

Medical Council of New Zealand
Annual Report 2007



The Council is seen as a hub that embraces, supports and works alongside the medical community in order to serve and protect the **public of New Zealand.**

Inspired by the navigation lines used on hospital floors, coloured lines have been used in this Annual Report to represent the Medical Council flowing through and linking different areas of the medical community.

Each colour represents a value intrinsic to the Medical Council. By using these values the Council aims to move the medical community forward in **a positive direction.**

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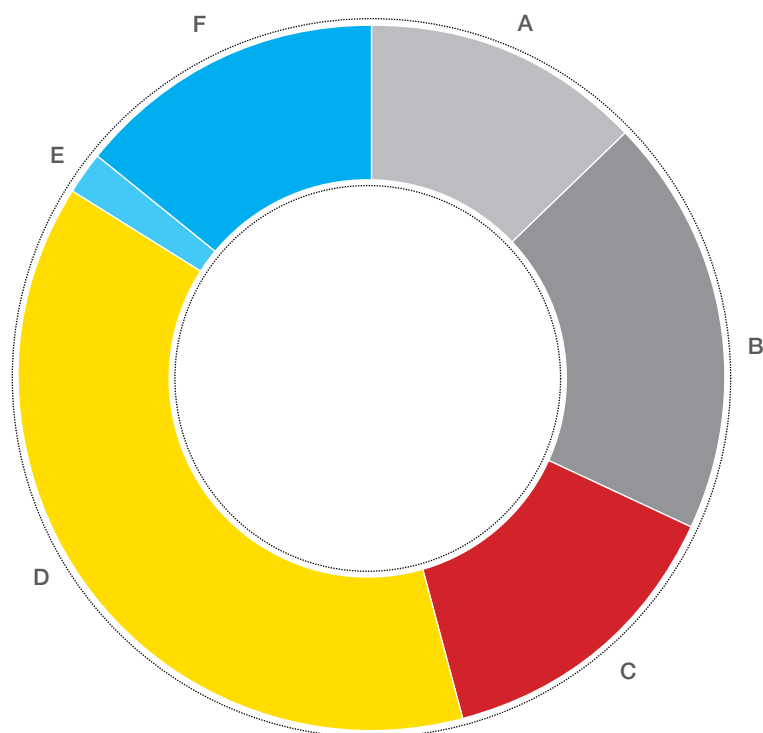


Facts at a glance

1 July 2006–30 June 2007

| | | | |
|---|---------------|------------------------------------|-----------|
| Doctors registered | | Candidates who sat NZREX Clinical | 52 |
| – Trained in New Zealand | 296 | Candidate passes in NZREX Clinical | 31 |
| – International medical graduates | 1,065 | Professional conduct committees | 14 |
| Total practising doctors at 30 June 2007 | 11,854 | Referrals to competence | 38 |
| Doctors registered with vocational scopes | 7,522 | Competence programmes | 5 |
| | | Health | 62 |

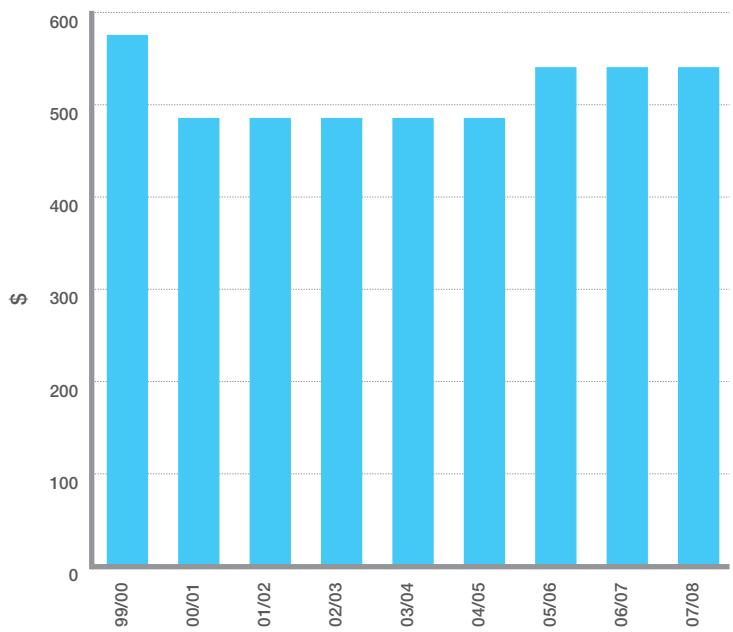
Summary of Expenditure



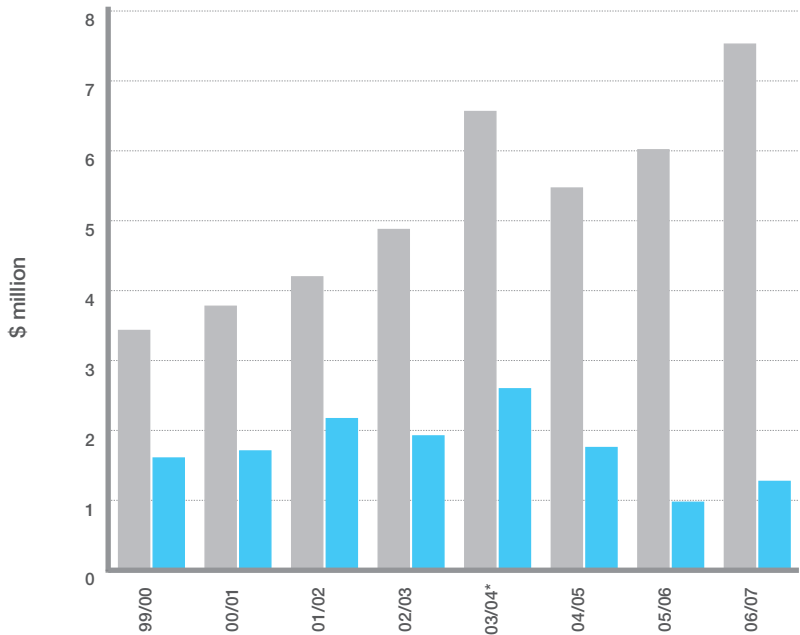
| | |
|--|-----|
| A Education | 13% |
| B Health | 19% |
| C Professional standards | 14% |
| D Registration | 38% |
| E Workforce survey | 2% |
| F Complaints investigation & prosecution | 14% |



Annual Practising Certificate Fee



Total Expenditure



Legend: General fund Compl Investigation & Prosecution Fund Note: *15 month period

Members of the Medical Council

at 30 June 2007



Dr Richard Acland

MB ChB, FFARACS, FANZCA, FAFRM (RACP)

In 1983, Dr Acland began practising anaesthesia and pain management in Auckland. In 1995, he moved back to Christchurch and was clinical director of anaesthesia until 1998. He succeeded Professor Alan Clarke as clinical director of the Burwood Spinal Unit in 2000. He was president of the New Zealand Pain Society in 2002–03 and has been a member of the Medicines Assessment and Advisory Committee since 1996.



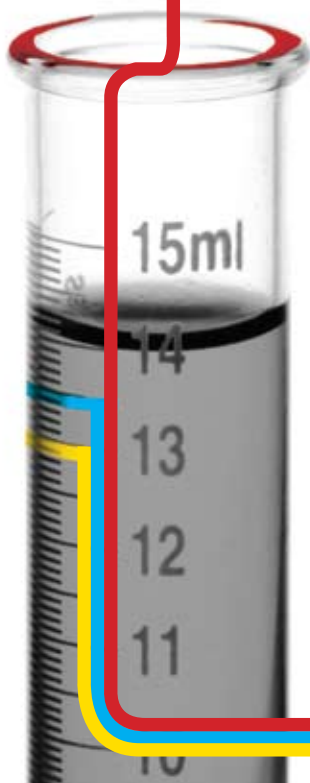
Dr Barnett Bond

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 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. He chairs the Health Regulatory Authorities of New Zealand.



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 and 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. This year she was appointed as a consumer representative on the National Health Epidemiology and Quality Assurance Committee (EPIQUAL), now the Quality Improvement Committee (QIC).

Ms Hera is a member of the Council's Education Committee.



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 Primary Health Organisation (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 Council's Audit and Education Committees.



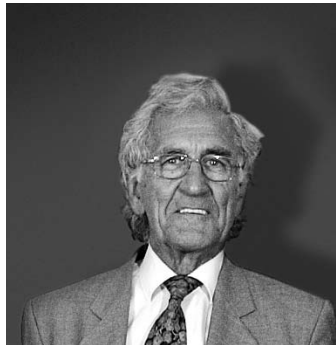
Dr Joanna MacDonald

MB ChB, FRANZCP

Dr MacDonald graduated from Otago University 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 and works in a clinical position with the Porirua community mental health team.

Dr MacDonald has extensive experience in psychiatry. She spent six years on the Examination Committee of the Royal Australian and New Zealand College of Psychiatrists and a further seven 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.

Dr MacDonald has been a member of Council's Health Committee since joining Council in 2000 and chairperson of the committee since 2002.



Dr Peter Moller

MNZM, MB ChB, MRCPed, MRCP, FRACP

Dr Moller has worked as a junior doctor in Auckland, New Plymouth, rural India and England, and as a general practitioner in New Zealand and London. He specialised in rheumatology and worked in Dunedin and Christchurch as a member of the University of Otago's department of medicine until 2004. Dr Moller is a rheumatologist in Christchurch.

Dr Moller was chairperson of the Canterbury Association of Physicians from 1992 to 1998 and a member of the Medicines Assessment Advisory Committee of the Ministry of Health from 1974 to 1994. He has been an adviser to the pharmaceutical industry and a member of the editorial board of the New Zealand Medical Journal from 1999 to 2001.

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



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 Middlemore Hospital and the Auckland Radiology Group. She was elected to Council in 2003 and is a member of 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 specialist for several public sector organisations and as a part-time 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 an honorary research fellow at the Centre for Public Health Research, Massey University, and has held a World Health Organization fellowship in environmental health.

Dr Read is chairperson of the Education Committee, deputy chairperson of Council, and Council's representative on the Confederation of Postgraduate Medical Education Councils and the Australian Medical Council's Specialist Education Accreditation Committee.



Dr Ian St George

**MB ChB Otago, DObstRCOG,
FRACP, FRNZCGP, DipEd MD**

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 a member of the Council's Education Committee.



Mrs Heather Thomson

Mrs Thomson is in her second term as a public member of Council. She has been a public member on many boards including the Cartwright Committee, the 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 Council's Audit and Health Committees.

Chairperson's foreword

In 2007, the Council continued to refine and implement its strategic goals and direction. We have set the following four goals.

1

Optimise mechanisms to ensure doctors are competent and fit to practise.

