

In Confidence

Office of the Associate Minister of Health

Cabinet Social Policy Committee

## **APPROVAL OF THE NATIONAL DRUG POLICY**

### **Proposal**

1. I seek Cabinet's approval of the draft National Drug Policy (the Policy), which I propose to release in August or September 2015.

### **Executive Summary**

2. In December 2013 Cabinet agreed [CAB MIN(13) 43/16 refers]:
  - to the release of a discussion document seeking public views on the content and themes of a new National Drug Policy
  - that the new Policy would carry over from previous policies the principle of harm minimisation and three strategies for action (problem limitation, demand reduction and supply control).
3. The attached draft of the new Policy (Appendix 1) sets out the Government's approach and priorities for action in relation to alcohol and other drugs (excluding tobacco) over the next five years and guides decision making by local services, communities and non-government organisations. It includes measurable objectives and priorities for government action. An initial set of government actions is committed to for delivery by 2017/18. A separate plan to achieve a Smokefree New Zealand by 2025 will be developed for tobacco.
4. The Inter-Agency Committee on Drugs is responsible for overseeing the implementation of the actions within the new Policy. The Committee will report to Cabinet on progress at the end of each financial year over the life of the Policy (to June 2020) and will seek Cabinet agreement to a revised action plan by the end of 2017.

### **Background**

5. Harmful use of alcohol and other drugs has been estimated to cost our country around \$6.5 billion each year, impacting individuals, communities and society. It can result in substance dependence and negatively impact the home environment, educational achievement and employment opportunities. Alcohol and other drugs can also be associated with violent and other criminal behaviour and provide an illegal revenue stream for organised crime.
6. One example of where government has been making a difference to reduce both the cost to government and harm to people who use alcohol and other drugs is in relation to welfare reform. Approximately 4,500 people receiving a health-related benefit have a primary diagnosis of alcohol or substance abuse and a quarter of these people have received a benefit for at least 10 years. This cohort has an average future benefit liability cost of \$157,792, slightly higher than the averages for other groups with a health condition.

7. Recognising that alcohol and drug abuse can be a barrier to employment, people on a benefit due to a diagnosis of alcohol or drug are encouraged and supported to undertake treatment. This is in line with the Welfare Reform which promotes independence from benefit receipt and recognises people's potential for work while ensuring those who are unable to work continue to be supported by the welfare system. The Investment Approach underpins the Welfare Reform by helping government understand where to target resources to support clients into employment to reduce long-term benefit dependency. A measure tracking the numbers of people receiving a benefit with a primary diagnosis of alcohol or substance abuse has been included in the Policy.
8. The issues that arise from alcohol and other drug misuse are complex and have multiple causes. Addressing them requires a collaborative, system-level response across government agencies, frontline services, communities, families and individuals. The National Drug Policy sets out a common approach to maximise collective impact to minimise harm from alcohol and other drugs and contribute to broader social sector objectives.
9. The previous National Drug Policy expired in 2012. On 16 December 2013 Cabinet agreed to the release of a discussion document seeking public views on the content and themes for a new policy [CAB MIN(13) 43/16 refers]. Cabinet also agreed the new Policy would carry over from previous policies the principle of harm minimisation and three strategies for action, namely:
  - problem limitation initiatives that help people that are using substances and those affected by their use (including through addiction treatment services and harm reduction operations such as the needle exchange programme)
  - demand reduction initiatives that encourage people not to misuse substances, and to strengthen community responses (including through education programmes in schools and community activities that provide an alternative to AOD use)
  - supply control initiatives that stop illegal drugs from getting into the country, being manufactured, or being traded, and regulate the sale and supply of legal drugs.This approach is very similar to that of other countries including the United Kingdom, Australia and many European Union States.
10. The Policy has been developed by a cross-agency working group led by the Ministry of Health and governed by the Inter-Agency Committee on Drugs (comprising the Ministries of Health, Justice, Social Development, Education, New Zealand Police, Department of Corrections and New Zealand Customs Service). The Committee brings together many of the same chief executives as the Social Sector Board. The Health Promotion Agency, Te Puni Kōkiri, Accident Compensation Corporation, and the National Drug Intelligence Bureau also participate at working group level. This alignment enables agencies to consider the contribution that the Policy makes to achieving broader social sector goals.

