

MINISTERIAL COMMITTEE ON DRUG POLICY MEETING

Monday 2 September 2008, 4.30pm – 5.30pm
Hon Jim Anderton's Office, Level 7 Executive Wing, Parliament Buildings
Wellington

MINUTES

1. WELCOME AND APOLOGIES

Ministers Present:

Hon Jim Anderton (Chair) –
Associate Minister of Health
Hon Damien O'Connor –
Associate Minister of Health

Hon Lianne Dalziel –
Associate Minister of Justice

Apologies:

Hon Harry Duynhoven –
Minister for Transport Safety
Hon Chris Carter –
Minister of Education
Hon Nanaia Mahuta –
Minister of Customs
Minister of Youth Affairs
Hon Annette King –
Minister of Justice

Hon Mita Ririnui –
Associate Minister of Corrections
Hon Phil Goff –
Minister of Corrections
Hon Parekura Horomia –
Minister of Maori Affairs

Hon Steve Chadwick –
Associate Minister of Health

Officials Present:

Chris Laurenson – Health Barbara Phillips – Health Bronwen Hicks – Health Bruce Atmore – Health Hannah Adams - Health Andrew Hearn - ALAC Rachel Petrus - ALAC Dave Negri – Customs Frances Scott – Customs Rajesh Chhana - Justice Sarah Lynn – Justice Alison Stephens - Justice Rob Pope – Police Geoffrey Dunn – Police Virginia Anderson – Police Stuart Mills – Police Te Atarangi Whiu – Te Puni Kokiri Marilyn Scott - Education	David Cuthbert – Office of the Hon Jim Anderton Jonathon Jones – Office of the Hon Jim Anderton Courtenay Mackie – Office of the Hon Damien O'Connor Michael Harrison – Office of Hon Nanaia Mahuta Andrew Reuzi – Office of Hon Parekura Horomia
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2. OPTIONS FOR REDUCING ILLICIT DIVERSION OF EPHEDRINE AND PSEUDOEPHEDRINE FROM PHARMACIES

The Committee noted the paper *'Precursor' Availability In New Zealand: Options For Reducing Diversion Of Ephedrine And Pseudoephedrine From Pharmacies For The Manufacture Of Methamphetamine* prepared in accordance with direction from the MCDP 28 July 2008 meeting. At the 28 July meeting the Committee had discussed concerns over the proposed implementation of Project STOP in New Zealand with regard to privacy issues, establishment costs and the impact on pharmacies.

The Committee noted the Inter-Agency Committee on Drug Policy (IACD) working group assessment of the options for reducing the diversion of methamphetamine precursors from pharmacies. The options included: continuing with and enhancing current controls on pseudoephedrine sales from pharmacies; introducing an electronic tool for pharmacy-to-pharmacy and/or pharmacy-to-Police monitoring and reporting of sales and attempted sales; and reclassifying ephedrine and pseudoephedrine as prescription only medicines.

The pharmacy-to-pharmacy and/or pharmacy-to-Police monitoring and reporting tools options were discussed. The Committee discussed the potential for privacy issues in implementing either option, and, which agency would take the lead on addressing privacy issues. Health advised that this would be led by Health through consultation with the Privacy Commissioner. The IACD were queried on whether Australia had performed a scoping assessment on privacy issues prior to the implementation of Project STOP. Health advised that further information from Australian Project STOP administrators should be sought. The potential large implementation and compliance costs involved with a pharmacy-to-pharmacy information sharing tool were raised and the Committee noted that the approximate costs of \$500,000 per year for a potential software supplier and approach required to implement one such information sharing tool would be disproportionate to the likely impact of the system.

Ministers discussed the on-going initiatives by pharmacists and Police to continue and enhance present controls on pseudoephedrine sales. The IACD were queried on the current status of pharmacist initiatives and Health advised that they are voluntary. Police advised that there are existing arrangements between some pharmacies and local Police in New Zealand. These have been largely dependant on the relationship between these pharmacies and Police, and the safeguarding of staff and premises. Ministers queried whether national co-ordination could be improved and also who the advocacy groups were who indicated they would not support the introduction of a protocol around pharmacy supply of ephedrines.

There was discussion around the option to proceed with making pseudoephedrine a prescription only medicine, and that by giving practice nurses prescribing rights the costs to consumers would be reduced. The Committee noted that the

proportion of drugs obtained from pharmacies compared with the proportion obtained from pharmacy burglaries is unknown; therefore the regulatory impact statement would need to reflect this. The Committee noted the current proposal in the UK to reclassify pseudoephedrine as a prescription only medicine and that the UK actively promotes products containing phenylephrine. It was also noted that there has been a significant shift in the availability of alternatives to pseudoephedrine in the New Zealand market in recent years. Ministers agreed that it would be necessary to perform a business case and scope compliance costs for this option.

