pleasure to welcome these new members of the Council who have already assisted in its deliberations and shown how valuable their contributions will be.

A number of changes have been made on the administrative side of Council activities. The most important of these has been the shift to new premises, outlined in the report of the Finance and General Purposes Committee.

Considerable attention has been paid particularly by the Finance and General Purposes Committee to improvements in the office management. A report by the State Services Commission has given some guidance and there has also been advice from our auditors. As a result the financial management of Council has been considerably improved. Improvements are being considered for the Annual Practising Certificate distribution. These changes should result in better working conditions for the office staff and a better service to members of the profession.

Following careful consideration of the nature of its own workload and of the attitudes taken by comparable organisations elsewhere, Council decided to continue to hold its meetings in private. Nevertheless, members of the profession have a legitimate interest in being kept informed of Council activities, and a summary of the business dealt with at each Council meeting has been published in the New Zealand Medical Journal throughout the year. Council is grateful to the encouragement and assistance given by Professor Robinson, the Editor, in this endeavour to keep the profession informed.

Disciplinary matters continue to occupy a great deal of Council time and some details are given in other parts of this report. Discussions have taken place with the New Zealand Medical Association and with the Chairman of the Medical Practitioners Disciplinary Committee covering many aspects of the disciplinary functions of the Council. Consideration has been given to improvements in the manner of publishing Council decisions and of the reasons for these decisions.

The 1983 Amendment which gave Council power to consider convictions in courts overseas was used for the first time and resulted in a finding of disgraceful conduct for which the practitioner's name was removed from the register.

The educational activities of the Council are largely the responsibility of the Medical Education Committee. It has continued its programme of inspection of hospitals for the conditional registration year. There has been an exchange of views with other bodies concerned with hospital accreditation to see whether a common pool of information can be provided by the Council, reducing the need for individual College inspections. The Committee has given considerable thought to its responsibilities in respect of the courses and curricula leading to graduation in medicine in New Zealand. A proposal has been formulated which will first be circulated to the Universities. Contact has been made with the Australian authorities who are about to put in place as one of the functions of the proposed Australian Medical Council a similar system of accreditation of Australian Universities. It may well be that some form of joint or combined approach to this problem may ultimately be worked out.

In the registration field the first Probationary Registration Examination was held in February. This was conducted on behalf of the Council by the University of Otago at the Wellington Clinical School of Medicine. The University of Otago will continue to be the examining agent for the Council for at least the next four years. There are clearly problems for graduates of overseas universities in obtaining local experience. To have a reasonable prospect of passing the examination, candidates must be given an opportunity to see New Zealand medicine at close quarters. Proposals to facilitate this experience are presently under consideration.

All applicants from overseas universities except those from Australia, the United Kingdom or the Republic of Ireland, Canada and South Africa, are to be required to take this examination. Where overseas graduates are coming to fill consultant or academic appointments, the usual practice is for the Council to use its discretion and to excuse them the examination.

Problems faced by the Council in relation to "the sick doctor" are dealt with more fully elsewhere in this report. In the present economic climate it is very difficult for the convalescent sick doctor to obtain a suitable institutional appointment. A proposal is under consideration which would create a number of Fellowships to provide financial support for a doctor who requires either a carefully supervised period of practice or even a period of re-education as part of his rehabilitation. It is hoped that details can be circulated for consideration by members of the profession to ensure their co-operation in this important area.

The Medical Council does not consider that it is the most appropriate body to determine the code of ethics by which the profession should be governed. When they apply for registration, applicants are required to indicate that they will be guided by the ethical statements printed on that form. Consultations have taken place with the New Zealand Medical Association in order that the statements contained in the section on medical ethics and etiquette in the Association's handbook and the statements included on the application for registration, are compatible, and express current attitudes towards ethical questions. In its role as the appeal body from decisions of the Disciplinary Committees, however, the Medical Council is called upon at times to decide whether conduct complained of is or is not within the guidelines that the profession should be following. To this extent it does act as a form of arbiter of what is or is not acceptable professional conduct. In the field of Bio-ethics Council feels that it has a responsibility to ensure that acceptable standards are established for New Zealand conditions. It has therefore decided to approach the New Zealand Medical Association, the Law Society and the Royal Society of New Zealand to see whether they would be prepared to join in a combined approach to Government with a proposal that a multi-disciplinary standing committee be established to advise Government in this area. The Medical Research Council has since signified its willingness to join in this initiative.

Once again, it is a pleasure to express my appreciation of the efforts of my colleagues on the Council. Our thanks are also due to the Secretary, Mr Hindes, Assistant Secretary, Mr Coster, and the office staff for their very considerable assistance in what has been for them quite a difficult year. The lateness of the decision on the level of the Annual Practising Certificate fee, led to an extraordinary workload during the month of April, and we are grateful for their dedication which enabled this accumulation to be cleared. We hope that problems of this nature can be avoided in the future.

The information supplied in this report and in the quarterly summaries is intended to meet the legitimate concern of the profession to know what the Medical Council is doing.

Under discussion are plans for an "open meeting" at which questions from members of the profession can be asked and answered.

All these things take time, and with the heavy disciplinary load this year, it may be that progress has been slower than some would wish. Members of the profession can be assured that Council is well aware of its responsibilities and will make every effort to make as much information available as is compatible with the many aspects of its activities which are personal and confidential to complainants and to doctors concerned.