2

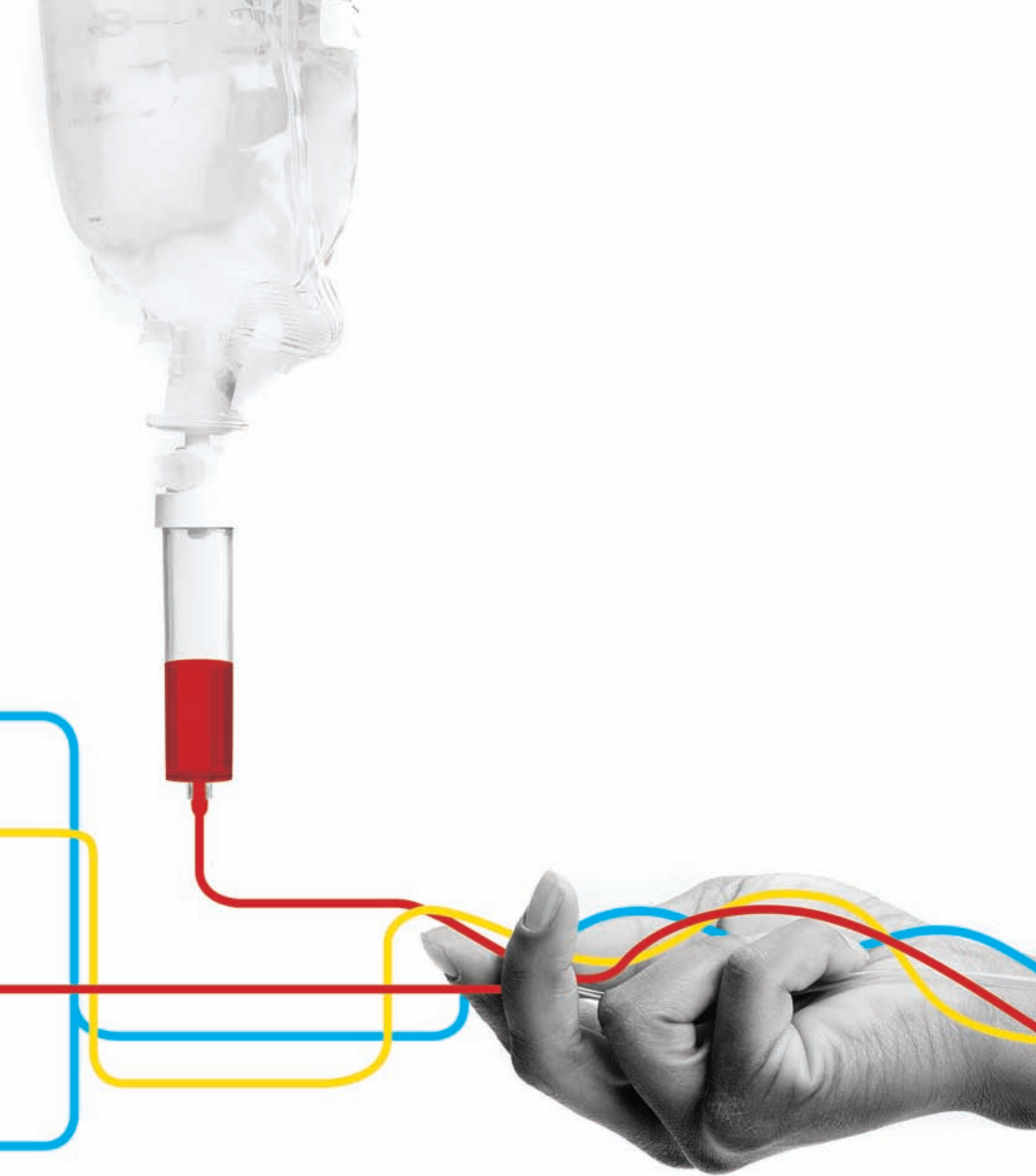
Improve our relationship and partnership with the public, doctors and stakeholders so that we can fulfil our role under the Health Practitioners Competence Assurance Act 2003 (HPCAA).

3

Optimise standards of medical practice through processes that promote self-regulation. The standards will be set through consultation with the public, doctors and stakeholders.

4

Improve medical regulatory and workforce outcomes both in New Zealand and internationally by promoting increased knowledge and awareness of relevant issues.



Looking at workforce issues

During the past year, workforce issues have generated considerable interest. The level of interest is not surprising because of the shortages that exist in certain regions and specialties, and the extent that we rely on doctors who attained their primary medical qualification in another country.

International medical graduates (IMGs) make up 41 percent of doctors practising in New Zealand.

Meeting New Zealand's health service needs

The Council considers that New Zealand should train enough doctors to meet our health service needs, which would mean increasing medical student numbers. We also need to retain a higher proportion of those we do train.

The Council is working with several different bodies to improve the educational experience of graduates during the early postgraduate years. Many of our graduates seek overseas experience and benefit greatly from this time. If, at the time they leave, they are part of a New Zealand training programme and known within the New Zealand health system, they may be more likely to return.

Maintaining effective relationships with stakeholders

As in past years, Council members, the chief executive and staff met with a diverse range of stakeholders throughout New Zealand.

Council members, staff and I visited Te Puia Springs, Gisborne, Wanganui and New Plymouth and met with both public and doctors' groups. We value these meetings because they provide an opportunity to discuss the reasoning behind policy development and to listen to the views of those affected by our decisions.

We consulted with the medical profession and other stakeholders on topics such as cosmetic procedures, good medical practice, internet medicine and guidelines for managing disruptive behaviour. The consultation process is invaluable in obtaining feedback and helping us shape policy.

Maintaining effective relationships with the media

We organised a very successful media day attended by radio, television and print journalists. Council staff and external speakers gave excellent presentations about how the Council functions and its regulatory and complaints systems.

The media day helps to keep journalists well informed and fosters a more personal relationship between the Council and key journalists.

Our policy on commenting on individual doctors

The Council has a long-standing policy of not commenting publicly on 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 might comment if providing additional information corrects misconceptions and clarifies the issues. We decide whether to comment on a case-by-case basis.

Articles

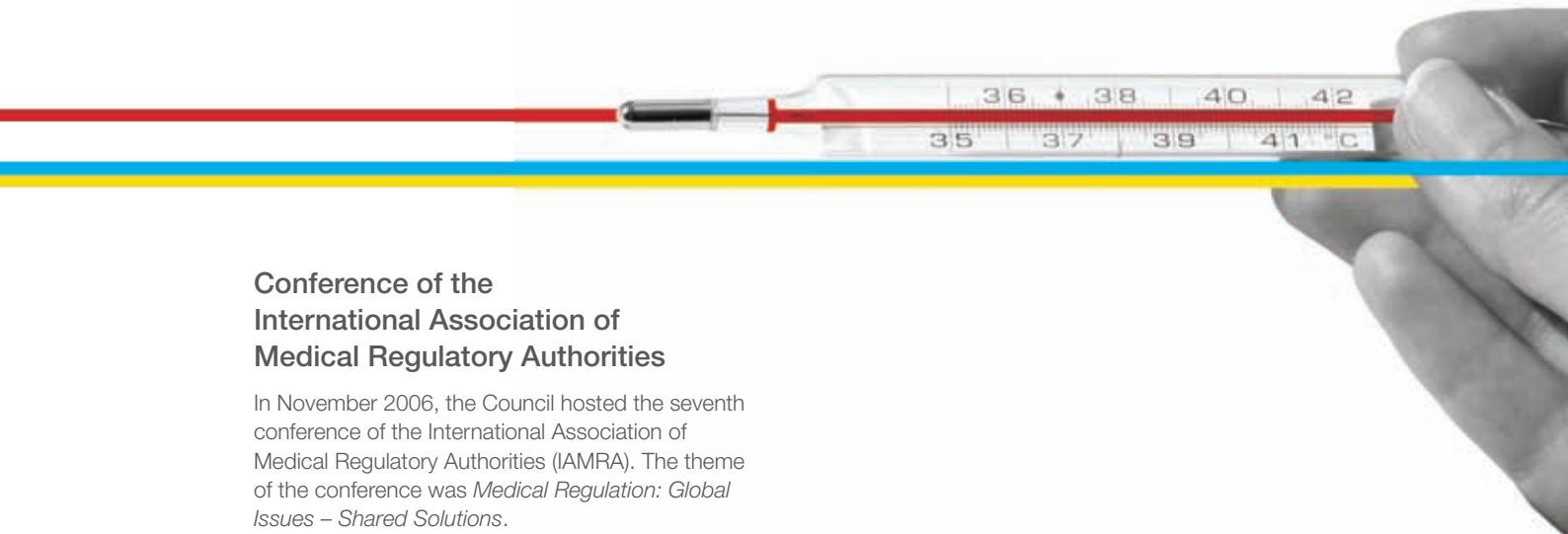
We wrote several articles for *New Zealand Doctor* in 2007. I would like to thank *New Zealand Doctor* for providing us with a platform to generate debate about issues within the medical profession.

Council elections

The Minister of Health, the Hon Pete Hodgson, appointed Drs Richard Acland, Peter Moller, Kate O'Connor and Ian St. George to Council on 1 July 2006 following a Council election. Under the HPCAA, the Minister of Health makes all Council appointments.

The Minister of Health also appointed Dr Barnett Bond to the Council in September 2006 – a decision that was widely welcomed by the profession.

Council supports the election of a proportion of Council members by registered doctors. We have discussed this with the Minister of Health and emphasised the advantages of a Council that has a balance of elected and appointed medical practitioners and public members. The Minister of Health is exploring ways of achieving the best balance of members on Council.



Conference of the International Association of Medical Regulatory Authorities

In November 2006, the Council hosted the seventh conference of the International Association of Medical Regulatory Authorities (IAMRA). The theme of the conference was *Medical Regulation: Global Issues – Shared Solutions*.

A significant topic at the conference was the impact that emigrating doctors have on the ability of developing countries to provide adequate health care to their populations. Conference delegates discussed the responsibilities of developed countries to those less-developed countries from which developed countries draw doctors to meet their own medical workforce needs.

Meeting of the International Physician Assessment Coalition

The International Physician Assessment Coalition (IPAC) met just before the IAMRA conference and had an excellent mix of expert speakers from New Zealand and overseas. I am pleased to note that a Council member, Dr Ian St George, was elected to chair IPAC. This appointment recognises Ian's and the Council's pioneering work on performance assessment.

Thanks

Our highly qualified professional staff, supported by our very competent corporate and finance teams, deal with increasingly complex issues about registration, performance, standards, health and the Health Practitioners Disciplinary Tribunal (HPDT).

I would like to thank both Council members and staff for their achievements over the past year in maintaining to a high standard the functions of the Council.