## Comment

11. The draft of the new Policy is attached as Appendix 1. It sets out the Government's approach and priorities for action in relation to alcohol and other drugs, over the next five years. It will also guide decision making by local services, communities and non-government organisations.

*What the new Policy does differently from previous policies*

12. The most important changes introduced through this Policy are set out below.

- **Tobacco is no longer captured by the Policy.** Tobacco is currently the single greatest cause of preventable death, accounting for an estimated 4500 to 5000 deaths annually. Because of this, a dedicated plan to achieve a smokefree New Zealand by 2025 will be developed.
- **A broader definition of 'harm minimisation' is used** as the Policy's central goal. The focus on individuals is widened to be more inclusive of families and communities, and health and wellbeing is emphasised to concentrate efforts on protective factors and prevention.

This broader definition also reflects the relationship alcohol and other drug misuse has with the social issues such as criminal offending, family violence, educational underachievement, workplace safety and productivity. The Government is addressing these issues through its Better Public Services Result Areas and other social sector initiatives, including the New Zealand Gangs Strategy, the Prime Minister's Youth Mental Health Project, and Youth Crime Action Plan.

- **Measureable objectives are identified** to assess progress against the Policy's goal to minimise alcohol and other drug-related harm and promote and protect wellbeing. This will be accompanied by annual reporting to the responsible Minister to ensure accountability for results. The objectives are:
  - delayed uptake of alcohol and other drugs by young people
  - reduced alcohol and other drug-related illness and injury
  - reduced hazardous drinking of alcohol
  - a shift in attitudes towards alcohol and other drugs.
- **Priorities for action and an initial action plan to deliver on those priorities are set out within the Policy**, and will be refreshed by the Inter-Agency Committee on Drugs for Cabinet approval by the end of 2017.

The priorities and actions were identified from submissions and cross-agency workshops and are summarised below.

- *Priority Area 1 – Creating a people-centred intervention system.* Aimed at better integrating and improving different parts of the intervention system to respond to people's needs as early, efficiently and effectively as possible.
- *Priority Area 2 – Shifting thinking and behaviour.* Aimed at nudging attitudes and actions about alcohol and other drug use and seeking help through sustained effort over time.
- *Priority Area 3 – Getting the legal balance right.* Aimed at ensuring legislative instruments and their implementation make strong contributions to the goal and objectives of the Policy.

- *Priority Area 4 – Disrupting organised crime.* Aimed at disabling the ability of organised crime groups to operate sophisticated illicit drug networks in New Zealand.
- *Priority Area 5 – Improving information flow.* Aimed at improving the sharing of information government agencies collect on alcohol and other drug use and harm in order to target services and provide multi-agency wrap-around responses.

13. The actions in the Policy are drawn from the three strategies of problem limitation, demand reduction and supply control and are designed to support the Policy’s goal and objectives and contribute to the Government’s Better Public Services result areas and broader cross-government programmes. Examples of how the Policy contributes to the Better Public Services Result Areas are set out in the table below. Appendix 2 lists the actions.