W.S. Alexander
Chairman

DRS BRUCE GRIEVE AND PADDY DELANY

Dr Grieve retired from the Medical Council on 30 April 1984 after fifteen years service. He was the longest serving member of Council at the time. He is a 1935 graduate of the University of Otago Medical School and has been a Fellow of the Royal College of Obstetricians and Gynaecologists since 1959. Dr Grieve was a most valued member of Council particularly as a member of the Penal Cases Committee. His long service, combined with an impressive ability to recall the details of earlier cases, enabled him to advise and guide the Committee in dealing with the many disciplinary problems referred to it.

Following the establishment of the Specialist Register, Dr Grieve became Convener of the sub-committee appointed to consider reports of referral bodies and advise Council. This has been an important contribution to the acceptance of the Specialist Register. We will miss his down-to-earth comments and Council meetings won't be the same without him.

Dr Delany was a nominee of the New Zealand Medical Association for six years until his retirement on 30 April 1984. As a General Practitioner, he was a strong advocate of General Practice interests and firmly supported the moves for the creation of an indicative register for General Practice. His most significant contribution was in the role of Convener of the Finance and General Purposes Committee. When he was given this responsibility the expanding workload in the Council office had placed considerable strain on the Secretary and staff. With a standing committee to give guidance and support, the situation has improved greatly. It was his concern and interest which located and obtained favourable rental terms for the offices now occupied by the Council. This transitional step has been accompanied by improved financial control. The benefits will be felt for years to come.

W.S. Alexander
Chairman

THE PRELIMINARY PROCEEDINGS COMMITTEE

The Preliminary Proceedings Committee (P.P.C.), previously known as the Penal Cases Committee, was originally established under Section 11 of the Medical Practitioners Act 1968. The P.P.C. comprises two members of the Medical Council and a solicitor of the High Court.

The Committee is required to investigate complaints alleging professional misconduct or disgraceful conduct in a professional respect by registered or conditionally registered medical practitioners. Such complaints are usually made through the Secretary of the Medical Council.

The Committee acts as a screening body. It has power to hold preliminary enquiries to establish if a prima facie case exists for disgraceful conduct in a professional respect or professional misconduct. It may however, dismiss a complaint, or issue letters of warning to a doctor about his behaviour. A case to answer of disgraceful conduct in a professional respect requires referral to the Medical Council. Possible professional misconduct is referred to the Medical Practitioners Disciplinary Committee.

At a hearing before the Medical Council, the P.P.C. acts as prosecutor and the case for the P.P.C. is presented by the solicitor member of that committee. A recent amendment allows the P.P.C. to widen this function and consider registered or conditionally registered medical practitioners who are convicted by any court in New Zealand or elsewhere of an offence punishable by imprisonment for a term of three months or more.

The P.P.C. has power to investigate any matters reported informally or formally where there is a reason to believe that registered or conditionally registered medical practitioners may have been guilty of disgraceful conduct in a professional respect.

Many complaints brought to the notice of the Convener of the P.P.C. are trivial and require only an explanatory note to the complainant. An increasing number of serious allegations require considerable investigation and incur major expense.

The following complaints have been screened or are in the process of being screened by the P.P.C.

Alleged inadequate professional services	- 12
Improper relations with patients amounting to disgraceful conduct in a professional respect	- 3
Conviction for a criminal offence	- 3
Breach of confidentiality	- 2

The scope of the P.P.C. has been extended to investigating complaints relating to wrongful claims by doctors from the Accident Compensation Corporation. Investigation of complaints discloses that there is no case to answer in the great majority of them but there is rising concern about the volume of such complaints which, in a few instances, amount to fraudulent claims for payment. Such instances are:-

Non-accident-related illness

Claims for professional services to patients who are in public hospitals

Fictitious patients

Overcharging of patients for non-annotated consultations

E.C. Watson
Convener

MEDICAL PRACTITIONERS DATA COMMITTEE

The Committee's main function is to supervise the collection and analysis of the information obtained through the annual questionnaire. The accuracy of this data is dependent on all active practitioners completing the form but regretfully this year, 800 forms were returned without any indication as to whether the data was correct or not. As of this date, 1,400 follow-up letters have been sent out and there are still 250 medical practitioners who have not replied. This follow-up exercise is not only involving the Medical Council in unnecessary expense but the absence of these returns considerably lessens the value of any subsequent statistical analysis of the data.

The Data Committee has considered some modifications to the questionnaire for 1985 and also possible ways to handle the distribution of the Annual Practising Certificate more efficiently.

G.L. Brinkman
Chairman

MEDICAL EDUCATION COMMITTEE

Meetings of the Committee were held in October 1983 and May 1984.

Hospital Inspections

The reports of the visitors' 3 yearly inspections of various hospitals were discussed and the categories of the Intern Runs were recommended to Council. The Hospitals visited were -

Ashburton, Balclutha, Christchurch Group, Dunedin Group, Grey, Hastings, Napier, Oamaru, Rotorua, Wellington Group and Whakatane.

Intern Supervisors

The appointment of several Intern Supervisors were approved as recommended by the Hospitals concerned.

Registration Procedures Booklet

The Committee has been involved in updating this Booklet and a new one has now been printed. It is intended to keep it updated at regular intervals as changes occur.

Undergraduate Curriculum

At the October Meeting, the role of the Medical Council through the Medical Education Committee, in monitoring the standards of, and provision for Undergraduate Medical Education in New Zealand was fully discussed. A Christchurch working party prepared recommendations for the May 1984 Meeting.

This meeting of the Medical Education Committee recommended among other things that an ad hoc sub-committee, the "Medical Education Review Committee" be set up.

These recommendations are at present under consideration by Council in consultation with the Universities.

Form M.C.1. Accreditation of Hospitals

This form has undergone various modifications and the final version is just about ready for printing. It will hopefully make the documentation easier both for the hospitals and the visitors.

