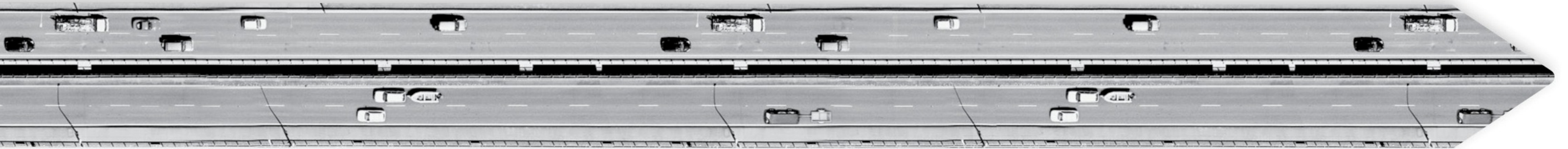


Revenue Monitoring Snapshot – as at 30 September 2017



Contents	Page
Petrol excise duty	2
Heavy RUC	3
Light RUC	4
MVR	4

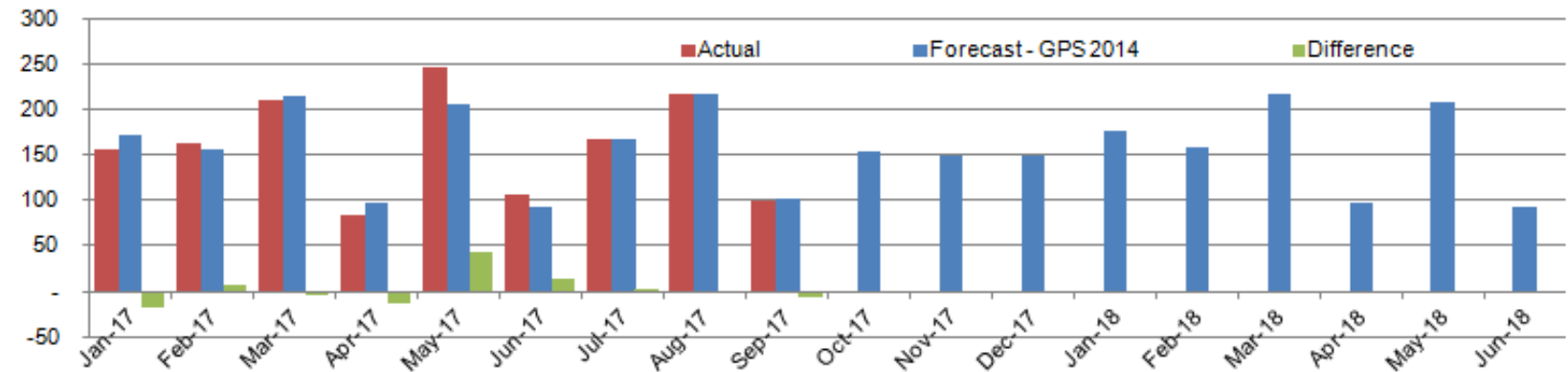
Disclaimer: This paper is presented not as policy, but with a view to inform and stimulate wider debate.

Petrol Excise Duty (PED) (around \$1,940 million p.a. – 54% of total National Land Transport Fund revenue)