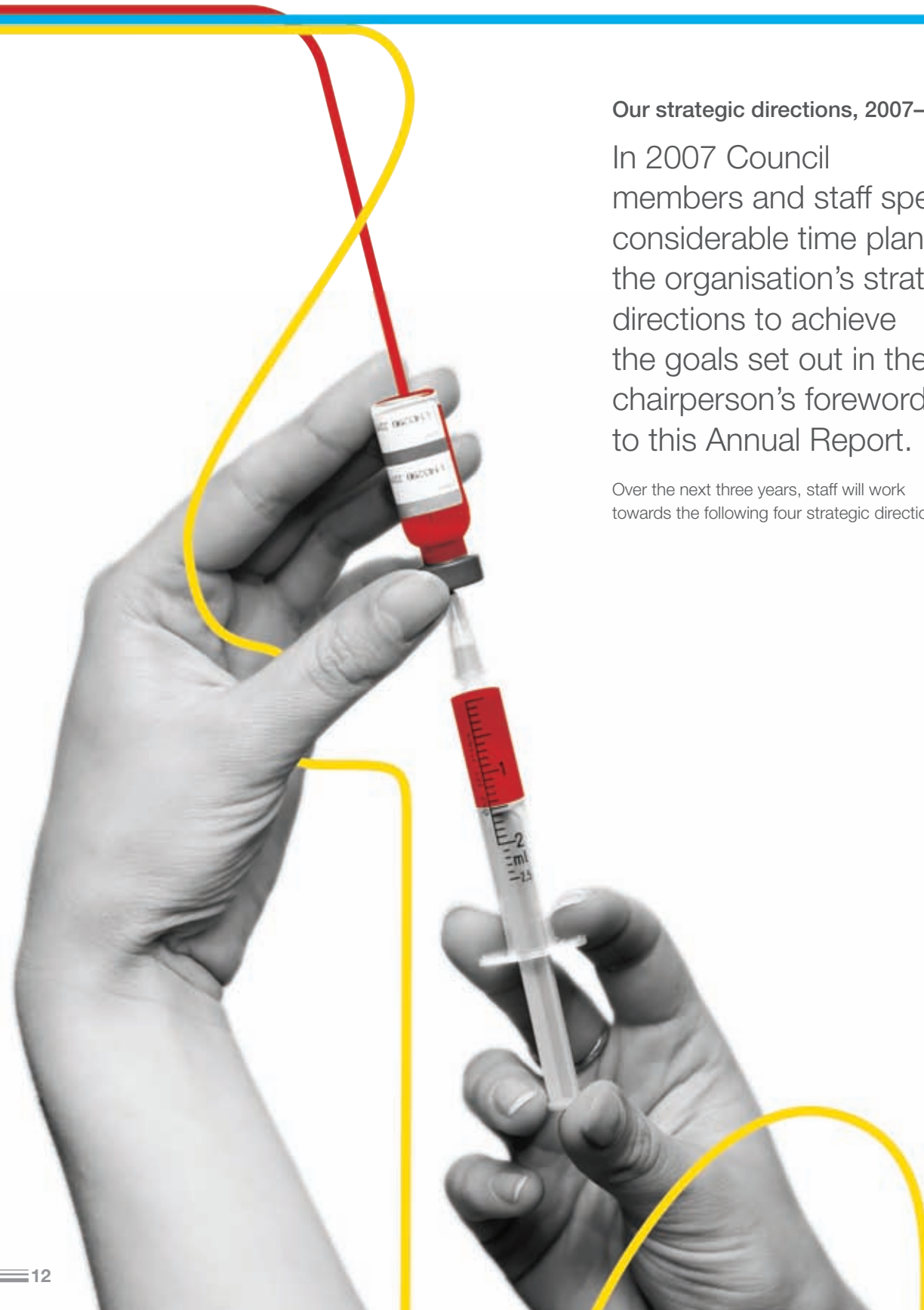
John Campbell
Chairperson

Chief Executive's introduction

Our strategic directions, 2007–2010

In 2007 Council members and staff spent considerable time planning the organisation's strategic directions to achieve the goals set out in the chairperson's foreword to this Annual Report.

Over the next three years, staff will work towards the following four strategic directions.



Fitness to practise

We will:

1

- 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.

Medical migration

We will:

2

- 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.

Medical education

3

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

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:

4

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

Quality assurance

As well, we will focus on quality improvement, with an emphasis on:

- reviewing policies and processes
- introducing a project management methodology
- updating our computer systems
- changing Council meeting arrangements.

Improving our online services

The Council has been designing and developing a replacement for our existing computer system, using the latest Microsoft .NET technology.

Registration, qualifications, annual practising certificates (APCs) and continuing professional development and education are all tracked through the organisation's core business system – and the demand for more online services is growing.

Beginning in early 2009, the new systems will further streamline internal operations and eventually provide expanded online access to information and services for doctors and other stakeholders.

Restructuring the fee for the annual practising certificate (APC)

The Council agreed that the two components that make up the APC fee – the disciplinary levy and the general fund portion – will change. The disciplinary levy will reduce from \$90.00 to \$67.50, and the general fund portion will increase from \$450.00 to \$472.50.

Improving cultural competence

Cross-cultural interactions between doctors and patients are common because of our culturally diverse population and the many ethnic groups and other groupings with which patients may identify. To help doctors become more competent in dealing with patients whose cultures differ from their own, the Council has published the following three cultural competence resources:

- *Statement on cultural competence*
- *Statement on best practices when providing care to Māori patients and their whānau*
- *Best health outcomes for Māori: Practice implications.*

The purpose of the two cultural competence statements is to improve the quality of health-care services and outcomes for all patients. The statements outline the attitudes, knowledge and skills expected of doctors in their dealings with all patients.

Mauri Ora Associates developed the booklet *Best health outcomes for Māori: Practice implications for the Council*. The booklet provides general guidance on Māori cultural preferences and includes practical advice and specific examples.

Thanks

I would like to thank Professor John Campbell and all Council members and staff for their continued support and commitment.



Philip Pigou
Chief Executive



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: \$1,104,513

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

We have four main areas of responsibility:

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

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: \$1,663,856

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.

The Health Committee received 62 new referrals of doctors during the year. Of these, 10 doctors were involved in a high-level monitoring programme and 37 needed a lower level of monitoring. Another 15 cases were closed.

In addition, the Council continued to monitor 151 doctors from the previous year. Of these, 43 were in a high-level monitoring programme, 57 were monitored at a lower level and 51 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 147. See Table 1 for a summary of health statistics for doctors.

1. Doctors' health statistics

1 July 2006–30 June 2007

| | |
|--|------------|
| NEW REFERRALS RECEIVED | 62 |
| High-level monitoring | 10 |
| Low-level monitoring | 37 |
| Closed | 15 |
| Total | 47 |
| Monitoring continued from previous year | 151 |
| High-level monitoring | 43 |
| Low-level monitoring | 57 |
| Closed | 51 |
| Total | 147 |

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: \$3,415,385

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.

Key registration statistics for the year ended 30 June 2007 were:

- 1,065 new international medical graduates (IMGs) registered
- 296 new New Zealand graduates were registered
- 15,901 doctors were on the medical register and 11,854 of these held an APC.

2. Summary of registration status

At 30 June 2007

| | |
|--------------------------|---------------|
| Provisional general | 1,899 |
| General | 6,124 |
| Provisional vocational | 138 |
| Vocational | 7,522 |
| Special purpose | 212 |
| Total practising | 11,854 |
| Suspended | 6 |
| Total on register | 15,901 |

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



3. Registration activities

1 July 2006–30 June 2007


| | Number |
|--|--------|
| PROVISIONAL GENERAL / VOCATIONAL SCOPES ISSUED | |
| New Zealand graduates (interns) | 291 |
| Australian graduates (interns) | 2 |
| Approved examination passed | 26 |
| Graduate of competent authority accredited medical school | 356 |
| Worked in comparable health system | 209 |
| New Zealand and overseas graduates (re-registration following erasure) | – |
| Transitional | 116 |
| Non-approved postgraduate qualification – vocational assessment | 41 |
| Non-approved postgraduate qualification – vocational eligible | 36 |
| Approved postgraduate qualification – vocational eligible | 2 |
| GENERAL SCOPE ISSUED | |
| New Zealand graduates | 1 |
| Overseas graduates | 52 |
| Restorations | 23 |
| SPECIAL PURPOSE SCOPE ISSUED | |
| Visiting expert | 19 |
| Sponsored trainee | 2 |
| Research | – |
| Postgraduate training or experience | 48 |
| Locum tenens in specialist post | 160 |
| Emergencies or other unpredictable short-term situation | – |
| GENERAL SCOPE AFTER COMPLETION OF SUPERVISED PERIOD | |
| New Zealand / Australian graduates (interns) | 303 |
| Passed NZREX | 40 |
| Graduate of accredited by a competent authority medical school | 153 |
| Worked in comparable health system | 11 |
| Transitional | 45 |

| | Number |
|---|--------|
| VOCATIONAL SCOPE AFTER COMPLETION OF SUPERVISED PERIOD | |
| Non-approved postgraduate qualification – vocational assessment | 19 |
| Non-approved postgraduate qualification – vocational eligible | 54 |
| Approved postgraduate qualification – vocational eligible | 1 |
| Approved BAB training programme | 2 |
| SUSPENSIONS | |
| Suspended or interim suspension of scope | 3 |
| Revocation of suspension of scope | – |
| Suspended or interim suspension annual practising certificate | – |
| Revocation of suspension annual practising certificate | – |
| CONDITIONS | |
| Imposed | – |
| Revoked | – |
| CANCELLATIONS UNDER THE HPCAA | |
| Death – s.143 | 36 |
| Discipline order – s.101(1)(a) | – |
| False, misleading or not entitled – s.146 | 1 |
| Revision of register – s.144(5) | 226 |
| At own request – s.142 | 152 |

4. Doctors registered in vocational scopes

1 July 2006–30 June 2007

| Vocational scope | Vocational scope at 30/6/2006 ¹ | Added 2006/2007 | Removed 2006/2007 | Net change | Vocational scope at 30/6/2007 ^{1,2} |
|---|--|-----------------|-------------------|------------|--|
| Accident and medical practice | 117 | 10 | 1 | 9 | 126 |
| Anaesthesia | 553 | 44 | 4 | 40 | 593 |
| Breast medicine | 5 | – | – | – | 5 |
| Cardiothoracic surgery | 28 | 1 | 1 | – | 28 |
| Clinical genetics | 8 | – | – | – | 8 |
| Dermatology | 51 | 3 | – | 3 | 54 |
| Diagnostic and interventional radiology | 306 | 24 | 3 | 21 | 327 |
| Emergency medicine | 108 | 12 | – | 12 | 120 |
| Family planning / reproductive health | 24 | 1 | 1 | – | 24 |
| General practice | 2,705 | 129 | 17 | 112 | 2,817 |
| General surgery | 267 | 14 | 5 | 9 | 276 |
| Intensive care medicine | 51 | 3 | – | 3 | 54 |
| Internal medicine | 784 | 42 | 7 | 35 | 819 |
| Medical administration | 14 | 2 | – | 2 | 16 |
| Musculoskeletal medicine | 20 | – | – | – | 20 |
| Neurosurgery | 17 | 1 | – | 1 | 18 |
| Obstetrics and gynaecology | 279 | 11 | 2 | 9 | 288 |



| Vocational scope | Vocational scope at 30/6/2006 ¹ | Added 2006/2007 | Removed 2006/2007 | Net change | Vocational scope at 30/6/2007 ^{1,2} |
|--------------------------------------|--|-----------------|-------------------|------------|--|
| Occupational medicine | 47 | 5 | 2 | 3 | 50 |
| Ophthalmology | 133 | 9 | 1 | 8 | 141 |
| Oral and maxillofacial surgery | 13 | 1 | – | 1 | 14 |
| Orthopaedic surgery | 229 | 12 | 3 | 9 | 238 |
| Otolaryngology head and neck surgery | 98 | 6 | 1 | 5 | 103 |
| Paediatric surgery | 17 | 1 | – | 1 | 18 |
| Paediatrics | 268 | 28 | 2 | 26 | 294 |
| Palliative medicine | 33 | 2 | – | 2 | 35 |
| Pathology | 273 | 16 | 1 | 15 | 288 |
| Plastic and reconstructive surgery | 51 | 2 | – | 2 | 53 |
| Psychiatry | 510 | 32 | 4 | 28 | 538 |
| Public health medicine | 176 | 14 | 1 | 13 | 189 |
| Radiation oncology | 55 | 3 | – | 3 | 58 |
| Rehabilitation medicine | 12 | – | – | – | 12 |
| Sexual health medicine | 18 | 1 | – | 1 | 19 |
| Sports medicine | 12 | 2 | – | 2 | 14 |
| Urology | 55 | 1 | – | 1 | 56 |
| Vascular surgery | 20 | 3 | – | 3 | 23 |
| Total | 7,357 | 435 | 56 | 379 | 7,736 |

Notes:

¹ Includes doctors who do not currently have an APC.