W.J. Pryor
Chairman

REPORT OF THE SECRETARY FOR THE REGISTRATION YEAR ENDING 30 JUNE 1984

1. REGISTRATION

The following statement shows the number of doctors who have been registered during the year:

Registration as a Medical Practitioner

University of Adelaide	5
Flinders University	1
University of Melbourne	2
Monash University	4
University of New South Wales	6
University of Queensland	2
University of Sydney	9
University of Western Australia	1
University of Birmingham	4
University of Bristol	4
University of Cambridge	2
University of Leeds	7
University of Liverpool	4
University of London	24
University of Manchester	4
University of Newcastle	6
University of Oxford	1
University of Southampton	3
University of Aberdeen	2
University of Dundee	1
University of Edinburgh	5
University of Glasgow	5
National University of Ireland	2
Queens University, Belfast	1
University of Wales	4
University of Cape Town	8
University of Witwatersrand	5
University of Alberta	2
University of British Columbia	4
McGill University	1
McMaster University	1
University of Manitoba	5
Memorial University	1
University of Montreal	1
University of Ottawa	4
Queen's University	2
University of Saskatchewan	1
University of Toronto	5
University of Western Ontario	2
University of Cairo	1
University of Munich	1
University of Oslo	1
Guru Nanak Dev University	1
Madurai University	1
University of Madras	1
	157

Conditional Registration

University of Auckland	111
University of Otago	177
University of New South Wales	1
University of Tasmania	1
University of Alberta	1
	291

2. REMOVAL OF NAMES FROM THE REGISTER

On disciplinary grounds	1
Deceased	47
At own request	24
Failure to notify change of address	92
Overseas graduates not resident in N.Z. last three years	165
	329

3. RESTORATION OF NAMES TO THE REGISTER

New Zealand graduates	14
Overseas graduates	20
	34

4. CHANGE OF NAME

Twenty three applications were approved.

5. TEMPORARY REGISTRATION

Certificates of Temporary Registration were granted during the year as follows:

For giving postgraduate instruction	14
For obtaining postgraduate experience	76
	90

6. PROBATIONARY REGISTRATION

Seven Certificates of Probationary Registration were issued during the year and six practitioners were granted registration as a medical practitioner after probationary service.

7. TOTAL REGISTRATIONS

The number of registered practitioners on the Register as at 30 June 1984 was 7,750.

8. ANNUAL PRACTISING CERTIFICATES

The number of Annual Practising Certificates issued for the practising year 1 April 1983 to 31 March 1984 was 6,192.

9. REGISTER OF SPECIALISTS

This Register now has 1,743 specialists on it.

CHANGES OF ADDRESS

Section 26 of the Medical Practitioners Act 1968 requires every registered medical practitioner to notify the Council by registered post of any change of his registered address within one month of making such change. Failure to do so constitutes an offence and any person who fails to comply is liable on summary conviction to a fine not exceeding $200.

The Council is the one body in New Zealand which is expected to know the current address of every doctor and receives numerous enquiries from members of the public and organisations throughout the country for such information.

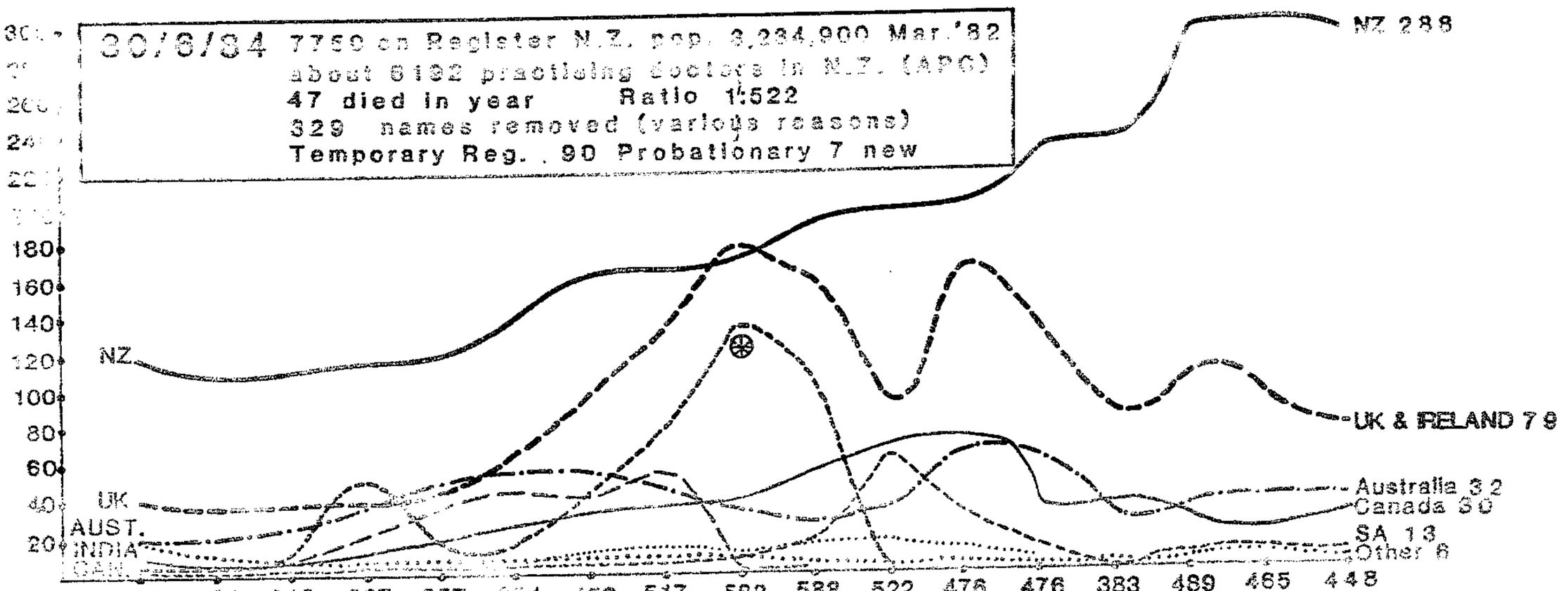
During the last twelve months 1,800 changes of address were actioned by the Council's staff. Many other doctors failed to notify a change of address and as a consequence their names have been removed from the Register after numerous and costly attempts to contact them.