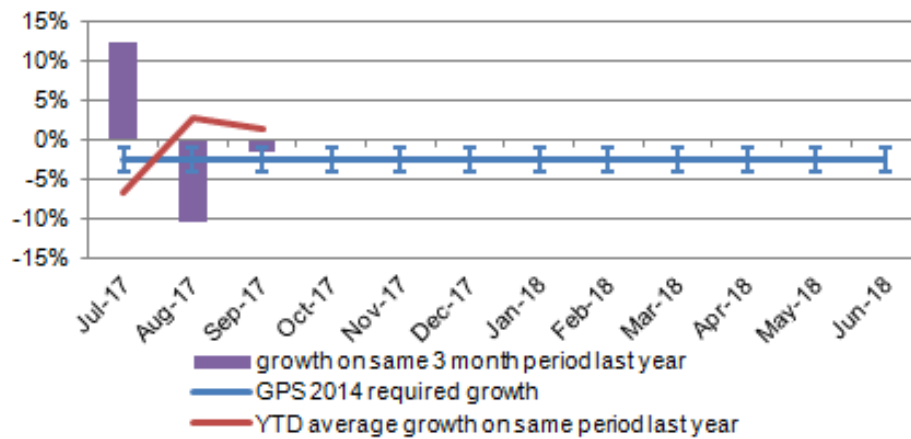
Petrol excise revenue shows some growth

- Actual revenue in the first quarter of the year has tracked below the revenue predicted in the GPS 2014 forecast (down by \$3.3 million, or 0.7%). This is a small variation especially this early in the 2017/18 year.
- General economic conditions suggest that revenue will again be stronger than predicted in the GPS 2014 forecast.

Monthly PED revenue (cash receipts) vs forecast (gross \$ million)



Petrol Excise Duty growth on last year and forecast

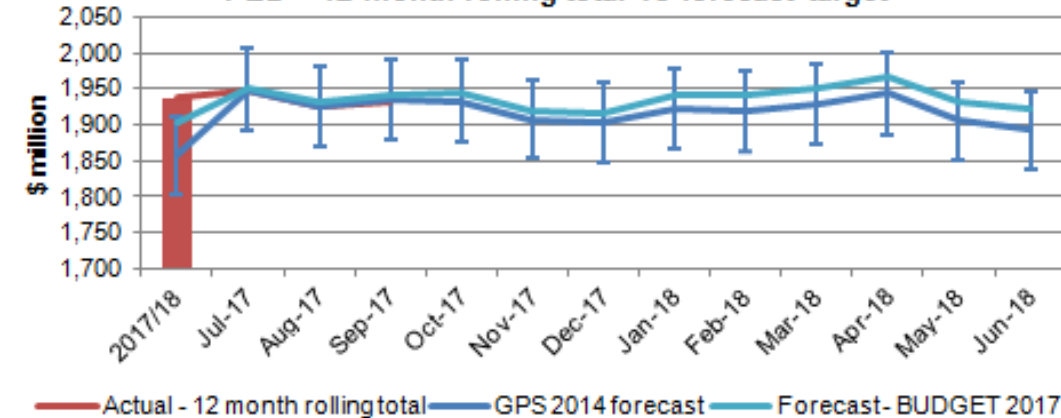


	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	YTD
\$ million Actual	156	162	210	83	248	106	168	217	99	-	-	-	-	-	-	-	-	-	484
Forecast - GPS 2014	173	156	214	96	205	92	167	218	103	154	148	149	176	159	218	98	209	94	488
Difference \$	-16.9	6.0	-4.1	-13.6	42.6	14.0	0.6	-0.6	-3.3										-3.3
Difference %	-9.8%	3.8%	-1.9%	-14.1%	20.8%	15.3%	0.4%	-0.3%	-3.2%										-0.7%
GPS 2014 Low	168	152	208	94	199	90	163	212	100	150	144	144	171	155	212	95	203	91	474
GPS 2014 High	178	161	220	99	211	95	172	224	105	159	153	153	181	164	224	101	215	97	502
Forecast - BUDGET 2015	171	155	212	95	203	91	167	217	102	154	148	148	175	159	217	98	208	93	486
Forecast - BUDGET 2016	172	156	213	96	204	92	164	213	100	151	145	146	172	156	214	96	205	92	478
Forecast - BUDGET 2017	177	160	219	99	210	94	170	221	104	157	151	151	179	162	221	100	212	95	495

Forecast growth for the year

- The GPS 2014 forecasts predict growth for 2017/18 of -2.3% on 2016/17 actuals:
 - This is due to 2016/17 actuals being \$80.5 million above forecast (4.3%). Due to the high growth last year there actually needs to be a decrease in the amount of revenue collected this year to meet the GPS 2014 forecast PED revenue for 2017/18.
 - The Ministry is predicting this will not occur and another year of solid growth will occur driven by population growth and positive economic conditions.
- Year to date growth on the same period as last year is higher due to the large shipment received in August 2016.