² Includes 248 doctors with registration in two vocational scopes and one doctor with registration in three vocational scopes.

5. Registration issued by country of primary qualification

1 July 2006–30 June 2007

PROVISIONAL GENERAL

| Country | New Zealand / Australian graduates | Exams | Competent authority | Comparable health system | Transitional | Total | Non-app postgrad qual voc assessment | Non-app postgrad qual voc eligible |
|---------------------|------------------------------------|-------|---------------------|--------------------------|--------------|-------|--------------------------------------|------------------------------------|
| Antigua and Barbuda | – | – | – | 1 | – | 1 | – | – |
| Australia | 2 | – | – | 1 | – | 3 | – | – |
| Austria | – | – | – | 1 | – | 1 | – | – |
| Belgium | – | – | – | 1 | – | 1 | – | – |
| Brazil | – | – | – | – | – | – | – | – |
| Canada | – | – | – | 18 | 1 | 19 | 1 | 1 |
| China | – | 2 | – | – | – | 2 | – | – |
| Colombia | – | 1 | – | – | 1 | 2 | – | – |
| Costa Rica | – | – | – | 1 | – | 1 | – | – |
| Croatia | – | – | – | 1 | – | 1 | – | 1 |
| Czech Republic | – | – | – | – | – | – | – | – |
| Denmark | – | 1 | – | 3 | – | 4 | – | – |
| Dominica | – | – | – | – | – | – | – | – |
| Dominican Republic | – | – | – | – | – | – | – | – |
| Egypt | – | 1 | – | – | 2 | 3 | 1 | 1 |
| England | – | – | 221 | – | – | 221 | 10 | 15 |
| Fiji | – | – | – | – | – | – | – | – |
| France | – | – | – | 1 | – | 1 | – | – |
| Germany | – | – | – | 30 | – | 30 | 2 | 1 |
| Ghana | – | – | – | – | – | – | – | – |
| Hong Kong | – | – | – | 1 | – | 1 | – | – |
| Hungary | – | – | – | 1 | – | 1 | – | – |
| Iceland | – | – | – | 1 | – | 1 | – | – |
| India | – | 7 | – | 34 | 10 | 51 | 2 | – |
| Indonesia | – | – | – | 1 | – | 1 | – | – |
| Iraq | – | 1 | – | 1 | – | 2 | – | – |
| Ireland | – | – | 43 | 1 | – | 44 | 1 | 1 |
| Israel | – | – | – | – | – | – | – | – |
| Italy | – | – | – | 1 | – | 1 | – | 1 |
| Japan | – | 1 | – | – | – | 1 | – | – |
| Kazakhstan | – | – | – | – | 1 | 1 | – | – |
| Kenya | – | – | – | 2 | – | 2 | – | – |
| Malaysia | – | – | – | – | – | – | – | – |



PROVISIONAL VOCATIONAL

SPECIAL PURPOSE

| App post-grad qual voc eligible | BAB training programme | Total | Visiting expert | Sponsored trainee | Research | Post grad-training/exp | Locum tenens | Total |
|---------------------------------|------------------------|-------|-----------------|-------------------|----------|------------------------|--------------|-------|
| - | - | - | - | - | - | - | - | - |
| - | - | - | 9 | - | - | - | 1 | 10 |
| - | - | - | - | - | - | - | - | - |
| - | - | - | 2 | - | - | - | - | 2 |
| - | - | - | - | - | - | 1 | 1 | 2 |
| - | - | 2 | 1 | - | - | 2 | 4 | 7 |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | 1 | - | - | - | - | - | - |
| - | - | - | - | - | - | - | 1 | 1 |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | 1 | 1 |
| - | - | - | - | - | - | - | 1 | 1 |
| - | - | 2 | - | - | - | - | 2 | 2 |
| - | - | 25 | 1 | - | - | 1 | 21 | 23 |
| - | - | - | - | 1 | - | 3 | - | 4 |
| - | - | - | 1 | - | - | - | - | 1 |
| - | - | 3 | 1 | - | - | 1 | 2 | 4 |
| - | - | - | - | - | - | - | 1 | 1 |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | 1 | 1 |
| - | - | - | - | - | - | - | - | - |
| 1 | - | 3 | - | - | - | 11 | 12 | 23 |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | 2 | - | - | - | - | 1 | 1 |
| - | - | - | - | - | - | 1 | - | 1 |
| - | - | 1 | 1 | - | - | - | - | 1 |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | 1 | - | 1 |

PROVISIONAL GENERAL

| Country | New Zealand / Australian graduates | Exams | Competent authority | Comparable health system | Transitional | Total | Non-app postgrad qual voc assessment | Non-app postgrad qual voc eligible |
|--------------------------|------------------------------------|-----------|---------------------|--------------------------|--------------|--------------|--------------------------------------|------------------------------------|
| Malta | - | - | - | - | - | - | - | - |
| Mexico | - | - | - | 3 | - | 3 | - | - |
| Montserrat | - | - | - | - | - | - | - | - |
| Myanmar | - | - | - | - | 1 | 1 | - | - |
| Nepal | - | - | - | 1 | - | 1 | - | - |
| Netherlands | - | - | - | 16 | - | 16 | 4 | - |
| Nigeria | - | 1 | - | 2 | - | 3 | - | - |
| Northern Ireland | - | - | 11 | - | - | 11 | - | - |
| Oman | - | - | - | - | - | - | - | - |
| Pakistan | - | 1 | - | 1 | 8 | 10 | - | - |
| Peru | - | - | - | - | 1 | 1 | - | - |
| Philippines | - | 1 | - | - | 2 | 3 | - | - |
| Poland | - | - | - | 2 | - | 2 | 1 | 1 |
| Romania | - | - | - | 1 | 1 | 2 | - | - |
| Russia | - | 3 | - | 2 | 1 | 6 | - | - |
| Scotland | - | - | 69 | - | - | 69 | 3 | 2 |
| Sierra Leone | - | - | - | 1 | - | 1 | - | - |
| South Africa | - | - | - | 3 | 83 | 86 | 6 | 3 |
| Spain | - | - | - | 1 | - | 1 | - | - |
| Sri Lanka | - | 2 | - | 2 | - | 4 | 3 | 1 |
| Sudan | - | - | - | - | 1 | 1 | - | - |
| Sweden | - | - | - | 7 | - | 7 | - | - |
| Switzerland | - | - | - | 1 | - | 1 | - | - |
| Syria | - | - | - | 1 | - | 1 | - | - |
| Taiwan | - | - | - | - | - | 0 | - | - |
| Thailand | - | - | - | - | - | 0 | - | - |
| Trinidad and Tobago | - | - | - | 2 | - | 2 | - | - |
| Ukraine | - | 2 | - | 1 | - | 3 | - | - |
| United States of America | - | - | - | 58 | 2 | 60 | 6 | 6 |
| Uruguay | - | 1 | - | - | - | 1 | - | - |
| Uzbekistan | - | 1 | - | - | - | 1 | - | - |
| Wales | - | - | 12 | - | - | 12 | 1 | 1 |
| Yemen | - | - | - | 1 | - | 1 | - | - |
| Zambia | - | - | - | 2 | - | 2 | - | - |
| Zimbabwe | - | - | - | - | 1 | 1 | - | - |
| New Zealand | 291 | - | - | - | - | 291 | - | 1 |
| Total | 293 | 26 | 356 | 209 | 116 | 1,000 | 41 | 36 |

PROVISIONAL VOCATIONAL

SPECIAL PURPOSE

| App post-grad qual voc eligible | BAB training programme | Total | Visiting expert | Sponsored trainee | Research | Post-grad training / exp | Locum tenens | Total |
|---------------------------------|------------------------|-----------|-----------------|-------------------|----------|--------------------------|--------------|------------|
| - | - | - | - | - | - | - | 1 | 1 |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | 2 | 2 |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | 4 | - | - | - | - | 1 | 1 |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | 1 | - | 1 |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | 2 | 2 | 4 |
| - | - | 2 | - | - | - | - | - | - |
| - | - | - | - | - | - | - | 1 | 1 |
| - | - | - | - | - | - | - | - | - |
| - | - | 5 | - | - | - | - | 8 | 8 |
| - | - | - | - | - | - | - | - | - |
| - | - | 9 | - | - | - | - | 19 | 19 |
| - | - | - | - | - | - | - | - | - |
| - | - | 4 | - | - | - | 23 | 1 | 24 |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | 1 | 1 |
| - | - | - | - | 1 | - | 1 | - | 2 |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | 12 | 1 | - | - | - | 72 | 73 |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | 2 | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| 1 | - | 1 | - | - | - | - | - | - |
| - | - | - | - | - | - | - | 2 | 2 |
| - | - | 1 | 2 | - | - | - | 1 | 3 |
| 2 | - | 79 | 19 | 2 | - | 48 | 160 | 229 |

6. Vocational scope granted to doctors, by vocational scope

1 July 2006–30 June 2007

| Vocational Scope | Overseas | New Zealand |
|---|------------|-------------|
| Accident and medical practice | 7 | 3 |
| Anaesthesia | 24 | 20 |
| Breast medicine | – | – |
| Cardiothoracic surgery | 1 | – |
| Clinical genetics | – | – |
| Dermatology | 1 | 2 |
| Diagnostic and interventional radiology | 8 | 16 |
| Emergency medicine | 4 | 8 |
| Family planning / reproductive health | 1 | – |
| General practice | 64 | 65 |
| General surgery | 8 | 6 |
| Intensive care medicine | 1 | 2 |
| Internal medicine | 20 | 22 |
| Medical administration | 1 | 1 |
| Neurosurgery | 1 | – |
| Obstetrics and gynaecology | 7 | 3 |
| Occupational medicine | 1 | 4 |
| Ophthalmology | 6 | 3 |
| Oral and maxillofacial surgery | – | 1 |
| Orthopaedic surgery | 6 | 6 |
| Otolaryngology head and neck surgery | 4 | 2 |
| Paediatric surgery | – | 1 |
| Paediatrics | 13 | 15 |
| Palliative medicine | 1 | 1 |
| Pathology | 10 | 6 |
| Plastic and reconstructive surgery | 1 | 1 |
| Psychiatry | 21 | 11 |
| Public health medicine | 2 | 12 |
| Radiation oncology | – | 3 |
| Rehabilitation medicine | – | – |
| Sexual health medicine | – | 1 |
| Sports medicine | 2 | – |
| Urology | – | 1 |
| Vascular surgery | 2 | 1 |
| Total | 217 | 217 |



