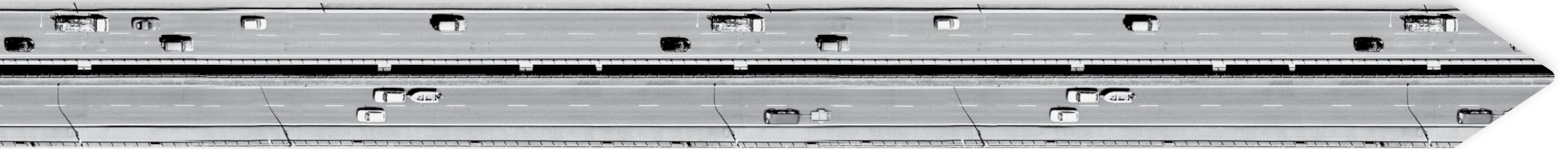


## Revenue Monitoring Snapshot – as at 30 September 2017



<b>Contents</b>	<b>Page</b>
Petrol excise duty	2
Heavy RUC	3
Light RUC	4
MVR	4

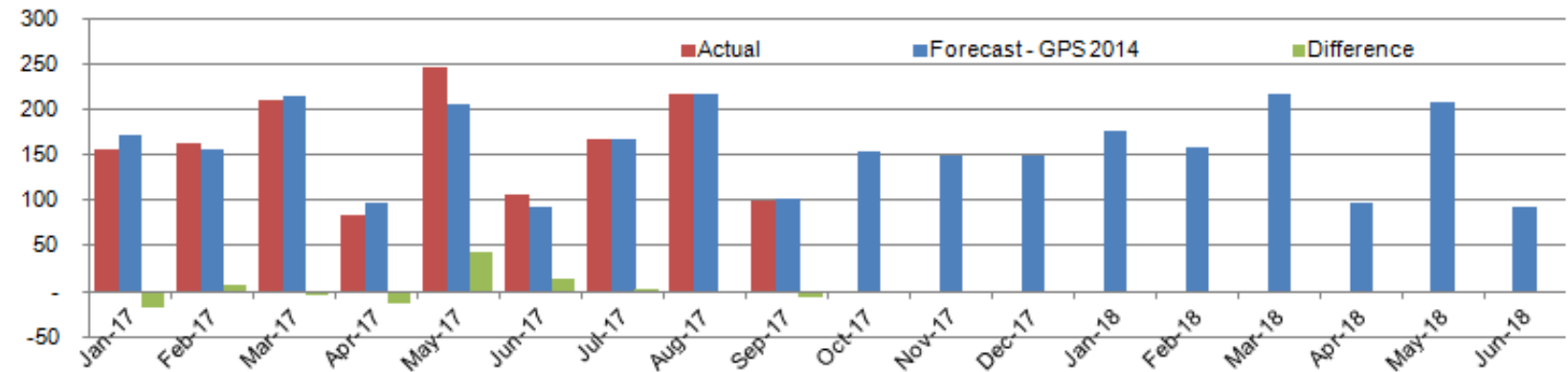
**Disclaimer:** This paper is presented not as policy, but with a view to inform and stimulate wider debate.

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

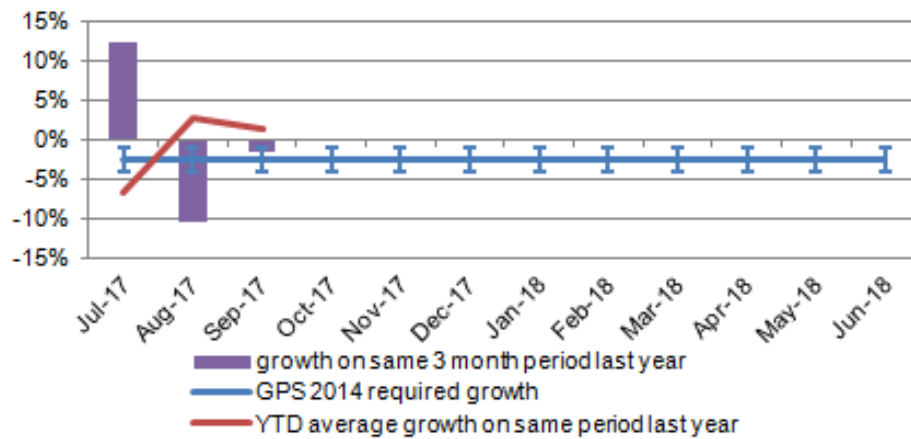
### Petrol excise revenue shows some growth

- 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

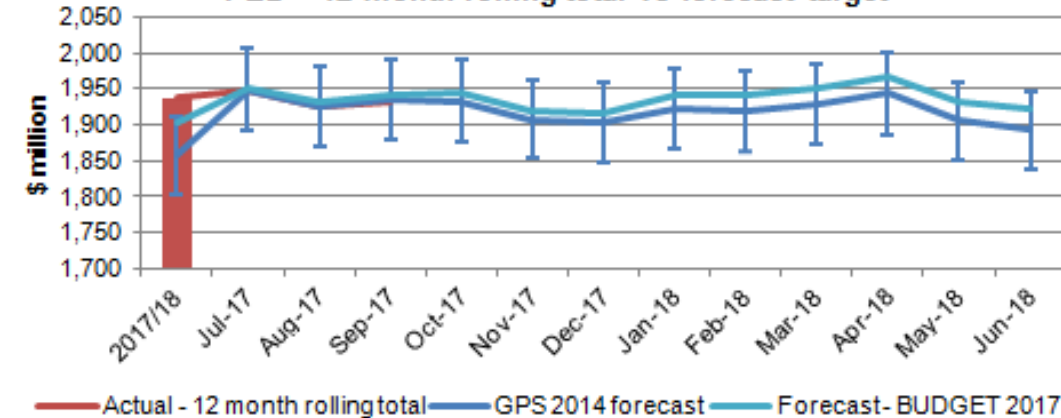


	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	YTD
<b>\$ million Actual</b>	156	162	210	83	248	106	168	217	99	-	-	-	-	-	-	-	-	-	484
<b>Forecast - GPS 2014</b>	173	156	214	96	205	92	167	218	103	154	148	149	176	159	218	98	209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