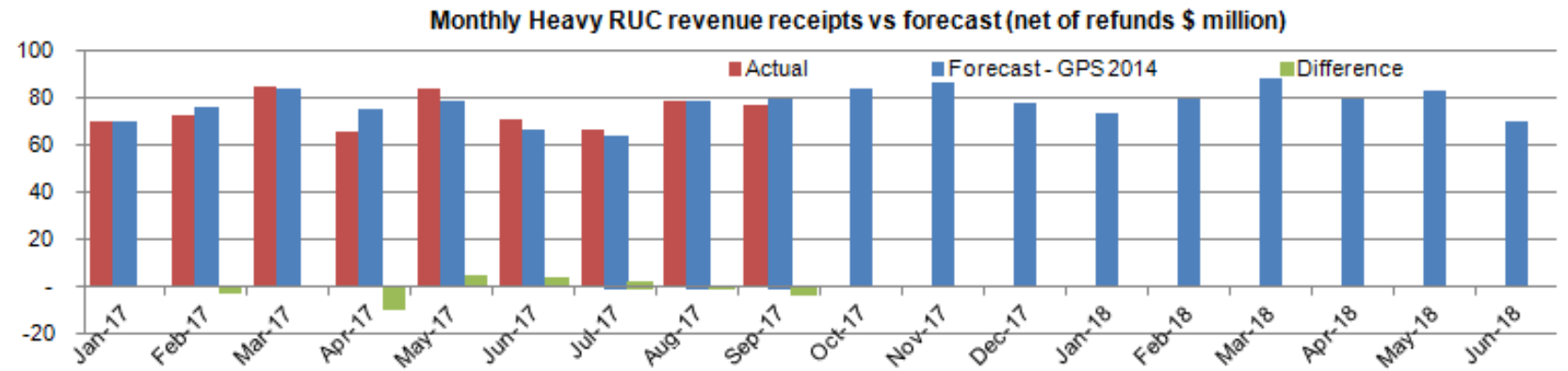
PED - 12 month rolling total vs forecast target



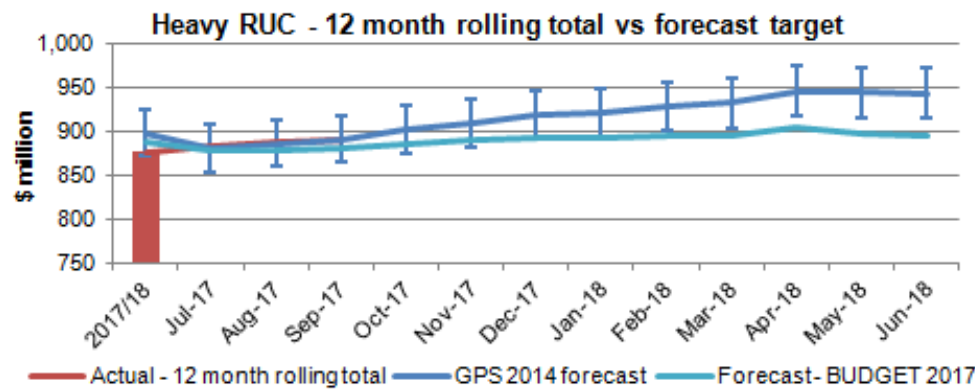
Heavy Road User Charges (RUC) (around \$880 million p.a. – 24.5% of total National Land Transport Fund revenue)

Heavy RUC revenue remains sluggish

- Actual revenue is tracking to forecast for the first quarter of 2017/18, at \$222 million.
- This is an improvement from the first quarter of 2016/17 when Heavy RUC revenue down by \$3.7 million (1.7%).
- The Ministry is monitoring Heavy RUC closely to see if this lower than expected revenue is being driven by a low freight task or efficiency increases.