The Committee discussed the proportion of pseudoephedrine obtained across the border compared to the proportion that is pharmacy sourced. Hon Anderton noted that Christchurch Police estimate around 20% of pseudoephedrine products were being sourced from across the border, and that enforcement initiatives have led to an increase in border captures and seizures.

The IACD were queried as to whether Australia has experienced an increase in imports of pseudoephedrine since implementation of Project STOP. Police responded that it is difficult to tell and advised that New Zealand has experienced a plateau of clandestine laboratories, claiming this to be the result of an enforcement approach. The appropriateness of Project STOP for New Zealand was discussed. Health advised that there are notable gaps in what New Zealand would be able to implement, though there are levers New Zealand would be able to implement quickly and fairly. Project STOP in its current form was not considered appropriate for New Zealand. The Committee noted that Australia has offered to provide updated information of its outcomes and experiences with Project STOP.

The Committee discussed whether the Pharmacy Guild had been asked for direct input into the pharmacy-to-pharmacy option. It was noted there was a need for further dialogue with the Pharmacy Guild, Pharmacy Council and Pharmaceutical Society which is to be incorporated into the scoping.

Ministers discussed whether the pharmacy-to-pharmacy information sharing tool option excludes pharmacy-to-Police information sharing. The Committee noted that the options are not mutually exclusive and it was agreed the Committee would report on all of the proposed options: a pharmacy-to-pharmacy tool, a pharmacy-to-Police tool, and making pseudoephedrine available by prescription only.

The Committee noted:

- a) that an Inter-Agency on Drugs (IACD) working group provided a high level view of the New Zealand context which has identified that a notable gap is a pharmacy-to-pharmacy coordinated approach for addressing the illicit diversion of precursors**

- b) that the IACD working group has considered three options for addressing the illicit diversion of ephedrine and pseudoephedrine from pharmacies**
- c) that an electronic pharmacy-to-pharmacy national monitoring and reporting tool appears to present fewer privacy obstacles than a pharmacy-to-police tool**
- d) that the Australian pharmacy initiative, Project STOP, was considered in the development of this paper, but that it is not considered an appropriate tool for New Zealand pharmacies in its current format**
- e) that the preferred option of the IACD working group is to further investigate the introduction a nationwide electronic monitoring and reporting tool into pharmacies, while maintaining current initiatives**
- f) that alternative products containing phenylephrine are becoming more available in the market than products containing ephedrine and pseudoephedrine**
- g) that further consideration of the status of ephedrine and pseudoephedrine is likely to be considered by the Medicines Control Committee and Expert Advisory Committee on Drugs following the final UK decision on classification in 2009.**

The Committee directed:

- a) that current initiatives by pharmacists to address illicit diversion should continue to be supported and enhanced where possible**
- b) Health to take the lead on finalising privacy issues surrounding either a pharmacy-to-pharmacy or pharmacy-to-Police option, through consultation with the Privacy Commissioner**
- c) officials to contact the Australian Project STOP administrators regarding the scoping performed for the implementation of Project STOP in Australia**
- d) Health and Police to investigate all of the proposed options including a pharmacy-to-pharmacy tool; a pharmacy-to-Police tool; and making pseudoephedrine available by prescription only**
- e) the inter-agency Committee provide a scoping paper to the Committee**
- f) that completion of these actions would be discussed and agreed by officials.**

3. READY TO DRINK BEVERAGES

The Committee noted the paper *'Ready-To-Drink Beverages - Follow Up Paper'* prepared in accordance with direction from the MCDP 4 August 2008 meeting. At the 4 August meeting the Committee had requested that Health prepare a draft paper revising international best practice, legal advice on minimum pricing, energy additives on Ready-to-Drink Beverages (RTDs), and limiting the sugar content of RTDs.

The Committee noted that there is no evidence internationally in support of targeted taxes on RTDs leading to a reduction in alcohol-related harm. The Committee noted the overseas experience outlined in the paper where a reduction in RTD consumption has led to an increase in the consumption of other liquor. The IACD was queried as to whether the targeted tax would be linked to the proportion of alcohol in the individual product. Health advised that the excise is currently based broadly on the absolute alcohol by volume (aabv). It was noted that it would be impossible to target tax by aabv without affecting wine. Ministers reinforced the Committee on the importance of examining long term harm reduction.