7. Outcomes of vocational assessments

1 July 2006–30 June 2007

| Branch | Incomplete applications | Pending (at College / Council) | Withdrawn / lapsed | Vocational scope | Vocational eligible | Vocational assessment | NZREX | Total |
|---|-------------------------|--------------------------------|--------------------|------------------|---------------------|-----------------------|-------|-------|
| Anaesthesia | 2 | – | – | 1 | 4 | 3 | – | 10 |
| Cardiothoracic surgery | 1 | – | – | – | – | 1 | – | 2 |
| Dermatology | – | – | 1 | – | – | 1 | – | 2 |
| Diagnostic and interventional radiology | 1 | – | – | 2 | 4 | 3 | – | 10 |
| Emergency medicine | 3 | – | – | – | – | 1 | – | 4 |
| Family planning / reproductive health | – | – | – | 1 | – | – | – | 1 |
| General practice | 1 | – | 3 | 1 | 5 | – | – | 10 |
| General surgery | 2 | 1 | 3 | – | – | 2 | – | 8 |
| Intensive care medicine | – | – | – | – | – | 1 | – | 1 |
| Internal medicine | 9 | 1 | 1 | 2 | 7 | 11 | – | 31 |
| Medical administration | – | – | – | – | – | 1 | – | 1 |
| Neurosurgery | – | – | – | – | 1 | – | – | 1 |
| Obstetrics and gynaecology | 3 | – | – | 1 | 3 | 6 | – | 13 |
| Occupational medicine | – | – | – | 2 | 1 | – | – | 3 |

| Branch | Incomplete applications | Pending (at College / Council) | Withdrawn / lapsed | Vocational scope | Vocational eligible | Vocational assessment | NZREX | Total |
|--------------------------------------|-------------------------|--------------------------------|--------------------|------------------|---------------------|-----------------------|----------|------------|
| Ophthalmology | – | – | 1 | – | 5 | – | – | 6 |
| Orthopaedic surgery | 1 | – | – | 2 | 1 | 1 | 1 | 6 |
| Otolaryngology head and neck surgery | 1 | – | 1 | 2 | – | 1 | – | 5 |
| Paediatrics | 4 | 1 | – | 3 | 1 | 2 | 1 | 12 |
| Palliative medicine | – | – | – | – | 1 | – | – | 1 |
| Pathology | 1 | 2 | 2 | 2 | 2 | 1 | – | 10 |
| Plastic and reconstructive surgery | – | – | – | – | – | 1 | – | 1 |
| Psychiatry | – | 1 | 1 | 1 | 7 | 14 | – | 24 |
| Public health medicine | – | – | 1 | – | 2 | 1 | – | 4 |
| Rehabilitation medicine | – | – | 1 | – | – | 1 | – | 2 |
| Urology | 1 | – | – | – | 1 | – | – | 2 |
| Vascular surgery | – | 1 | – | 1 | – | 1 | – | 3 |
| Total | 30 | 7 | 15 | 21 | 45 | 53 | 2 | 173 |

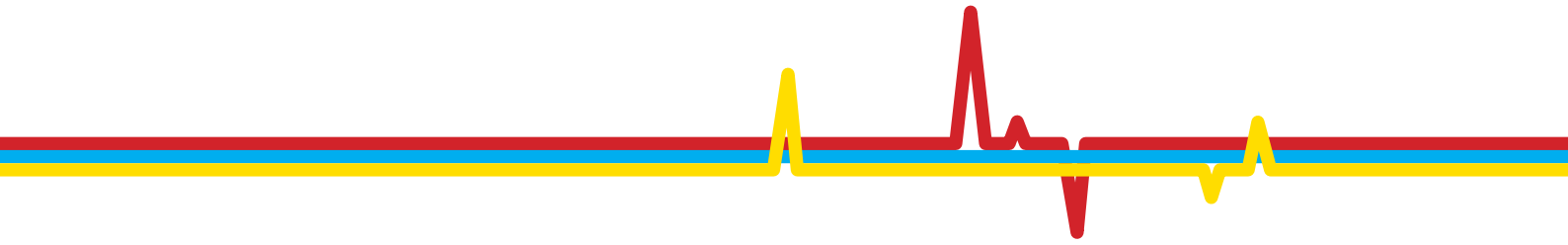
Percentages based on total number of outcomes

17.36% 37.19% 43.80% 1.65%

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

As at 30 June 2007

| Country | Provisional general | General | Provisional vocational | Vocational | Special purpose | Total | Number with practising certificates |
|----------------------------------|---------------------|---------|------------------------|------------|-----------------|-------|-------------------------------------|
| England | 568 | 512 | 21 | 870 | 21 | 1992 | 1339 |
| South Africa | 182 | 309 | 30 | 565 | 7 | 1093 | 847 |
| Scotland | 177 | 167 | 5 | 241 | 7 | 597 | 388 |
| Australia | 3 | 354 | – | 201 | 1 | 559 | 315 |
| India | 76 | 173 | 12 | 222 | 34 | 517 | 391 |
| Sri Lanka | 10 | 103 | 4 | 161 | 31 | 309 | 202 |
| United States of America | 158 | 11 | 16 | 78 | 66 | 329 | 181 |
| Iraq | 5 | 107 | – | 43 | – | 155 | 114 |
| Ireland | 79 | 43 | 3 | 52 | 1 | 178 | 83 |
| Germany | 53 | 31 | 7 | 50 | 3 | 144 | 111 |
| Bangladesh | 9 | 88 | – | 15 | – | 112 | 88 |
| Canada | 41 | 25 | 2 | 42 | 3 | 113 | 57 |
| Wales | 33 | 24 | 1 | 36 | 1 | 95 | 58 |
| China | 8 | 35 | – | 41 | – | 84 | 71 |
| Egypt | 9 | 38 | 3 | 24 | 1 | 75 | 51 |
| Fiji | 2 | 17 | – | 36 | 7 | 62 | 56 |
| Northern Ireland | 23 | 13 | – | 21 | – | 57 | 33 |
| Pakistan | 20 | 18 | 1 | 19 | – | 58 | 41 |
| Philippines | 4 | 32 | 2 | 7 | 6 | 51 | 42 |
| Yugoslavia (Federal Republic of) | – | 22 | 1 | 19 | – | 42 | 30 |



| Country | Provisional general | General | Provisional vocational | Vocational | Special purpose | Total | Number with practising certificates |
|--------------------|---------------------|--------------|------------------------|--------------|-----------------|---------------|-------------------------------------|
| Netherlands | 21 | 10 | 5 | 14 | – | 50 | 39 |
| Zimbabwe | 2 | 6 | 2 | 22 | 2 | 34 | 29 |
| Russia | 7 | 16 | 1 | 8 | – | 32 | 28 |
| Poland | 8 | 10 | 1 | 9 | – | 28 | 20 |
| Romania | 5 | 7 | 3 | 9 | 1 | 25 | 20 |
| Singapore | – | 2 | – | 20 | – | 22 | 18 |
| Myanmar | 3 | 8 | – | 8 | 1 | 20 | 16 |
| Croatia | 1 | 8 | 1 | 6 | – | 16 | 14 |
| Sweden | 11 | 3 | – | 4 | – | 18 | 13 |
| Papua New Guinea | – | 3 | – | 6 | – | 9 | 9 |
| Nigeria | 4 | 2 | 2 | 2 | 1 | 11 | 9 |
| Ukraine | 3 | 5 | – | 2 | – | 10 | 9 |
| Bulgaria | – | 4 | – | 5 | – | 9 | 8 |
| Norway | 1 | 2 | 1 | 4 | – | 8 | 8 |
| Czech Republic | 1 | 4 | – | 4 | – | 9 | 7 |
| Zambia | 2 | 2 | – | 2 | 1 | 7 | 6 |
| Italy | 3 | – | 3 | 1 | 2 | 9 | 6 |
| Other ¹ | 53 | 52 | 10 | 106 | 15 | 236 | 137 |
| New Zealand | 314 | 3,858 | 1 | 4,547 | – | 8,720 | 6,960 |
| Total | 1,899 | 6,124 | 138 | 7,522 | 212 | 15,895 | 11,854 |

¹ 'Other' represents 55 countries with fewer than six doctors practising in New Zealand.

Examinations

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

Total cost: \$162,278

New Zealand registration examination – NZREX Clinical

New Zealand's health system requires all doctors to meet practice standards defined by Council. Doctors qualified outside New Zealand and Australia must pass the Council's medical registration examination, 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 (Clinical Examination).

During the year, 52 candidates from 20 countries sat NZREX Clinical, and 31 passed (see Table 9). Twenty-one candidates passed on their first attempt, seven on their second, and another three passed after three or more attempts.

9. Candidates sitting and passing NZREX Clinical

1 July 2006–30 June 2007

| Country | No. Sitting | Attempts | | | | | | Number of Passes | | Passes on attempts | | | | | |
|--------------|-------------|-----------|-----------|----------|----------|----------|----------|------------------|-----------|--------------------|----------|----------|----------|----------|--|
| | | 1 | 2 | 3 | 4 | 5 | 6 | – | 1 | 2 | 3 | 4 | 5 | 6 | |
| Bangladesh | 1 | – | – | 1 | – | – | – | – | – | – | – | – | – | – | |
| Chile | 1 | 1 | – | – | – | – | – | 1 | 1 | – | – | – | – | | |
| China | 3 | 2 | – | – | – | 1 | – | 3 | 2 | – | – | – | 1 | | |
| Colombia | 1 | 1 | – | – | – | – | – | 1 | 1 | – | – | – | – | | |
| Denmark | 1 | 1 | – | – | – | – | – | 1 | 1 | – | – | – | – | | |
| Egypt | 2 | 1 | – | – | 1 | – | – | 1 | 1 | – | – | – | – | | |
| India | 18 | 12 | 4 | – | – | 1 | 1 | 8 | 5 | 3 | – | – | – | | |
| Iraq | 2 | 1 | 1 | – | – | – | – | 1 | – | 1 | – | – | – | | |
| Japan | 1 | 1 | – | – | – | – | – | 1 | 1 | – | – | – | – | | |
| Nigeria | 1 | 1 | – | – | – | – | – | 1 | 1 | – | – | – | – | | |
| Pakistan | 7 | 4 | 3 | – | – | – | – | 1 | – | 1 | – | – | – | | |
| Philippines | 1 | 1 | – | – | – | – | – | 1 | 1 | – | – | – | – | | |
| Romania | 1 | – | – | 1 | – | – | – | – | – | – | – | – | – | | |
| Russia | 5 | 3 | 1 | – | 1 | – | – | 4 | 2 | 1 | – | 1 | – | | |
| Singapore | 1 | – | 1 | – | – | – | – | 1 | – | 1 | – | – | – | | |
| Sri Lanka | 2 | 2 | – | – | – | – | – | 2 | 2 | – | – | – | – | | |
| Syria | 1 | – | – | 1 | – | – | – | 1 | – | – | 1 | – | – | | |
| Ukraine | 1 | 1 | – | – | – | – | – | 1 | 1 | – | – | – | – | | |
| Uruguay | 1 | 1 | – | – | – | – | – | 1 | 1 | – | – | – | – | | |
| Uzbekistan | 1 | 1 | – | – | – | – | – | 1 | 1 | – | – | – | – | | |
| Total | 52 | 34 | 10 | 3 | 2 | 2 | 1 | 31 | 21 | 7 | 1 | 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: \$1,206,779

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

The Council referred 18 doctors to the performance process (see Table 10) and five 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 performance assessment process can be found on our website at www.mcnz.org.nz>>competence.