The Council wishes to draw this matter to the attention of all registered medical practitioners in an attempt to obtain compliance with the Act.

MEDICAL MANPOWER MOVEMENT In NZ- Medical Council of New Zealand

NEW REGISTRATIONS (excluding Temporary & Probationary)

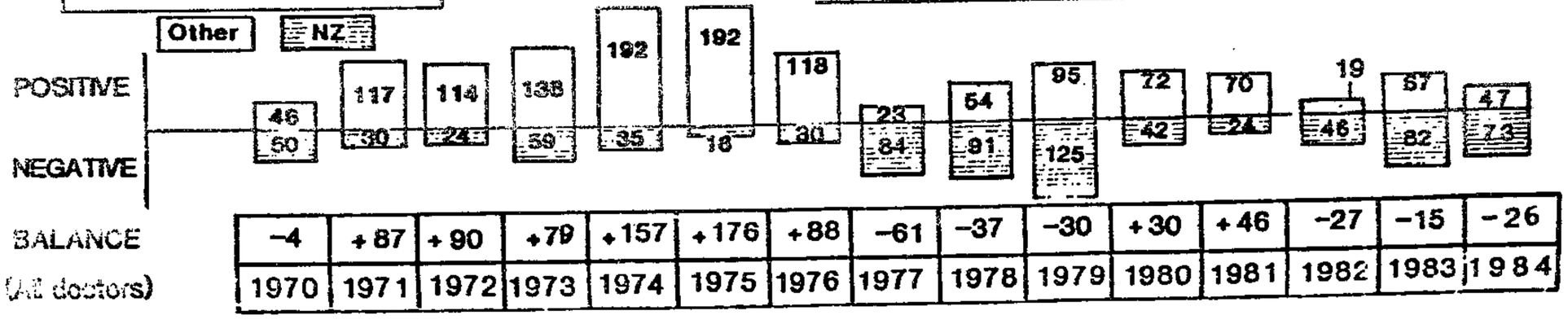
30/6/84 7750 on Register N.Z. pop. 3,234,900 Mar.'82
about 6182 practising doctors in N.Z. (APC)
47 died in year Ratio 1:522
329 names removed (various reasons)
Temporary Reg. . 90 Probationary 7 new



Total	207	164	216	227	257	354	450	517	588	588	522	476	476	383	489	465	448
Year 31/3	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984

MOVEMENT OF DOCTORS

Arrivals & departures for greater than 12 months.



BALANCE	-4	+87	+90	+79	+157	+176	+88	-61	-37	-30	+30	+46	-27	-15	-26
(All doctors)	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984

UNFITNESS TO PRACTISE BY MEDICAL PRACTITIONERS IN NEW ZEALAND

(with special reference to psychiatric illness and substance abuse)

In Section 34 of the Medical Practitioners Act 1968, (The Act), the Medical Council has a very clear responsibility to deal with the registration status of sick or impaired doctors. The provisions are basically to protect patients from the adverse effects of poor management by a doctor who, as sub-section 2 states, "is unable, because of some mental disability or the nature and extent of some physical disability..... to perform his professional duties satisfactorily, and that because he may attempt to perform these duties it is necessary in the public interest to prevent him from so doing".

Custom has established that this definition includes substance abuse as well as mental illness.

There are clearly cases where not only is the public interest important, but the management of the patient-doctor is better handled by either a period of suspension from duties or a more controlled and supervised form of "restricted" practice. This is especially valid in care by psychiatrists.

1. Identification and initiation of action

The illness of a doctor, which is serious enough to impair his professional ability, should be identified and notified by some colleague or medical attendant only after most careful thought and discussion - but it still needs to be done if we as a profession wish to maintain corporate responsibility for our professional standing.

Action under Section 34 should only need to be instituted after other methods and approaches have failed. Informal sick doctor groups who can act as a source of assistance and hopefully establish preventive measures are now available in many centres in New Zealand.

The New Zealand Medical Association or the New Zealand Medical Society on Alcohol and Alcoholism may be able to give advice as to the best way of handling early warning signs.

Whether the illness is acute and serious or is a chronic and deteriorating problem, some more specific action must be taken. This is still essentially supportive and not unnecessarily punitive.

In the past, sick doctors have often been protected by their colleagues but this is a sensitive area where loyalty must not overcome good judgement in the patient's or the public's interest. Action is also usually in the doctor's best interest as problems allowed to smoulder on without intervention may have major repercussions.

2. Reporting Unfitness in the patient-doctor

Initiating action in this very sensitive area of patient care and professional confidentiality, leads to great concern and doubt by the doctor's attendants. Subsequent professional, lay or even legal criticism, cannot be later dismissed under the guise of confidentiality when our duty to the "public patient" is at risk. For these reasons there is a statutory requirement to report the matter. The consultant or medical attendant, acting in sincerity and duty, is protected in law against subsequent action by the patient-doctor.