Table 1 – Examples of how the Policy contributes to the Better Public Services Result Areas

<b>Result Area</b>	<b>Statistic</b>	<b>Action</b>
Result 1: Reducing welfare dependency	Approximately 4,500 people receiving a health-related benefit have a primary diagnosis of alcohol or substance abuse and a quarter of these people have received a benefit for at least 10 years.	Develop a system map of potential resilience and intervention points across a person’s life stages.
Results 2-4: Supporting vulnerable children	Alcohol and other drug misuse is a factor in 25 percent of families with children in Child, Youth and Family care.	Develop a Fetal Alcohol Spectrum Disorders Action Plan. Develop initiatives and an implementation plan to improve outcomes for children of parents with mental illness and addiction.
Results 5-6: Boosting skills and employment	Early onset of cannabis use tends to increase the likelihood of school drop-out and educational underachievement.	Provide guidance to support schools dealing with AOD issues and helping students who need it, with a focus on keeping students engaged where possible.
Results 7-8: Reducing crime	Alcohol consumption is a factor in offending behaviour. Police estimate that at least one-third of recorded violent offences and 15 percent of sexual offences occur after the offender has consumed alcohol.	Evaluate the Alcohol and other Drug Treatment Court Pilot.

*How the Policy responds to outstanding Law Commission recommendations*

14. In 2011, the Law Commission released the report *Controlling and Regulating Drugs – a review of the Misuse of Drugs Act 1975*. The Law Commission argued that the Misuse of Drugs Act 1975 (the Act) should more clearly reflect the National Drug Policy’s harm minimisation approach and was out-dated.
15. The Government’s 2011 response to the Law Commission Report agreed in principle to most of the 144 recommendations, subject to further policy analysis. It prioritised the development of a regulatory regime for psychoactive substances and an Alcohol and other Drug Court pilot, both of which have now been implemented. There are 96 recommendations still to be addressed.

16. The Ministry of Health has reviewed the Law Commission's remaining recommendations in relation to consistency with the Policy, including an assessment of the case for legislative change. As a result, four actions, responding to 47 recommendations, have been included in the Policy to better align the Act with the Policy's goal of minimising harm and promoting and protecting health and wellbeing. While I do not propose a full review of the Act at this time, implementing these actions may subsequently identify the need for legislative change.
17. The actions set out in Table 1 will be led by the Ministry of Health as the administrator of the Act.

*Table 2 – Actions in the National Drug Policy that respond to Law Commission recommendations regarding the Misuse of Drugs Act 1975*

<b>Action</b>	<b>Policy objectives</b>	<b>Response to Law Commission recommendations</b>
<p><b>Review the regulation of controlled drugs for legitimate purposes (such as medicines).</b></p> <p>Timing: Advise the Minister of Health in 2015 to allow some or all changes to be given effect through the new therapeutics regime.</p>	<p>To ensure regulation of legitimate uses of controlled drugs (therapeutic and industrial) is proportionate to the level of risk, meets sector and public expectations of safety and access and minimises diversion.</p> <p>To ensure a clear interface between regulatory regimes.</p>	<p>This work responds to the recommendations about legitimate uses of controlled drugs in a wider context, providing opportunities to streamline legislation and have an up-to-date regulatory scheme that is easy to understand and use. It will include an assessment of the current processes to trial and develop medicines, including for medicinal cannabis products.</p>
<p><b>Work with the Expert Advisory Committee on Drugs to ensure that harm minimisation is a central feature of drug classification assessments.</b></p> <p>Timing: Guidelines to be completed in 2015/16.</p>	<p>To ensure that the current classification regime has a focus on minimisation of harm and is robust and transparent.</p>	<p>This work would provide a non-legislative mechanism to address the Commission's recommendations regarding the criteria for making drug classification assessments. It may identify a need for legislative change.</p>
<p><b>Develop options for further minimising harm in relation to the offence and penalty regime for personal possession within the Misuse of Drugs Act 1975.</b></p> <p>Timing: Report to Cabinet in 2017 as part of the action plan refresh.</p>	<p>To ensure that low-level drug offences can be responded to in a way that minimises harm, and reduces the likelihood of reoffending.</p> <p>To build on existing initiatives that provide alternative resolution options for low level offenders.</p>	<p>This work responds to recommendations relating to offences and penalties for personal possession of drugs. It will take into account recent domestic and international policy developments to provide alternative resolution of low-level offences. It will consider non-legislative options alongside the case for legislative change.</p>
<p><b>Release a discussion document seeking feedback on the appropriate regulation of drug utensils.</b></p> <p>Timing: Seek Cabinet approval to release a discussion document in 2015/16.</p>	<p>To enable the use of utensils, such as clean needles and vaporisers, to minimise harm to people who use drugs.</p> <p>To ensure that the availability and visibility of utensils does not encourage new use, particularly by young people.</p>	<p>This work would respond to recommendations seeking to remove offences for possession of drug utensils.</p> <p>The discussion document will seek public feedback on options to ensure health benefits are maximised, while ensuring that the use of illicit drugs is not condoned or encouraged.</p>