10. Performance referrals

1 July 2006–30 June 2007

| Source of concern | Number |
|--|-----------|
| Accident Compensation Corporation | 3 |
| Complaints assessment / professional conduct committee | 2 |
| Employer | 1 |
| Health and Disability Commissioner | 20 |
| Medical Council of New Zealand | 3 |
| Medsafe | 1 |
| Peer | 7 |
| Public | – |
| Other | 1 |
| Medical Practitioners Disciplinary Tribunal (MPDT) | 1 |
| Total referrals | 38 |

| Type of concern | Number |
|-----------------|--------|
| Boundaries | 5 |
| Clinical skills | 19 |
| Communication | 11 |
| Prescribing | 4 |
| Records | 12 |
| Surgical skills | 6 |
| Other | 11 |

| Outcomes of competence referrals (may relate to cases referred in the previous financial year) | Number |
|--|--------|
| To performance assessment | 18 |
| No performance assessment | 17 |
| To educational programme | 5 |
| Referred to other committee, eg health | 5 |

Complaints

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

Total cost of PCCs: \$270,465

Since September 2004, complaints about doctors have been able to be made to either the Council or the Health and Disability Commissioner (HDC), but all patient 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 referral 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.

With the introduction of the HPCAA, CACs became known as PCCs. The PCCs now have a reduced workload as all complaints about patient care are considered by the HDC.

11. Schedule of professional conduct committees

1 July 2006–30 June 2007

| | Number |
|-------------------------------------|--------|
| New PCCs appointed | 14 |
| Categories of complaint sent to PCC | |
| • conviction of an offence | 5 |
| • inappropriate conduct | 9 |
| • 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: \$135,603

During the 2005 survey, 11,198 survey forms were sent out to doctors with a current annual practising certificate (APC); of these, 85 percent responded.

The results of the 2005 workforce survey showed that New Zealand has one doctor for 469 people, down by 5 percent from one doctor for 445 people in March 2000. However, this was up 12 percent from one doctor for 533 people in 1990, and by 17 percent from one doctor for 642 people in 1980.

These estimates are limited by the lower-than-usual response rate this year (85 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.

Major findings from the survey

Other findings from the survey follow.

- The average age of all doctors remained at 44 years and the median age rose to 44 years from 43 in 2004.
- The proportion of women doctors increased from 35 percent of the workforce in 2004 to 36 percent in 2005. In 2000, women made up 32.6 percent.
- Retention rates for New Zealand trained doctors at each year after graduation for successive classes of graduates show that, on average, 97 percent of graduates are retained one year after graduation. This rate drops to 81.9 percent in the second year and 74.2 percent in the third year.
- The proportion of international medical graduates (IMGs) rose just under 2 percent from 35.6 percent in 2004 to 37.5 percent. For house officers, the proportion of IMGs rose 6 percent to 23.7 percent; for general practitioners, the proportion rose 2 percent to 39 percent; and for specialists, the proportion rose 1 percent to 39.4 percent.

Although more than 80 percent of new registrations were issued to IMGs, the proportion of overseas trained doctors in the medical workforce increased by just under 2 percent.

Registration data in the Council's 2006 Annual Report shows 41 percent of doctors with an APC were trained overseas.

- An analysis of registration data showed that less than 50 percent of overseas trained doctors are retained one year after they are initially registered. After this initial loss, the percentage of IMGs retained continues to reduce more gradually, dropping to just under 33 percent in the third year after initial registration.
- The proportion of Māori doctors remained at 2.6 percent in 2005 after dropping from 2.7 percent in 2003. The proportion of Pacific Island doctors increased from 1.3 percent in 2004 to 1.5 percent in 2005. In 2000, the proportion of Māori doctors was 2.3 percent and the proportion of Pacific Island doctors was 1.1 percent. The proportion of Chinese doctors was 5.4 percent, up from 4.5 percent in 2000. The proportion of Indian doctors was 5.1 percent, up from 4.5 percent in 2000.

12. Changes in the medical workforce

| Workforce role | Active doctors ¹ 2000 | Active doctors ¹ 2001 | Active doctors ¹ 2002 | Active doctors ¹ 2003 | Active doctors ¹ 2004 | Active doctors ¹ 2005 | Active doctors ¹ 2006 | Percentage change 2005 to 2006 |
|-------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|--------------------------------|
| General practice | 3,166 | 3,037 | 2,917 | 3,006 | 3,013 | 2,924 | 3,106 | 6.2 |
| House officer | 894 | 760 | 774 | 842 | 816 | 811 | 911 | 12.3 |
| Medical officer | 277 | 289 | 277 | 303 | 315 | 307 | 329 | 7.2 |
| Primary care other than GP | 190 | 171 | 166 | 138 | 138 | 157 | 181 | 15.3 |
| Registrar | 1,227 | 1,242 | 1,238 | 1,319 | 1,338 | 1,365 | 1,504 | 10.2 |
| Specialist (not including GP) | 2,653 | 2,725 | 2,723 | 2,873 | 2,946 | 2,940 | 3,175 | 8.0 |
| Other | 206 | 233 | 252 | 244 | 314 | 207 | 248 | 19.8 |
| No answer | 2 | 34 | 56 | 65 | 111 | 35 | 93 | 165.7 |
| Total | 8,615 | 8,491 | 8,403 | 8,790 | 8,991 | 8,746 | 9,547 | 9.2 |

¹ Each year the Council collects workforce data through those doctors applying for an APC. The data is used by the New Zealand Health Information Service to analyse workforce needs.



Tribunals

Principal activity: 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 doctors and one layperson.

Medical Practitioners Disciplinary Tribunal

1 July 2006–30 June 2007

Total cost: \$64,726

The Medical Practitioners Disciplinary Tribunal (MPDT) has not received any charges during the year. The Tribunal heard one charge of professional misconduct received from a complaints assessment committee during the year. The doctor was found guilty of professional misconduct.

One charge from 2002 from a complaints assessment committee is yet to be completed. The Tribunal expects to hear this charge during 2007 / 2008 and, once completed, the MPDT will cease to function.

Medical charges before the Health Practitioners Disciplinary Tribunal

Total cost: \$274,612

During the year the Health Practitioners Disciplinary Tribunal (HPDT) received eight charges relating to seven doctors – four from the director of proceedings and four from professional conduct committees.

The HPDT sat during the year to hear ten charges relating to nine doctors over 18 days. Two of these charges were received in the 2004 / 2005 year and five in the 2005 / 2006 year.

13. Medical charges before the Health Practitioners Disciplinary Tribunal

1 July 2006–30 June 2007

| Nature of charges | Number |
|-------------------------------------|-----------|
| Professional misconduct 2004 / 2005 | 2 |
| Professional misconduct 2005 / 2006 | 5 |
| Professional misconduct 2006 / 2007 | 8 |
| Total | 15 |

| Source | |
|--|-----------|
| Prosecution of charges brought by professional conduct committee 2004 / 2005 | – |
| Prosecution of charges brought by professional conduct committee 2005 / 2006 | 1 |
| Prosecution of charges brought by professional conduct committee 2006 / 2007 | – |
| Prosecution of charges brought by director of proceedings 2004 / 2005 | 2 |
| Prosecution of charges brought by director of proceedings 2005 / 2006 | 4 |
| Prosecution of charges brought by director of proceedings 2006 / 2007 | 2 |
| Charges brought by professional conduct committee yet to be heard | 4 |
| Charges brought by director of proceedings yet to be heard | 1 |
| Charges brought by director of proceedings withdrawn | 1 |
| Total | 15 |

| Outcome of hearings | |
|--|-----------|
| Guilty – professional misconduct 2004 / 2005 | 2 |
| Guilty – professional misconduct 2005 / 2006 | 5 |
| Guilty – professional misconduct 2006 / 2007 | 2 |
| Withdrawn | 1 |
| Yet to be heard | 5 |
| Total | 15 |

Further information about these statistics can be found on the Tribunal's website www.hpdt.org.nz or www.mpdtd.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
- International Association of Medical Regulatory Authorities
- Federation of State Medical Boards and the Educational Commission for Foreign Medical Graduates (United States of America)
- Medical Council of Canada
- 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:

- Accident Compensation Corporation
- Branch Advisory Bodies
- Health and Disability Commissioner
- Chief Medical Advisers of District Health Boards
- District Health Boards New Zealand
- Minister of Health
- Ministry of Health
- Council of Medical Colleges
- New Zealand Medical Association
- Medical Protection Society
- Medsafe
- Independent Practitioners Association Council of New Zealand
- 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 the committee meeting minutes at its formal meetings and in approving those minutes confirms the decisions made. Delegation limits are established.

Council committees

Council committees

Council standing committees at 30 June 2007

Audit Committee

Dr Barnett Bond (Chairperson)

Dr Rick Acland

Professor John Campbell

Ms Liz Hird

Mrs Heather Thomson

Education Committee

Council members

Dr Deborah Read (Chairperson)

Professor John Campbell

Ms Jean Hera

Ms Liz Hird

Dr Peter Moller

Dr Ian St George

Members appointed by Council

Vacant

Selected from vocational branch nominees

Dr Matthew Boyle

Active consumer of education

Dr John Doran

Intern supervisor

Professor Peter Ellis

Medical Council of New Zealand representative of MedSAC

Dr Tom Fiddes

Nominee of appropriate College or branch advisory body; active consumer of education – surgeon

Dr Lorna Martin

Nominee of appropriate College or branch advisory body – general practitioner

Dr David Spriggs

Dr Lupe Taumoepeau

Active consumers of education

Health Committee

Dr Joanna MacDonald (Chairperson)

Dr Barnett Bond

Dr Kate O'Connor

Mrs Heather Thomson

Alternate lay person Ms Jean Hera

Finance

| | |
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Auditor's report

Miller Dean Audit



AUDIT REPORT

To : The Readers of the Financial Statements of the Medical Council of New Zealand

for the year ended 30 June 2007

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 Miller Dean Audit to carry out the audit of the financial statements of the Council, on his behalf, for the year ended 30 June 2007.

Unqualified Opinion

In our opinion

- The financial statements of the Council on pages i to xiii
- comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect
 - the Council's financial position as at 30 June 2007; and
 - the results of its operations and cash flows for the year ended on that date.

The audit was completed on 14 April 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.

Level 5, 203-209 Willis Street, PO Box 11253, Wellington, New Zealand.
Tel 0-4-385-0862 Fax 0-4-384-3381 Email: audit@millerdean.co.nz www.millerdean.co.nz

John W. Little CA (PP), B.C.A. Lance T. Burgess CA (PP), B.C.A.

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

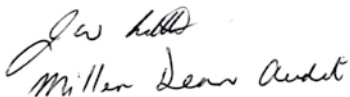
The Council is responsible for preparing financial statements in accordance with generally accepted accounting practice in New Zealand. Those financial statements must fairly reflect the financial position of the Council as at 30 June 2007. They must also fairly reflect the results of its operations 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 Institute of Chartered Accountants of New Zealand.

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



John Little
Miller Dean Audit

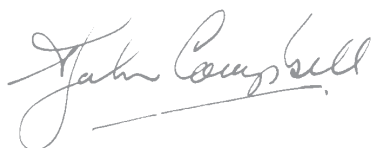
John Little

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

Statement of financial position (i)

as at 30 June 2007

| | 2007 | 2006 |
|---|---------------------|---------------------|
| ASSETS | | |
| Petty cash | 300 | 200 |
| ANZ bank account | 217,763 | 227,113 |
| Receivables (Note 7) | 116,224 | 100,043 |
| Interest accrued | 399,805 | 360,412 |
| Term deposits (Note 8) | 10,386,775 | 9,959,738 |
| Property, plant, and equipment (Note 9) | 639,984 | 1,492,628 |
| Total assets | \$11,760,851 | \$12,140,134 |
| LIABILITIES | | |
| Sundry creditors | 616,311 | 659,855 |
| Salaries and holiday pay accrued (Note 1(k)) | 385,165 | 278,517 |
| GST | 14,922 | 3,037 |
| Payments received in advance (Note 1(j)) | 255,303 | 3,013,359 |
| Total liabilities | \$1,271,701 | \$3,954,768 |
| CAPITAL ACCOUNT | | |
| General fund | 7,907,726 | 6,190,035 |
| Complaints investigation and prosecution fund | 2,643,960 | 2,068,922 |
| Examination fund | (62,536) | (73,591) |
| Total capital account | \$10,489,150 | \$8,185,366 |
| Total capital account and liabilities | \$11,760,851 | \$12,140,134 |



John Campbell
Chairperson



Philip Pigou
Chief Executive

The accompanying notes form part of these financial statements.