The duty of giving written notice to the Medical Council (whose Chairman along with another Council member, constitute a form of Health Committee), is outlined in Section 34 of the Act. Summarised:-

(a) Sub-section 2 provides that if the doctor is a patient in hospital, it is the superintendent's duty to inform the Council. However, he may not always be aware of the presence of such a patient and the specialist in charge must accept responsibility to inform the superintendent.

(b) Sub-section 3 covers patients in hospitals without a superintendent or where it is a matter of extra mural care. In these cases the doctor "in attendance on that person" is required to give written notice.

(c) Sub-section 3A was specifically introduced in 1979 to include the Medical Officer of Health as an independent and detached person who may take the statutory action following information from other persons, e.g. neighbours, General Practitioners, health inspectors, nurses or colleagues. This route is used where a patient-doctor is behaving strangely or is quite ill but is not under care or has not been reported. The Medical Officer of Health will ordinarily make some independent enquiries of his own.

3. Safeguards

Sub-section 4 provides that in all cases mentioned above, the medical attendant or official providing written notification may seek whatever medical advice, whether psychiatric or otherwise, he considers appropriate to assist him in forming his opinion.

It further states that the letter "shall mention any difference between any such advice and the views of "..... the writer. This provision clearly allows for a second consultant opinion.

Sections 62 and 66 of the Act protect the doctor making the written notification. Nevertheless, the attendant clearly has discretion under the provisions to make a judgement, firstly about the unfitness (as outlined in the first paragraph of these notes from sub-section 2 and then as to the timing of his written notice if this appears appropriate. It would be judicious and proper medical practice to inform the patient-doctor concerned of the intended action unless there are very unusual circumstances.

Publicity is not given to any of these procedures by the Council. When suspension is ordered, the patient-doctor, his attendant (or superintendent) and the Health Department are informed. The matter is also recorded on the Medical Council's monthly circular which is a restricted publication but serves to notify pharmacists. During a recent twelve month period, seven doctors were suspended under section 34 and notified in this way.

Section 65 of the Act provides for publication of a case, with or without the doctor's name, in the New Zealand Medical Journal. This is rarely used except anonymously for educative purposes.

4. Consequences

The attendant doctor may be somewhat influenced in his decision by fear that the outcome may be unduly repressive to the well being and livelihood of his patient.

It is important to stress that the provisions, and particularly the way they are implemented by the Chairman, are designed on the one hand to protect the public, i.e. the patients at risk, and on the other to provide treatment and rehabilitation for the doctor who is unfit. The Council must ensure that the profession is not accused of "covering up" for unfit doctors who would fall within these provisions. It does, however, attempt to handle the matter in a caring, therapeutic fashion.

There are a number of actions which follow:-

(a) The Chairman of the Council, acting with another member as a Health Committee, must be satisfied that the conditions outlined in sub-section 6 and may then suspend the medical practitioner forthwith. The doctor is notified and the Health Department is informed. The matter is noted in the next monthly circular.

This action is rarely taken in such an immediate or direct manner. Most frequently the Chairman in attempting to ascertain if this is the right course of action, will seek further information.

This may well involve informing the patient-doctor of the issue, asking him to attend a consultant of the Council's choice for an opinion. A further report from a consultant of the patient-doctor's choice will also be considered if it is available.

The Health Committee does not normally interview the patient unless it is contemplating (b) or (c) below. It may decide to suspend the patient-doctor before the next Council meeting.

Any suspension is reported to the next meeting of the full Council. Uncommonly but in a difficult situation, the Council may deal with the whole matter and hold a Hearing at which the patient-doctor may be present and represented.

(b) The Chairman may, under sub-section 9, suspend "except practice in such hospital or other institution or in partnership with such medical practitioner..... specified from time to time". This provision has been used frequently, sometimes after a period of full suspension. It allows for supervision by another colleague and if necessary by the Medical Officer of Health, while recovery and rehabilitation is taking place. Psychiatric hospital M.O.S.S. positions have in the past been frequently used for such patient-doctors and the Council is appreciative of the help of the superintendents of these hospitals. This is often called "Restricted Registration".

(c) The Chairman, after enquiry and consideration of consultant opinion may decide to take no formal steps. He may dismiss the matter entirely, but usually the patient-doctor will be informed of the issues and of the decision and asked for his co-operation in various voluntary surveillance procedures such as regular psychiatric consultations or informal reports by close colleagues acting in a detached supportive role. At any one time there are often three or four such cases on the Council's "books". This is, in effect, a form of unofficial and voluntary "Monitored Registration".

5. Revocation or Alteration of Suspension

Once suspended, a patient-doctor clearly needs to know his future position. The Act allows for appeal (sub-section 7) within 28 days against the suspension (or lack of revocation). This appeal is normally to the Council who consider it either as a Council or as the Health Committee. If the patient-doctor wishes, he can take it to the High Court who will usually prefer that the full Council consider it first.

The application for review, which may be heard by the full Council, with representation from the patient-doctor, may lead to:-

A form of restricted practice (b) above

Return to practice

Continuation of suspension - the latter may be further appealed within 28 days to the High Court.

6. Consultant involvement

A psychiatrist or specialist consultant may be involved in one of four ways:-

(i) A legal statutory duty of reporting the situation if he is the doctor in charge of the patient. If the patient is not in a hospital with a superintendent, (i.e. in private care or in a small hospital), then it is the medical attendant's direct duty. If there is a superintendent then the clinician will act through him.

(ii) A consultation and report requested by the Medical Council where a medical practitioner is under consideration for unfitness.

(iii) A report requested by a medical practitioner who wishes his own independent consultation and report for Council, or who is already under the psychiatrist's care.