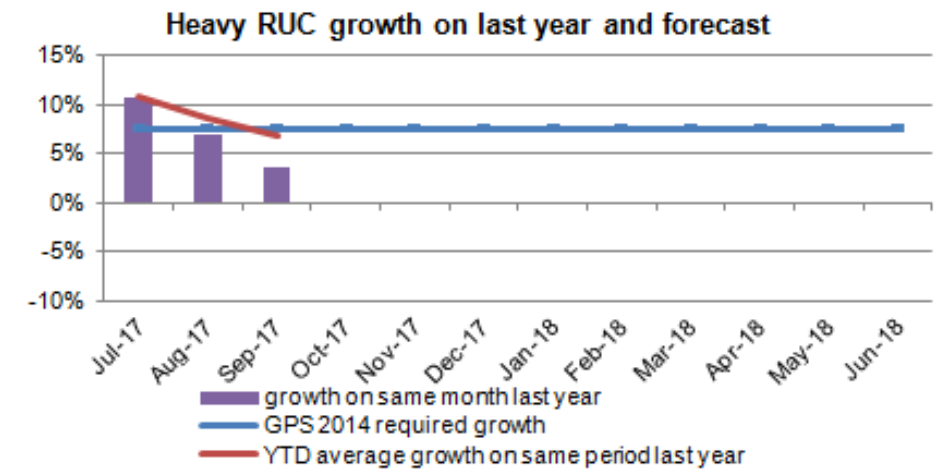


	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	YTD
\$ million Actual	70	73	84	66	84	71	66	79	77	-	-	-	-	-	-	-	-	-	222
Forecast - GPS 2014	70	76	84	75	79	67	64	79	80	84	86	78	73	80	88	79	83	70	222
Difference \$	0.2	-3.1	0.3	-9.4	5.3	3.8	2.6	0.0	-2.7										-0.0
Difference %	0.3%	-4.0%	0.4%	-12.4%	6.7%	5.7%	4.1%	0.0%	-3.4%										-0.0%
GPS 2014 Low	67	73	81	73	76	65	62	76	77	81	83	75	71	77	85	76	80	68	214
GPS 2014 High	71	78	86	77	80	68	65	81	82	86	88	80	75	82	90	81	85	72	227
Forecast - BUDGET 2015	70	76	84	76	79	67	64	79	80	84	86	78	73	80	88	79	83	70	223
Forecast - BUDGET 2016	67	73	81	73	76	65	61	75	76	80	82	74	70	76	84	75	79	67	211
Forecast - BUDGET 2017	69	75	83	74	78	66	60	75	76	80	82	74	69	76	84	75	78	67	211