18. Forty-nine Law Commission recommendations will not be progressed at this time. They primarily relate to legislative amendments to offences and penalties for dealing and other offences. I consider that more effective outcomes can be achieved by first progressing the non-legislative changes outlined in the actions above.
19. Appendix 3 provides a summary of the Government's full response to the Law Commission's recommendations.

### *Implementation*

20. The Inter-Agency Committee on Drugs is responsible for overseeing the implementation of actions within the Policy and ensuring relevant agencies commit appropriate resources and work within the context of broader social sector objectives. Additionally, the Social Sector Board is commissioning a Social Sector Investment Framework that will inform investment decisions for cross-sector activity undertaken as part of the Policy.
21. The Inter-Agency Committee will report to Cabinet at the end of each financial year over the life of the Policy (to June 2020) and will seek Cabinet agreement to a revised action plan by the end of 2017.
22. Several actions within the Policy will require Cabinet decisions as part of implementation. Cabinet will be asked to agree:
  - a New Zealand position for United Nations General Assembly Special Session on Drugs 2016, prior to this taking place
  - to release a discussion document seeking feedback on options for the regulation of drug utensils.

### *Funding of actions within the Policy*

23. Actions in the Policy can be progressed without any new funding being sought in the Budget. However some actions will have greater impact if new money is available. In these instances, and where appropriate, new money will be sought through the allocation of money forfeited to the Crown under the Criminal Proceeds (Recovery) Act 2009 (proceeds of crime) or future Budgets.
24. The Methamphetamine Action Plan currently provides for proceeds of crime money to be used to fund the expansion of alcohol and other drug treatment services and additional Police and Customs initiatives to fight organised criminal groups dealing in methamphetamine and other drugs. Final decisions about allocation of money are made by the Prime Minister.

### **Consultation**

25. The following departments were involved in the development of the Policy and have been consulted on this paper: the Ministries of Justice, Education, Social Development and Transport, New Zealand Police, New Zealand Customs Service, Department of Corrections, Te Puni Kōkiri, and the Treasury. The Department of the Prime Minister and Cabinet has been informed.
26. The following agencies were also involved in the development of the Policy and have been consulted on this paper: the Health Promotion Agency, and the Accident Compensation Corporation.

27. Targeted stakeholder consultation with public health organisations and addiction treatment services was undertaken on 28 June 2013 through a workshop organised by the New Zealand Drug Foundation. Stakeholders identified five actions they would like to see in the Policy:
- a cross-vote funding for community action projects
  - local substance use action plans
  - online interactive local information, support and service hub
  - a national policy to respond positively to student drug and alcohol problems
  - a social marketing programme to shift attitudes on substance use.
28. Public consultation seeking feedback on the themes and priorities for a new Policy was undertaken via submissions on a discussion document between 16 December 2013 and 28 February 2014. I seek Cabinet's agreement to release the summary of submissions (Appendix 4) concurrently with the Policy. One hundred and twenty submissions were received from a variety of groups, including individuals, health/treatment providers, interest groups, community organisations and industry bodies. Key themes included:
- creating a culture where harmful use of alcohol other drugs is no longer seen as 'cool' or acceptable
  - destigmatising drug and alcohol problems to prevent problem users feeling constrained from seeking help
  - providing better support for communities and young people, and better access to a greater range of treatment options
  - a greater effort should be focused on reducing alcohol harm
  - the importance of genuine cross-agency integration and cooperation, and consistency across sectors.
29. Targeted stakeholder engagement and public submissions informed the development of the Policy. Important aspects of the Policy, including the priorities of shifting thinking and behaviour and creating a people-centred intervention system and the introduction of measurable objectives, were responses to themes identified through consultation. However, many stakeholders are likely to consider that the actions do not go far enough and that a greater monetary investment, particularly to support problem limitation strategies, is required.
30. The New Zealand Drug Foundation was consulted on a draft of the Policy in May 2015. No other stakeholders have been consulted on a draft of the Policy; however, officials may brief other key stakeholders, in-confidence, immediately prior to the release of the Policy.