(iv) A report requested by a Dean of a Medical School acting at the time of a student's graduation under Section 22 of the Act.

Note:

Both in (ii) and (iii) the consultation and report may be required when suspension is being contemplated, or is challenged at appeal within 28 days, or consideration is being given by the Council to either lifting or modifying the suspension.

7. Medical Students

Section 22 of the Act concerns initial registration and applies to medical students who have qualified MBChB (or its equivalent) and are seeking conditional registration. The Dean, acting on behalf of his Faculty, is required to notify the Council if the provisions of Section 22(2) - the unfitness description - apply. He may seek advice and may approach a psychiatrist for a report.

8. Comment

The Medical Council is mindful of the important role imposed on it by this Section of the Act. It can only administer it wisely, justly and effectively, with the co-operation of those entrusted with the medical care of their professional colleagues.

Council urges all medical practitioners as part of their overall professional responsibility to respond to these issues and to assist the Council in this unenviable but vital task.

D.S. Cole
Deputy Chairman

THE FINANCE AND GENERAL PURPOSES COMMITTEE

This is not one of the statutory committees of the Medical Council. It was established in August 1981 with Dr P.D. Delany as Convener. In order to oversee the financial and administrative management of Council business, its structure was more formalised in 1984. It was given greater executive power, subject to the overall control of the Council. Dr T. Farrar succeeded Dr Delany in March 1984, and was made Chairman.

The Committee has met seven times during the year. The frequency of meetings has increased in the last few months.

1. CHANGE OF MEDICAL COUNCIL PREMISES

It had been apparent for some time, that the property at 81 Webb Street was no longer adequate for the Council's purposes and certainly would be even less so in the future. The ventilating, heating and lighting systems, whilst sufficient for residential housing, were not up to modern office standards and would not cope with future electronic equipment. The storage of files in garages was unsatisfactory. It was too small to accommodate a boardroom for meetings and architecturally it was not possible to build onto it.

Council Meetings had been held for some years in the Jewish Community Centre opposite 81 Webb Street. This was not an ideal arrangement, particularly with disciplinary hearings, where extra rooms for opposing parties and their counsel were needed.

(a) Lease of Premises in Pharmacy Building

Following prolonged negotiations between the Pharmaceutical Society of New Zealand and Dr Delany, a decision was reached to lease the office suite, previously occupied by the Society on the first floor of the Pharmacy Building at 59 Cambridge Terrace. There is security of tenure of up to eleven years, but the Council will only be bound to the lease for a period of two years at the outset with rights of renewal for three periods each of three years. The rental for the first two years is considered to be below market prices.

... a considerable improvement on Webb Street, these premises ... by no means, be considered luxurious. The toilets are ...ed nature, situated on the adjacent mezzanine, and ...xing facilities are not provided.

...cil took over the premises on 1 February. The shifting ... office furniture and equipment and the whole transition period went very smoothly. We are grateful to Mr Hindes and his staff for their co-operation in this move.

(b) Sale of 81 Webb Street Property

This was sold by auction on 11 April 1984 for $182,500. $20,000 of this was left in as first mortgage. After legal and real estate fees and repayment of the existing Housing Corporation mortgage, a balance of $130,796 was added to the Building Fund.

(c) Future Accommodation

The lease of the Pharmacy Building is being looked on as an interim measure. The Council is of the view, and this is supported by the opinion of an independent public valuer, that ultimately the purchase of an owner-occupier floor, preferably in the peripheral area of the central business district, would better meet our requirements.

2. FINANCE

(a) Income - Annual Practising Certificates

Fees from Annual Practising Certificates are the main source of income for the Council and the figure has remained at $20 since 1979. Council sought to have this fee raised to $30 but the Council's application was not supported by the Department of Health. This information was only received in the latter half of March and accounted for the lateness of sending out the Annual Practising Certificates. Two financial officers from the Department of Health attended the Committee's March meeting, admitted that there would be a deficit for the following year and suggested that the building fund should be used for the everyday running of Council business. This suggestion was declined by Council. The attitude of the department was a reflection of the views of the then government in its economic policies.

The Council now finds itself in an absurd situation. On the one hand it has been given advice by the State Services Commission to update its office equipment, including the possible installation of electronic data processing equipment. On the other hand, it was not permitted to increase the fees paid by members of the profession.

The Council is also concerned at the costs involved in collecting the Annual Practising Certificate fees. There are large numbers of doctors who are very tardy at replying and extra reminder notices - not once but often twice - are expensive and time consuming for the staff.

(b) Meeting Fees

Attendance fees for members attending all day Council Meetings was set at $80 per day in 1977. This contrasts with the $180 received by members of the Medical Practitioners Disciplinary Committee and the $120 by members of a number of senior health-related committees. The Council decided that following the lifting of the wages and price freeze, the fee should be raised to $120, with a similar amount for the members of the Medical Education Committee. In the meantime an increase of $4 to $84 has been paid.

The honorarium of the Chairman of the Council is 1/20th of the 4th merit step of the Hospital Specialists' Scale and was increased from $2,975 to $2,996.25 per annum and the attendance fee increased from $90 to $94.50 per day.

Members of the Medical Council spend much time and effort in their Council duties, with considerable personal sacrifices and time spent away from families and practices. They accept financial losses will be incurred by them. However, they consider the payment of $84 for a ten hour meeting day, to be demeaning.

At its meetings this year, the Committee has spent a lot of time in reviewing financial management. It has sought expert advice from the appropriate people on the best possible investments within the limitations of the Trustees Act. It has carefully looked at and where necessary, updated accounting procedures. It is constantly aware of the need to prepare an early budget for the next financial year.