The Committee noted that tax is already included in the Terms of Reference of the Law Commission review for the regulatory framework for the sale and supply of liquor.

Ministers discussed the minimum pricing option and the experiences of this implementation in Canada and Scotland. Ministers agreed that any regime has to apply to all types of alcohol. While the Terms of Reference of the Law Commission review does not specifically refer to minimum pricing, it was considered they are board enough to include it.

Ministers also discussed the implementation of an industry standard of 1.5 drinks per RTD. The potential effects on industry were discussed, and the Committee noted that the New Zealand RTD Producers' Group had proposed a voluntary industry initiative of limiting RTDs to a maximum of two standard drinks. The Committee agreed that it is more acceptable to have a limit of 1.5 standard drinks per RTD.

The Committee discussed the caffeine levels currently found in RTDs and whether limits on the amount of caffeine in products can be imposed. Health advised that there are currently limits on caffeine amounts for formulated caffeinated beverages, such as energy drinks, but not for alcoholic beverages. The Committee agreed that an alignment of caffeine standards for RTDs with non-alcoholic beverages should be raised with Food Standards Australia New Zealand.

The Committee discussed improving standard drink labelling. There were discussions around the efficacy of placing a website on labels of alcoholic beverages. It was noted that ALAC does not support the proposal to reference the ALAC website on drink labels but would be happy to provide feedback on any website developed providing consumer information about alcohol use.

Ministers discussed the draft letter to the New Zealand RTD Producers' Group regarding their proposed voluntary initiatives to reduce the harm associated with RTDs. There was discussion around both Ministers potentially signing the letter and it was agreed that both Ministers would sign.

The Committee:

- a) noted that there is inconclusive international evidence in support of targeted taxes on RTDs leading to a reduction in alcohol-related harm
- b) directed the IACD to continue to monitor international reports on the effectiveness of targeted RTD taxes
- c) agreed that the use of alcohol excise tax as a tool to reduce alcohol related harm needs be applied to all alcohol products and take into account the likely impact this will have on overall consumption patterns
- d) noted that evidence that higher alcohol prices lead to a reduction in alcohol related harm suggests that minimum alcohol pricing policies could be an effective harm reduction tool
- e) noted that there are no international examples where minimum pricing policies had been introduced and the long-term effectiveness in alcohol related harm reduction evaluated
- f) directed the IACD to continue to monitor international developments in minimum alcohol pricing policies, and develop policy principles and options on the pricing of alcohol, including minimum pricing
- g) directed Justice to discuss with the Law Commission the need to investigate minimum pricing as part of the Review of the Regulatory Framework for the Sale and Supply of Liquor
- h) noted that the New Zealand RTD Producers' Group have proposed the following voluntary industry initiatives to address the harms from RTDs:
 - a. Limiting RTDs to a maximum of two standard drinks;
 - b. Ceasing production of RTDs of more than 10 percent aabv;
 - c. Work with Food Standards Australia New Zealand to ensure alcohol products containing caffeine are subject to the same rules as caffeinated beverages;
 - d. Adopt and abide by a code of naming, packaging and promotion of liquor;
 - e. Improve standard drink labelling and reference to the ALAC website.
- i) noted that energy-additive RTDs (e.g., those with caffeine added) increase the risk of alcohol related harm, especially to young people, because of their ability to mask the intoxicating effects of the alcohol
- j) noted that the Advertising Standards Authority is currently developing a new code to cover the naming, labelling, packaging and sales promotion of all liquor products
- k) noted the RTD Producers' Group intends to improve standards drink labelling, and also noted that ALAC does not support its website being referenced

The Committee agreed:

- a) that a maximum of 1.5 standards drinks per single service RTD container is a more acceptable limit than the maximum of 2 standards drinks proposed by the New Zealand RTD Producers' Group
- b) that an upper limit for RTDs of 7 percent aabv would be a more acceptable level than the 10 percent level proposed by the New Zealand RTD Producers' Group
- c) that Health clarify the processes and mandate of Food Standards Australia New Zealand in relation to placing a limit on the amount of caffeine allowed in RTDs and if necessary develop a submission to FSANZ to put this in place.
- d) for the IACD to continue to monitor research into the alcohol-related harms associated with energy-additive RTDs
- e) to approve the letter to the New Zealand RTD Producers' Group on behalf of MCDP, outlining the MCDP's response to the proposed voluntary initiatives.

4. OTHER BUSINESS

No other issues were discussed.

5. NEXT MEETING

The next meeting was agreed to be after the forthcoming election.