Consolidated statement of financial performance (ii)

for the year ended 30 June 2007

| | 2007 | 2006 |
|---|---------------------|--------------------|
| INCOME | | |
| Fees received (Note 1(a), 1(j)) | 9,654,500 | 6,051,641 |
| Interest received | 742,492 | 648,977 |
| Other income | 387,674 | 309,106 |
| | \$10,784,666 | \$7,009,724 |
| EXPENDITURE | | |
| Audit fees | 22,000 | 14,000 |
| Depreciation (Note 1(b), 9) | 174,942 | 633,990 |
| Fees paid to members of Council and standing committees | 511,245 | 440,304 |
| Other administrative costs | 6,582,542 | 5,411,564 |
| Rent | 368,010 | 231,848 |
| | \$7,658,739 | \$6,731,706 |
| Net surplus prior to adjustment for intangible assets | \$3,125,927 | \$278,018 |
| Less adjustment for intangible assets (Note 1(l)) | 822,143 | – |
| Net surplus for year | \$2,303,784 | \$278,018 |

The accompanying notes form part of these financial statements.

Statement of movements in equity (iii)

for the year ended 30 June 2007

| | 2007 | 2006 |
|---|---------------------|--------------------|
| A) ACCUMULATED FUNDS AND RESERVES | | |
| Balance at 30 June 2006 | 8,185,366 | 7,907,348 |
| Add: surplus | 2,303,784 | 278,018 |
| Balance at 30 June 2007 | \$10,489,150 | \$8,185,366 |
| B) ANALYSIS OF INDIVIDUAL FUNDS | | |
| 1. GENERAL FUND | | |
| Balance at 30 June 2006 | 6,190,035 | 6,333,706 |
| Less: deficit 2006 | – | (143,671) |
| Add: surplus 2007 | 1,717,691 | – |
| Balance at 30 June 2007 | \$7,907,726 | \$6,190,035 |
| 2. COMPLAINTS INVESTIGATION AND PROSECUTION FUND | | |
| Balance at 30 June 2006 | 2,068,922 | 1,573,642 |
| Add: surplus | 575,038 | 495,280 |
| Balance at 30 June 2007 | \$2,643,960 | \$2,068,922 |
| 3. EXAMINATION FUND | | |
| Balance at 30 June 2006 | (73,591) | – |
| Less: deficit 2006 | – | (73,591) |
| Add: surplus 2007 | 11,055 | – |
| Balance at 30 June 2007 | (\$62,536) | (\$73,591) |

The accompanying notes form part of these financial statements.

Statement of cash flows (iv)

for the year ended 30 June 2007

| | 2007 | 2006 |
|--|------------------|--------------------|
| CASH FLOWS FROM STATUTORY FUNCTIONS | | |
| Cash was provided from: | | |
| Receipts pertaining to statutory functions | 7,227,638 | 6,814,473 |
| Cash was also distributed to: | | |
| Payment for Council fees and disbursements and Council office expenses | (7,376,016) | (6,213,720) |
| Net cash flows from statutory functions | (148,378) | 600,753 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Cash was provided from: | | |
| Interest received | 703,099 | 593,544 |
| Sale of assets | - | - |
| Short-term investments | - | - |
| | 703,099 | 593,544 |
| Cash was applied to: | | |
| Purchase of assets | (136,934) | (430,561) |
| Short-term investments | (427,037) | (705,054) |
| | (563,971) | (1,135,615) |
| Net cash flows from investing activities | 139,128 | (542,071) |
| Net increase / (decrease) in cash held | (9,250) | 58,682 |
| Opening cash brought forward | 227,313 | 168,631 |
| Ending cash carried forward | \$218,063 | \$227,313 |
| Represented by: | | |
| Petty cash | 300 | 200 |
| ANZ bank account | 217,763 | 227,113 |
| | \$218,063 | \$227,313 |

The accompanying notes form part of these financial statements.

Notes to and forming part of the financial statements (v)

for the year ended 30 June 2007

1. Statement of accounting policies

Reporting entity

The Medical Council of New Zealand is a statutory body constituted under successive Medical Practitioners Acts, including the Medical Practitioners Act 1995 and, from 18 September 2004, the Health Practitioners Competence Assurance Act 2003.

General accounting policies

These financial statements are a general purpose financial report as defined in the Institute of Chartered Accountants of New Zealand statement of concepts and have been prepared in accordance with generally accepted accounting practice as defined in that statement.

These financial statements have not been prepared in accordance with New Zealand's equivalent to International financial reporting standards (NZIFRS) although steps have been taken to prepare for financial reporting under NZIFRS from 1 July 2007.

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 and software | 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.



Changes in accounting policies (vi)

New Zealand is to implement its own equivalent to NZIFRS for the year ending 30 June 2008. The Council is also intending to implement NZIFRS for the financial statements for the year ending 30 June 2008.

In undertaking the initial NZIFRS review the Council undertook a review of the accounting policies under existing generally accepted accounting practice. The following changes in accounting policies are considered to more fairly reflect current 'authoritative support' than the policies which they replace based on advice. It is considered that these policies are in the opinion of the Council consistent with the requirements of NZIFRS.

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

- (j) 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.
- (k) For the year ended 30 June 2007 \$54,802 has been included in the Statement of financial position as a Liability under the heading Salaries and holiday pay accrued. This provision is required as the long service leave and sickness leave owed at balance date do not fall due wholly within the twelve months after the end of the period in which the employee has rendered the related service.

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

Adjustment for intangible assets

- (l) In undertaking the initial review for NZIFRS the Council recognised that computer software developments would need to be reported as an intangible asset as distinct from Property, plant and equipment in the Statement of financial position. The review of costs recorded as computer software development revealed that these costs no longer met the stringent definitions of intangible assets and the Council has therefore written these off completely this year.

Presentation of financial performance and financial position prior to changes in accounting policies and adjustment for intangible assets (vii)

Statement of financial performance – summary

| | 2007 | 2006 |
|--|-----------------|------------------|
| Net surplus for year | 2,303,784 | 278,018 |
| Changes in accounting policies | | |
| Less APC and disciplinary levy revenue timing recognition (Note 1(j)) | (2,999,919) | – |
| Salaries and holiday pay accrued (Note 1(k)) | 54,802 | – |
| Net (deficit) / surplus prior to changes in accounting policies | (641,333) | 278,018 |
| Impairment of computer software from prior years (Note 1(l)) | 822,143 | – |
| Less net adjustment if prior year treatment of depreciation had been adopted | (116,073) | – |
| Net surplus prior to changes as noted above | \$64,737 | \$278,018 |

Statement of financial position – summary

| | 2007 | 2006 |
|--|---------------------|---------------------|
| Total assets | 11,760,851 | 12,140,134 |
| Impairment of computer software from prior years (Note 1(l)) | 822,143 | – |
| Less net adjustment if prior year treatment of depreciation had been adopted | (116,073) | – |
| Total assets prior to changes in accounting policies and for intangible assets | \$12,466,921 | \$12,140,134 |
| Total liabilities | 1,271,701 | 3,954,768 |
| Changes in accounting policies | | |
| Less salaries and holiday pay accrued (Note 1(k)) | (54,802) | – |
| Payments received in advance (Note 1(j)) | 2,999,919 | – |
| Total liabilities prior to changes in accounting policies and for intangible assets | \$4,216,818 | \$3,954,768 |
| Capital account | 10,489,150 | 8,185,366 |
| Net adjustments for changes in accounting policies and for intangible assets | (2,239,047) | – |
| Total capital account prior to changes in accounting policies and for intangible assets | \$8,250,103 | \$8,185,366 |
| Total capital account and liabilities prior to changes in accounting policies and for intangible assets | \$12,466,921 | \$12,140,134 |

2. General fund (viii)

Statement of financial performance for the year ended 30 June 2007

| | 2007 | 2006 |
|--|--------------------|--------------------|
| REVENUE | | |
| Annual practising certificates and other fees (Notes 1(a), 1(j)) | 7,959,778 | 4,661,702 |
| Administration fee – complaints investigation and prosecution fund (Note 1(h)) | 415,501 | 370,000 |
| Administration fee – examination fund (Note 1(h)) | 63,000 | 97,000 |
| Interest received | 548,899 | 481,021 |
| Workforce survey and other income | 256,649 | 261,605 |
| Total revenue | \$9,243,827 | \$5,871,328 |
| ADMINISTRATION AND OPERATING EXPENSES | | |
| Communications | 330,899 | 252,197 |
| Council election | – | 42,428 |
| Legal expenses and other consultancies | 142,253 | 201,537 |
| Administration and operating expenses | 2,381,695 | 1,426,958 |
| Staff costs including recruitment and training | 3,192,621 | 2,763,427 |
| Total administration and operating expenses | \$6,047,468 | \$4,686,547 |
| COUNCIL AND COMMITTEE EXPENSES | | |
| Council | | |
| – Fees and expenses | 417,933 | 373,229 |
| – Conference and liaison costs | 173,677 | 65,399 |
| Audit committee | | |
| – Fees and expenses | 9,456 | 10,446 |
| Health committee | | |
| – Fees and expenses | 49,292 | 66,361 |
| – Independent assessment reports, Doctors Health Advisory Service, and other costs | 251,279 | 175,550 |
| Education committee | | |
| – Fees and expenses | 52,303 | 54,141 |
| – Hospital visits, intern supervisor contracts, and other costs | 270,035 | 308,429 |
| Professional standards | | |
| – Performance assessments and other costs | 225,336 | 243,832 |
| Registration | | |
| – Fees and expenses | – | 548 |
| – Workshops and other costs | 29,357 | 30,517 |
| Total Council and committee expenses | \$1,478,668 | \$1,328,452 |
| TOTAL EXPENDITURE | \$7,526,136 | \$6,014,999 |
| Net surplus / (deficit) for year | \$1,717,691 | (\$143,671) |

3. Complaints investigation and prosecution fund (ix)

Statement of financial performance for the year ended 30 June 2007

| | 2007 | 2006 |
|--|--------------------|--------------------|
| REVENUE | | |
| Disciplinary levy received (Notes 1(a), 1(j)) | 1,521,389 | 1,252,606 |
| Fines and costs recovered | 82,650 | 38,613 |
| Interest received | 193,593 | 167,956 |
| Other revenue | 48,375 | 8,888 |
| Total revenue | \$1,846,007 | \$1,468,063 |
| ADMINISTRATION AND OPERATING EXPENSES | | |
| Administration fee (Note 1(h)) | 415,501 | 370,000 |
| General administration and operating expenses | 245,665 | 208,403 |
| Total administration and operating expenses | \$661,166 | \$578,403 |
| COUNCIL AND TRIBUNAL EXPENSES | | |
| Complaints assessment committee costs | | |
| – Fees | – | 27,746 |
| – Expenses | 50,581 | 162,426 |
| Total complaints assessment committee costs | 50,581 | 190,172 |
| Professional conduct committee costs | | |
| – Fees | 55,739 | 25,559 |
| – Expenses | 164,145 | 41,818 |
| Total professional conduct committee costs | 219,884 | 67,377 |
| Medical Practitioners Disciplinary Tribunal | | |
| – Fees and other hearing expenses | 64,726 | 28,578 |
| Total Medical Practitioners Disciplinary Tribunal costs | 64,726 | 28,578 |
| Health Practitioners Disciplinary Tribunal | | |
| – Administration fees | 3,021 | 3,309 |
| – Fees and other hearing expenses | 271,591 | 104,944 |
| Total Health Practitioners Disciplinary Tribunal costs | 274,612 | 108,253 |
| Total Council and Tribunal expenses | \$609,803 | \$394,380 |
| TOTAL EXPENDITURE | \$1,270,969 | \$972,783 |
| Net surplus for year | \$575,038 | \$495,280 |