### **Financial Implications**

31. There are no financial implications associated with this paper.

### **Human Rights**

32. The proposals in this paper are consistent with the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993.

## Legislative Implications

33. There are no legislative implications from this paper. Some actions within the Policy will have legislative implications and these will be addressed through separate Cabinet papers.

## Regulatory Impact Analysis

34. The regulatory impact analysis requirements do not apply to this paper.

## Gender implications

35. There are no gender implications associated with this paper.

## Disability Perspective

36. There is an action in the Policy to publish a Fetal Alcohol Spectrum Disorders (FASD) Action Plan. FASD is a leading cause of non-genetic developmental disorders. Although effects differ between individuals, people with FASD can experience impairment across multiple domains, including physical and intellectual disabilities. The final Action Plan is likely to make recommendations aligned with the New Zealand Disability Strategy and the United Nations Convention on the Rights of Persons with Disabilities, particularly in relation to information collection and supporting children and young people with disabilities to lead full and active lives.

## Publicity

37. Subject to Cabinet approval, I will release a media statement announcing the publication of the Policy and hold a launch event with key stakeholders. The Ministry of Health will produce a statement advising of the availability of the Policy on the Ministry's website and write to stakeholders.
38. I also seek Cabinet's approval to release this paper concurrently with the Policy so the Government's response to outstanding Law Commission recommendations is transparent.

## Recommendations

39. The Associate Minister of Health recommends that the Committee:
1. **note** that on 16 December 2013 Cabinet agreed to the release of a discussion document seeking public views on the content and themes for a new policy [CAB MIN(13) 43/16 refers]
  2. **note** that the attached draft National Drug Policy (the Policy) is intended to become New Zealand's framework for coordinated action to minimise the harm caused by alcohol and other drugs
  3. **note** tobacco is not included in the Policy and a stand-alone plan to achieve Smokefree 2025 will be developed in its place
  4. **note** that making progress on the Policy's goal of minimising AOD-related harm and promoting and protecting health and wellbeing will positively impact wider social outcomes and in particular Better Public Service Result Areas 1-8



5. **note** that the outstanding Law Commission recommendations from its report *Controlling and Regulating Drugs – a review of the Misuse of Drugs Act 1975*, will be progressed via the Policy, and that the initial action plan contains four actions addressing 47 recommendations
6. **note** that a full legislative review of the Misuse of Drugs Act 1975 is not recommended at this time
7. **agree** to the contents of the attached Policy
8. **authorise** the Associate Minister of Health to approve design and minor editorial changes to the attached Policy prior to release
9. **agree** that the summary of submissions from public consultation will be released concurrently with the Policy
10. **agree** to the release of this Cabinet paper concurrently with the release of the Policy
11. **agree** that the Inter-Agency Committee of Drugs will provide a progress report to Cabinet at the end of each financial year over the life of the Policy (to June 2020) and will seek Cabinet agreement to a revised action plan by the end of 2017.

Hon Peter Dunne  
**Associate Minister of Health**  
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