Forecast growth for the year

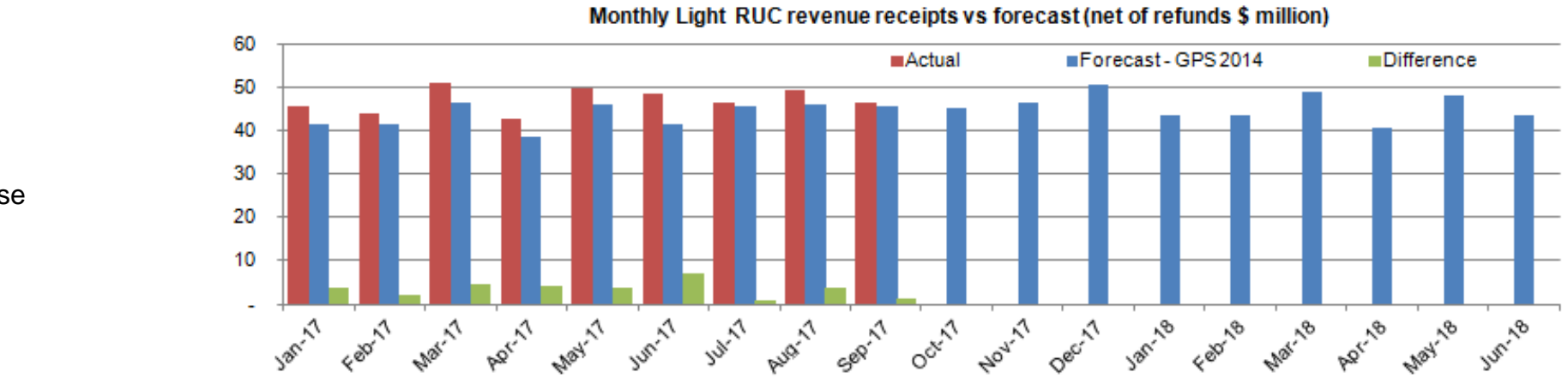
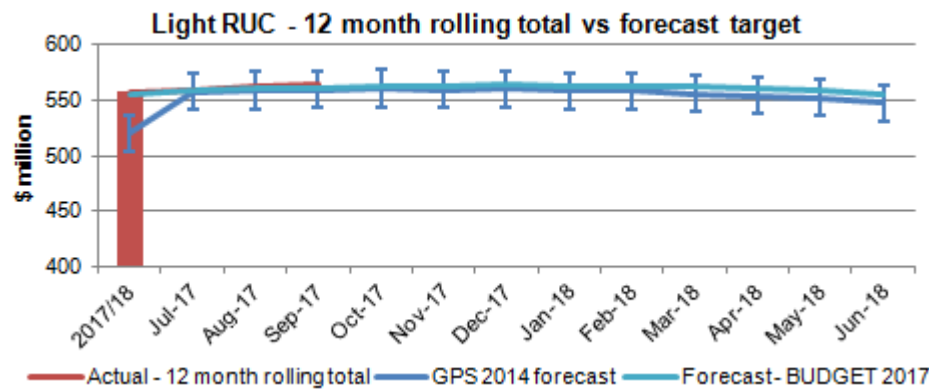
- GPS forecasts for Heavy RUC in 2017/18 require growth of 7.6% on 2016/17 actuals. With no increase in Heavy RUC rates in 2017/18, growth will need to come from volume grow (Heavy RUC kms purchased).
- Sluggish growth in 2016/17, and a static first quarter of 2017/18, suggests revenue growth closer to 2.0% to 3.0% on 2016/17 actuals.



Light Road User Charges (RUC) (around \$560 million p.a. – 15.5% of total National Land Transport Fund revenue)

Light RUC revenue continues to track above forecast

- Revenue is above forecast by \$5.4 million (4.0%) for the first quarter of the year. This follows on from strong revenue growth (7.1%) in 2016/17, and the expectation is for revenue to continue to grow.
- The GPS forecasts for 2017/18 require revenue growth of -1.7% on 2016/17 actuals. Due to the high growth last year there actually needs to be a decrease in the amount of revenue received this year to meet the GPS 2014 forecast light RUC revenue for 2017/18.
- The Ministry is predicting revenue growth in the 4.0% to 5.0% range on the 2016/17 actual light RUC revenue.