3. MANAGEMENT SERVICES REPORT

At the request of the Council, the State Services Commission was asked to undertake a management services review of the Council. The aim was to ensure that the office equipment and methods being used were in line with modern office practice. This was carried out in September 1983 and the report was received the following month. The report supported the Council's decision to move from Webb Street to the Pharmacy building.

It suggested the replacement of old duplicating and photo-copying equipment by a later model photocopier. Negotiations for this purchase are in process at the time of the writing of this report. An additional more modern electric typewriter has been bought.

The report pointed out that there was duplication in the maintenance of registers of Medical Practitioners. In Wellington, there is a card system and personal file for individual practitioners. Annually a register of all currently registered practitioners, as well as a Specialist Register, have to be published. Further, a

historical Medical Register of all practitioners who have ever been registered in New Zealand, is kept in chronological order, as laid down in the Medical Practitioners Act. In Dunedin, an electronic data processing file is held on the University of Otago's computer. This holds similar data to that in Wellington, but as well, all the statistical data for each practitioner, gathered from the answers of the questionnaire sent out with Annual Practising Certificates.

The recommendation from the State Services Commission was that the Medical Register and all other relevant data be held on electronic equipment in Wellington. The Council is in agreement with this recommendation and wishes to implement it. Before this can be done, a number of problems will have to be resolved. Apart from the obvious problem of the cost of a computer system, there is the decision as to whether a stand-alone system or a bureau link is preferable. The question of confidentiality is vital and would have special difficulties with a bureau link. The Medical Practitioners Act states that the register must "be open to inspection by the public at the office of the Council." We have obtained legal opinion that a computer printout would not satisfy this requirement. Therefore an amendment to the Act would be necessary. Lastly, the Council is aware that the computer system has been very efficiently run in Dunedin and transfer to Wellington would mean considerable upheaval of staff and training and employment of new staff in Wellington. All these problem areas will need to be sorted out before a final decision is made.

4. STAFF

The office staff has largely remained unchanged. Mr Hindes, the Council's long standing and hard working Secretary, having an Assistant Secretary as well as two clerks and a typist-receptionist. The latter, Mrs Carolyn Tongue, resigned in May to have a baby after seven years of service. At times of peak pressure, it has been necessary to occasionally employ temporary typing staff.

T. Farrar
Chairman

Comments from the Chairman of the Finance and General Purposes Committee on the Financial Statements

A. Gross Income etc.

Gross Income for the Medical Council totalled $226,592, an increase of $9,075 on 1983.

Expenditure totalled $224,218, an increase of $16,170 on 1983.

Net Income amounted to $2,374, a decrease of $7,095 on 1983.

B. The Building Fund

An investment of $15,000 was made with Medical Securities Ltd., in July 1983 at 15.5% for two years. As the Act requires investments to meet the criteria laid down in the Trustees Act 1956 Council determined that this should be withdrawn. Agreement has been reached with Medical Securities Ltd., that the investment will be terminated on 27 July 1984 with an adjusted interest rate of 15% for the one year term.

C. Current Liabilities

The late despatch of Annual Practising Certificate forms, as explained in the Report of the Finance and General Purposes Committee, resulted in very little income in March 1984 as compared with earlier years.

Payments received in advance		1983		1984
Annual Practising Certificates		69129		13520
Disciplinary levy	(@ 20.00)	69150	(@ 10.00)	7020
Total		$138279		$20540

D. Disciplinary Payments

Payments totalled $44388 an increase of $17862 over 1983. Income for 1984-85 following reduction of the levy from $20 to $10 is expected to be $62000. Expenditure, having regard to a noticeable increase in disciplinary proceedings, may well exceed this figure, thus reducing the reserve.

T. Farrar
Chairman

AUDIT REPORT

AUDITORS' REPORT

TO THE MEMBERS OF MEDICAL COUNCIL OF NEW ZEALAND

We have audited the Financial Statements on pages 1 to 4 in accordance with accepted auditing standards and have carried out such procedures as we considered necessary.

We note that there has been an investment with Medical Securities Limited. This has resulted in a breach of Section 14 of the Medical Practitioners Act 1968, as the investment does not comply with the Trustee Act 1956.

In our opinion the Financial Statements give a true and fair view of the financial position of the Council as at 31st March 1984 and the result of its activites for the year ended on that date.

Miller Dean & Partners

WELLINGTON
11th June 1984

Chartered Accountants

MEDICAL COUNCIL OF NEW ZEALAND

NOTES TO ACCOUNTS

1. GENERAL ACCOUNTING POLICY

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

PARTICULAR ACCOUNTING POLICIES

(a) Revaluation of Land and Building

Land and Building have been revalued at 100% of government Valuation dated 1/7/79 and the resulting surplus credited to Unrealised Capital Account.

(b) Depreciation

Building: Straight line depreciation as applied to building at 2½% per annum of the revalued base with the life expectation of 40 years.

Fixtures & Office Equipment: Straight line depreciation is applied at 10% p.a. after revaluation to $2,000 as at 1/4/81 with life expectation of 10 years.

Motor Vehicle: Diminishing value method of depreciation is applied at 20% per annum.

(c) Legal Expenses: No provision has been made for legal proceedings which have not been settled and/or claimed for at balance date.

2. MORTGAGE (Secured)

Housing Corporation

Balance as at 31st March 1984 - $25475

Interest Rate 13% per annum.

Building sold in April 1984 and the mortgage repaid.

