



THE DRUG TARIFF 1987, AMENDMENT NO. 5

PURSUANT to section 99 of the Social Security Act 1964, the Minister of Health hereby gives the following direction.

ANALYSIS

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| <ul style="list-style-type: none"> 1. Title and commencement 2. Computation of selling price 3. Payment for bulk supply orders | | <ul style="list-style-type: none"> 4. Payment for non-disposable syringes and needles 5. Payment for plastic syringes |
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DIRECTION

1. Title and commencement—(1) This direction may be cited as the Drug Tariff 1987, Amendment No. 5, and shall be read together with and deemed part of the Drug Tariff 1987* (hereinafter referred to as the Tariff).

(2) This direction shall come into force on the 1st day of October 1989.

(3) For the purpose of applying the Tariff after the commencement of this direction, but without affecting the validity or consequences of anything that has been done before that commencement, the Tariff shall have effect as if the amendments to it effected by this direction and the Drug Tariff 1987, Amendment No. 4 were the only amendments that had ever been made to it.

2. Computation of selling price—Clause 8 (2) of the Tariff shall be read as if, for the words “122.05 percent of the wholesaler’s selling price”, there were substituted the words “142 percent of the importer’s or manufacturer’s selling price (as the case may be)”.

3. Payment for bulk supply orders—(1) Clause 13 (1) (b) of the Tariff shall be read as if, for the expression “43.27”, there were substituted the expression “46.54”.

(2) Clause 13 (1) (c) of the Tariff shall be read as if, for the expression “31.62”, there were substituted the expression “34.62”.

4. Payment for non-disposable syringes and needles—Clause 18 of the Tariff shall be read as if, for subclause (3), there were substituted the following subclause:

*S.R. 1987/303

Amendment No. 1: *Revoked*

Amendment No. 2: *Revoked*

Amendment No. 3: *Revoked*

Amendment No. 4: S.R. 1989/43

“(3) Payment for any such claim shall be computed by—

“(a) Adding together—

“(i) The importer’s selling price for the items concerned; and

“(ii) 46.75 percent of that price; and

“(iii) The appropriate professional fee; and

“(b) Subject to subclauses (4) and (5) of this clause, subtracting \$5.”

5. Payment for plastic syringes—Clause 19 of the Tariff shall be read as if, for subclause (1), there were substituted the following subclause:

“(3) Payment to a contractor for plastic syringes shall be computed by—

“(a) Adding together—

“(i) The importer’s selling price for those syringes; and

“(ii) 46.75 percent of that price; and

“(iii) The appropriate professional fee; and

“(b) Subject to subclauses (2) and (3) of this clause, subtracting \$5.”

Dated at Wellington this 20th day of September 1989.

HELEN ELIZABETH CLARK,
Minister of Health.

EXPLANATORY NOTE

This note is not part of the direction, but is intended to indicate its general effect.

This direction, which comes into force on 1 October 1989, provides new on-cost margins on pharmaceutical requirements payable to contractors. These reflect the increase in the rate of Goods and Services Tax Act.

Issued under the authority of the Regulations Act 1936.

Date of notification in *Gazette*: 28 September 1989.

This direction is administered in the Department of Health.