4. New Zealand registration examination fund (x)

Statement of financial performance for the year ended 30 June 2007

| | 2007 | 2006 |
|--|------------------|-------------------|
| REVENUE | | |
| NZREX candidate fees | 173,333 | 137,333 |
| Total revenue | \$173,333 | \$137,333 |
| ADMINISTRATION AND OPERATING EXPENSES | | |
| Administration fee (Note 1(h)) | 63,000 | 97,000 |
| Centre costs | 33,304 | 33,302 |
| Examiners fees and expenses | 32,886 | 29,969 |
| Honorarium, staff costs, and other administrative expenses | 33,088 | 50,653 |
| Total administration and operating expenses | \$162,278 | \$210,924 |
| Net surplus / (deficit) for year | 11,055 | (\$73,591) |

5. General fund (xi)

Statement of financial performance by outputs for the year ended 30 June 2007

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

| | 2007 | 2006 |
|---|--------------------|--------------------|
| TOTAL INCOME FOR YEAR (NOTES 1(a), 1(j)) | \$9,243,827 | \$5,871,328 |
| Less Expenditure | | |
| EDUCATION | | |
| Administration and operating costs | 666,629 | 565,545 |
| Council and committee costs | 99,315 | 100,182 |
| Hospital accreditation visits | 38,585 | 40,726 |
| Intern supervisor contract payments and meeting costs | 186,046 | 248,693 |
| Accreditation of vocational branches, medical schools, and colleges | 35,108 | 19,011 |
| Liaison and other costs | 78,830 | 34,214 |
| Total education costs | \$1,104,513 | \$1,008,371 |
| HEALTH | | |
| Administration and operating costs | 1,260,840 | 984,208 |
| Council and committee costs | 134,343 | 146,933 |
| Doctors Health Advisory Service | 65,914 | 51,316 |
| Independent medical assessments | 113,210 | 90,802 |
| Mentoring costs | 1,145 | 9,417 |
| Liaison and other costs | 88,404 | 50,768 |
| Total health costs | \$1,663,856 | \$1,333,444 |
| PROFESSIONAL STANDARDS | | |
| Administration and operating costs | 875,325 | 769,120 |
| Council and committee costs | 65,390 | 65,225 |
| Performance assessment costs | 211,744 | 216,675 |
| Research and advice on competence processes | 13,330 | 23,757 |
| Liaison and other costs | 40,990 | 15,288 |
| Total professional standards costs | \$1,206,779 | \$1,090,065 |
| REGISTRATION | | |
| Administration and operating costs | 3,119,882 | 2,242,779 |
| Council and committee costs | 220,960 | 184,712 |
| Liaison and other costs | 74,543 | 64,089 |
| Total registration costs | \$3,415,385 | \$2,491,580 |
| WORKFORCE SURVEY | | |
| Administration and operating costs | 124,792 | 82,466 |
| Council and committee costs | 8,976 | 7,674 |
| Liaison and other costs | 1,835 | 1,399 |
| Total workforce survey costs | \$135,603 | \$91,539 |
| TOTAL EXPENDITURE | \$7,526,136 | \$6,014,999 |
| Net surplus / (deficit) for year | \$1,717,691 | (\$143,671) |

6. Taxation (xii)

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

7. Receivables

| | 2007 | 2006 |
|---------------------|------------------|------------------|
| Debtors | 104,894 | 60,746 |
| Payments in advance | 11,330 | 39,297 |
| | \$116,224 | \$100,043 |

8. Term deposits

| | 2007 | 2006 |
|-----------------------|---------------------|--------------------|
| ANZ | 2,555,067 | 2,329,079 |
| ASB | 1,317,463 | 1,455,016 |
| BNZ | 1,860,111 | 1,758,557 |
| Hong Kong Bank | 1,266,404 | 923,741 |
| National Bank | 1,853,549 | 1,783,371 |
| Taranaki Savings Bank | 454,333 | 454,333 |
| Westpac Trust | 1,079,848 | 1,255,641 |
| | \$10,386,775 | \$9,959,738 |

9. Property, plant and equipment

| | Cost 30/6/07 | Deprec for year 30/6/07 | Accum deprec 30/6/07 | Book value 30/6/07 | Cost 30/6/06 | Deprec for year 30/6/06 | Accum deprec 30/6/06 | Book value 30/6/06 |
|--------------------------------|--------------------|-------------------------------|----------------------------|-----------------------|--------------------|-------------------------------|----------------------------|-----------------------|
| Computer hardware and software | 441,402 | 79,257 | 306,576 | 134,826 | 3,231,048 | 523,799 | 2,386,302 | 844,746 |
| Furniture and fittings | 255,455 | 19,534 | 152,304 | 103,151 | 255,815 | 20,846 | 144,818 | 110,997 |
| Office alterations | 522,159 | 51,653 | 200,431 | 321,728 | 514,649 | 51,465 | 148,778 | 365,871 |
| Office equipment | 183,320 | 24,498 | 103,041 | 80,279 | 170,752 | 17,866 | 112,336 | 58,416 |
| Website | - | - | - | - | 144,311 | 20,014 | 31,713 | 112,598 |
| | \$1,402,336 | \$174,942 | \$762,352 | \$639,984 | \$4,316,575 | \$633,990 | \$2,823,947 | \$1,492,628 |

10. Related parties

The 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 2007 (xiii)

| Surplus / (Deficit) for year | 2007 | 2006 |
|--|--------------------|------------------|
| General fund | 1,717,691 | (143,671) |
| Complaints investigation and prosecution fund | 575,038 | 495,280 |
| Examination fund | 11,055 | (73,591) |
| | 2,303,784 | 278,018 |
| Add non-cash items – depreciation & asset write off | 997,069 | 633,990 |
| | 3,300,853 | 912,008 |
| Add movements in working capital items | | |
| (Increase) / decrease in receivables | (16,181) | (6,309) |
| Increase / (decrease) in receipts in advance | (2,758,056) | 445,262 |
| Increase / (decrease) in creditors and GST | 67,498 | (101,231) |
| | (2,706,739) | 337,722 |
| | 594,114 | 1,249,730 |
| Less items classified as investing activity-interest | (742,492) | (648,977) |
| Net cash flows from statutory functions | (\$148,378) | \$600,753 |

12. Events occurring after balance date

Two notices of legal proceedings have been lodged against the Council for damages. The claims total \$400,000. Advice received suggests the likelihood of the claims succeeding in full are moderate to low.



13. Commitments – operating leases

Lease commitments under non-cancellable operating leases;

The rent was due to be reviewed as from 1st May 2006 and these negotiations are still in progress.

The amounts shown for 2007 are based on the current payments.

| | 2007 | 2006 |
|--|--------------------|------------------|
| Not more than one year | 348,552 | 348,552 |
| Later than one year and not later than two years | 348,552 | 348,552 |
| Later than two years and not later than five years | 1,045,656 | 290,460 |
| More than five years | 987,564 | – |
| | \$2,730,324 | \$987,564 |

14. Financial instruments

Financial instruments which 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 interest rates on term deposits ranged from 6.81% to 8.48%.

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

| | 2007 | 2006 |
|---------------|---------------|--------------|
| Receivables | \$104,894 | \$60,746 |
| Bank-balances | \$10,604,538 | \$10,186,851 |
| Payables | (\$1,016,398) | (\$941,409) |

Council office

The staff members of the Medical Council of New Zealand, at 30 June 2007, were the following:

| | |
|-------------------------------|---------------|
| Chief Executive | Philip Pigou |
| Registrar and General Counsel | Simon Robb |
| Executive Assistant to CE | Barbara Eagle |
| Senior Secretary | Dot Harvey |

Adviser group

| | |
|--------------------------------|------------------|
| Communications Adviser | George Symmes |
| Human Resources Manager | Valencia van Dyk |
| IT Project Manager | Adam Miller |
| Medical Adviser | Dr Steven Lillis |
| Senior Policy Analyst | Michael Thorn |
| Business and Registrar Adviser | Jane Lui |

Corporate services

| | |
|----------------------------------|------------------|
| Corporate Manager | Tony Hanna |
| Business Analyst | Diane Latham |
| Information Systems Analyst | Andrew Cullen |
| Information Systems Coordinator | Bill Taylor |
| IT Administration Assistant | Deborah Harrison |
| Office and Records Administrator | Betty Wright |
| Receptionist | Marika Puleitu |

Finance

| | |
|----------------------|------------------|
| Financial Controller | John de Wever |
| Finance Officer | Elaine Pettigrew |
| Finance Officer | Moyra Hall |

Health

| | |
|---------------------------|----------------|
| Health Manager | Lynne Urquhart |
| Health Case Administrator | Diana Chester |
| Health Case Administrator | Viv Coppins |
| Health Case Administrator | Jo Hawken |
| Health Case Administrator | Eva Petro |
| Health Case Administrator | Liz Tonks |

Health Practitioners Disciplinary Tribunal for medical practitioners

| | |
|---|----------------|
| Executive Officer | Gay Fraser |
| Personal Assistant to Executive Officer | Dianne Haswell |
| Legal Officer | Kim Davies |

Registration

| | |
|---------------------------------------|---------------------|
| Registration Manager | Joan Crawford |
| Registration Adviser | Karen Ross |
| Registration Coordinator | Craig Smith |
| Registration Administrator | Robin Deacon |
| Registration Administrator | Chris Mangan |
| Registration Administrator | Tamzyn Luafalealo |
| Registration Administrator | Lindsey Riley |
| Registration Administrator | Jennifer Rutherford |
| Registration Administrator | Charlotte Wakelin |
| Vocational Registration Coordinator | Nisha Patel |
| Vocational Registration Administrator | Jason Ng |
| APC Coordinator | Gyllian Turner |
| APC Administrator | Sharon Mason |
| APC Audit Administrator | Sandra Clark |

Professional standards

| | |
|------------------------------------|-------------------|
| Professional Standards Manager | Daniel Eakins |
| Professional Standards Assistant | Sandra Clark |
| Education Coordinator | Mere Just |
| Education Coordinator | Megan Purves |
| Performance Coordinator | Kellie Burtonwood |
| Performance Coordinator | Sarah Campbell |
| Professional Standards Coordinator | Emillie McKenna |

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
P O Box 11 253
Wellington 6142
Office of the Auditor-General
Private Box 3928
Wellington 6140

Medical Council of New Zealand
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Our values are:

- 
- Consistency & fairness
 - Respect
 - Integrity
 - Openness & accountability
 - Commitment
 - Effectiveness