3. FIXED ASSETS

	Cost/ Revalued Amount	Accumulated Depreciation to 31/3/84	Book Value 1984	Book Value 1983
Land	24000	-	24000	24000
Building	50000	6250	43750	45000
Fixtures and Office Equipment	2853	919	1934	1704
Motor Vehicle	9353	6288	3065	3831
			$72749	$74535

4. PRIOR YEAR ADJUSTMENT

Interest accrued but not accounted for as at 31st March 1983.

5. BUILDING RESERVE

Building Reserve established for replacement of premises.

Transfer from Accumulated Capital (Including Interest on U.E.B. Industries Ltd Debenture to 31/3/83)	30633
Plus interest credited for the year	4920
	$35553

MEDICAL COUNCIL OF NEW ZEALAND

BALANCE SHEET

FOR YEAR ENDED 31ST MARCH 1984

		1984	1983
CURRENT ASSETS			
Petty Cash	20		20
Bank of N.Z. - General Account	9745		77452
- Disciplinary Fund	11967		77882
Bank of N.Z. - Term Deposits - General	40000		40000
- Disciplinary Fund	195000		95000
Payment in Advance and Sundry Debtors	1725		70
Interest Accrued	12213		34
		270670	291138
INVESTMENT - Building Fund			
U.E.B. Industries Ltd. Debenture @ 18% Maturing 30/9/85	18914		15633
Medical Securities Ltd. Debenture @ 15.5% Maturing 27/7/85	16639		-
		35553	15633
FIXED ASSETS (Notes 1 & 3)		72749	74535
		$378972	$381283
CURRENT LIABILITIES			
Sundry Creditors	14787		8562
* Payments Received in Advance	20540		138279
		35327	146841
TERM LIABILITY (Note 2)			
Housing Corporation Loan (Secured)		25475	28493
CAPITAL ACCOUNT			
Accumulated Capital	65295		93217
Unrealised Capital (Note 1)	9000		9000
Disciplinary Reserve	208322		103732
Building Reserve	35553		-
		318170	205949
		$378972	$381283

* See Comment C, page 27

MEDICAL COUNCIL OF NEW ZEALAND

REVENUE STATEMENT

FOR YEAR ENDED 31ST MARCH 1984

		1984	1983
FEES RECEIVED			
Annual Practising Certificates	122346		120800
Certificates of Good Standing	3020		2890
Changes of Name	150		230
Medical Registration Certification	850		630
Registration Fees	34402		33871
Specialist Registration Fees	4289		4870
Probationary Registration Exam Fees	4200		-
INCOME FROM FEES		169257	163291
OTHER SOURCES OF INCOME			
Administration Costs - Dental Council	5000		5000
Government Grant - Manpower Survey	21645		18270
Interest Received	8493		12494
Reimbursement from Discipline Fund and Recovery of Legal Costs	15590		11600
Rent of Premises	470		520
Sales of Medical Registers	6137		6342
INCOME FROM OTHER SOURCES		57335	54226
TOTAL INCOME FOR YEAR		226592	217517
Less Expenses (as per Schedule)		224218	208048
NET INCOME FOR YEAR		2374	9469
Accumulated Capital Brought Forward	93217		83748
Prior Year Adjustment (Note 4)	337		
	93554		
Less Transfer to Building Reserve (Note 5)	30633		
		62921	
ACCUMULATED CAPITAL 31/3/84		$65295	$93217

MEDICAL COUNCIL OF NEW ZEALAND

SCHEDULE OF EXPENSES

FOR YEAR ENDED 31ST MARCH 1984

		1984	1983
ADMINISTRATION AND OPERATING EXPENSES			
Audit Fee	800		650
Medical Manpower and Associated Expenses	25367		23692
Depreciation - Building	1250		1250
- Motor Vehicle	766		958
- Fixtures and Office Equipment	285		234
Interest on Mortgage	3609		3671
Legal Expenses	14310		14258
Advertising	28		1031
Electricity	1055		1141
General Expenses	4198		2186
Motor Vehicle Expenses	584		1245
Photocopying Expenses	813		1261
Postages	6855		8691
Printing & Stationery	15221		10799
Probationary Regulation Exams Refunds/Expenses	3620		-
Salaries	99630		86890
Superannuation	6562		5565
Telephone and Tolls	2853		2603
TOTAL ADMINISTRATION AND OPERATING EXPENSES		187806	166125
COUNCIL AND COMMITTEE EXPENSES			
Chairman's Expenses	225		646
Honoraria	3975		3975
Fees	11395		11070
Travelling Expenses	14001		17410
TOTAL COUNCIL AND COMMITTEE EXPENSES		29596	33101
PROPERTY EXPENSES			
Cleaning	1974		1695
Insurance	1570		547
Rates	952		926
Repairs and Maintenance	820		5654
Rent	1500		-
TOTAL PROPERTY EXPENSES		6816	8822
TOTAL EXPENDITURE		$224218	$208048

MEDICAL COUNCIL OF NEW ZEALAND

REVENUE STATEMENT FOR DISCIPLINE FUND ACCOUNT

FOR YEAR ENDED 31ST MARCH 1984

		1984	1983
Levies Received	122210		121569
Plus Interest Received	22739		8689
		144949	130258
Less Payments:			
Medical Practitioners' Disciplinary Committee	35930		20229
Legal Expenses (Medical Council and Preliminary Proceedings Committee)	8458		6285
Miscellaneous	-		12
		44388	26526
NET INCOME FOR THE YEAR		100561	103732
Disciplinary Reserve Balance brought forward	103732		-
Prior Year Adjustment (Note 4)	4029		-
		107761	
TOTAL DISCIPLINARY RESERVE		$208322	$103732