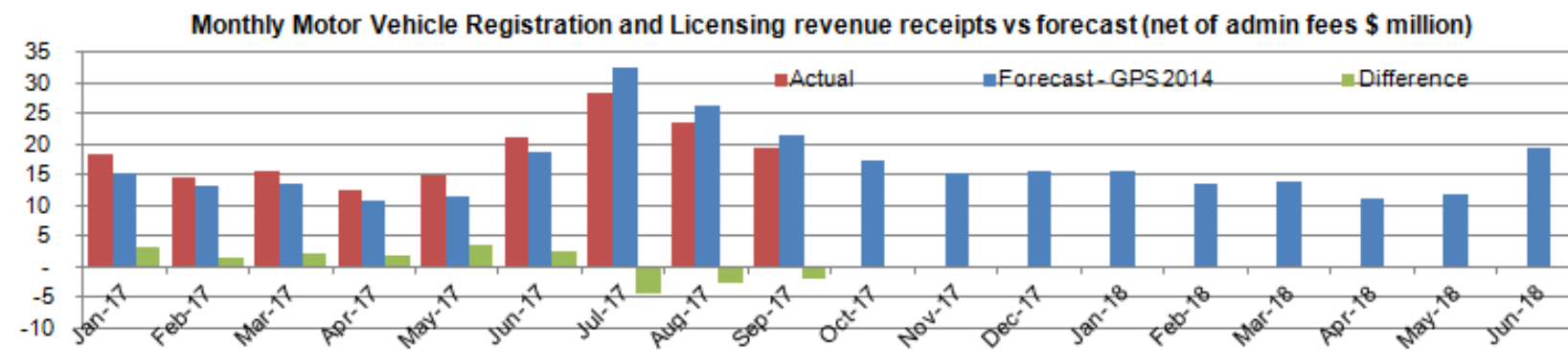
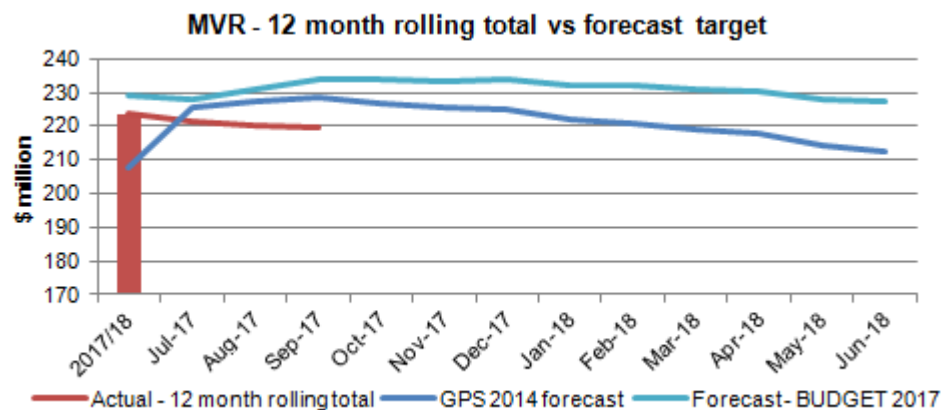


	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	YTD
\$ million Actual	45	44	51	42	50	48	46	49	47	-	-	-	-	-	-	-	-	-	142
Forecast - GPS 2014	41	41	46	38	46	41	45	46	45	45	47	51	44	44	49	40	48	43	137
Difference \$	3.9	2.3	4.5	4.1	3.8	7.0	0.8	4	1										5.4
Difference %	9.5%	5.4%	9.7%	10.6%	8.4%	17.0%	1.8%	0	0										4.0%
GPS 2014 Low	40	40	45	37	45	40	44	45	44	44	45	49	42	42	47	39	47	42	133
GPS 2014 High	43	43	48	40	47	42	47	47	47	47	48	52	45	45	50	42	50	45	141
Forecast - BUDGET 2015	40	40	45	37	45	40	45	45	45	45	46	50	43	43	48	40	48	43	135
Forecast - BUDGET 2016	40	40	45	37	44	40	44	45	44	44	45	49	42	42	47	39	47	42	133
Forecast - BUDGET 2017	44	44	50	41	49	44	46	46	46	46	47	51	44	44	49	41	49	44	139

Motor Vehicle Registrations (around \$225 million p.a. – 6% of total National Land Transport Fund revenue)

MVR Revenue on track

- Actual revenue is below the GPS 2014 forecast by \$8.8 million (11.0%).
- This is a little surprising but the Ministry believes revenue will increase through the rest of 2017/18. The Ministry believes MVR revenue will be close to the same figure as last year.



	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	YTD
\$ million Actual	18	15	16	12	15	21	28	23	19	-	-	-	-	-	-	-	-	-	71
Forecast - GPS 2014	15	13	13	11	11	19	33	26	21	17	15	15	15	13	14	11	12	19	80
Difference \$	3.3	1.5	2.2	1.8	3.5	2.4	-4.3	-2.6	-1.9										-8.8
Difference %	21.6%	11.4%	16.8%	16.8%	30.5%	12.6%	-13.1%	-10.0%	-9.1%										-11.0%
Forecast - BUDGET 2015	14	12	13	10	11	18	30	24	20	16	14	14	14	13	13	10	11	18	74
Forecast - BUDGET 2016	16	14	14	11	12	20	34	27	22	18	16	16	16	14	14	11	12	20	83
Forecast - BUDGET 2017	17	15	15	12	13	21	35	28	23	19	16	16	17	14	15	12	12	21	86