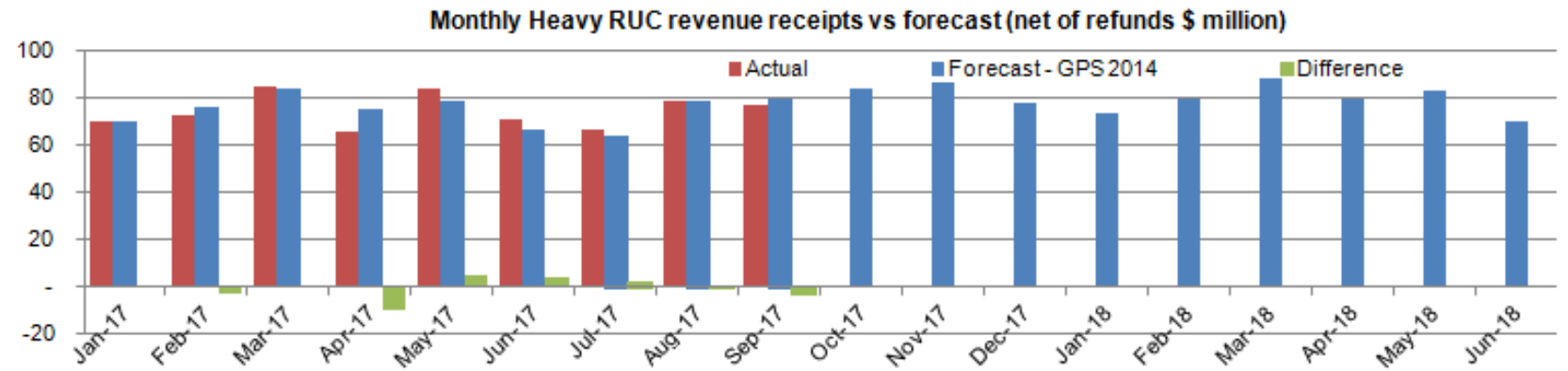
PED - 12 month rolling total vs forecast target



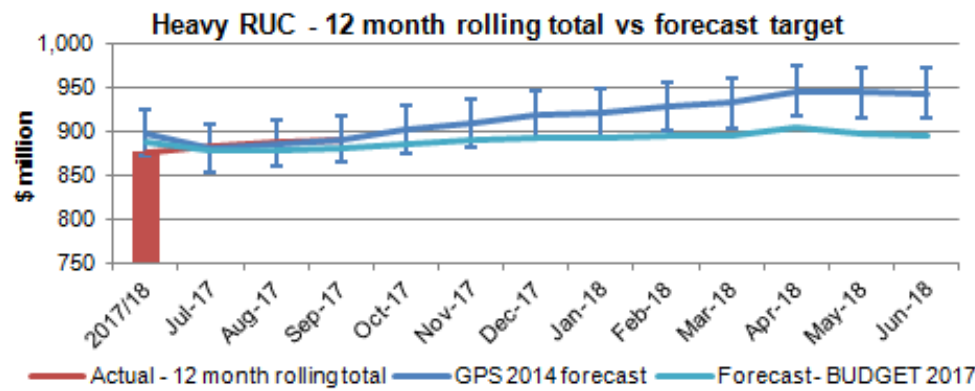
## Heavy Road User Charges (RUC) (around \$880 million p.a. – 24.5% of total National Land Transport Fund revenue)

### 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.

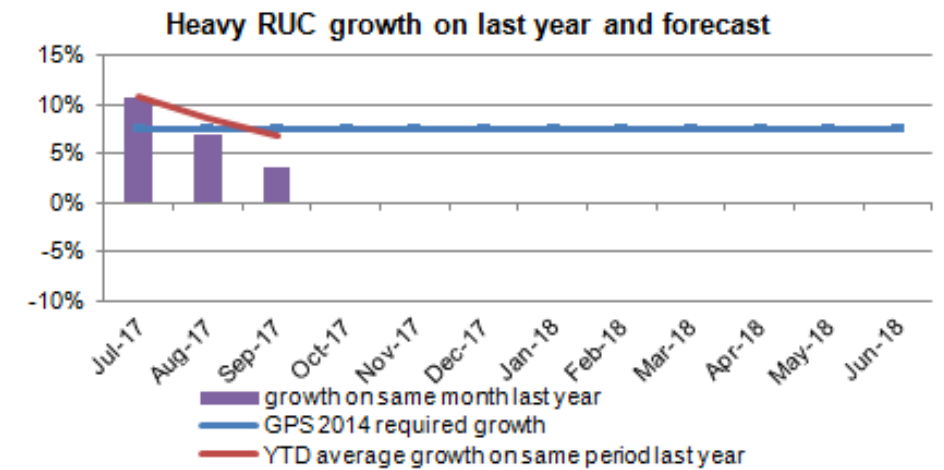


	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	YTD
<b>\$ million Actual</b>	70	73	84	66	84	71	66	79	77	-	-	-	-	-	-	-	-	-	222
<b>Forecast - GPS 2014</b>	70	76	84	75	79	67	64	79	80	84	86	78	73	80	88	79	83	70	222
<b>Difference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



### Forecast growth for the year

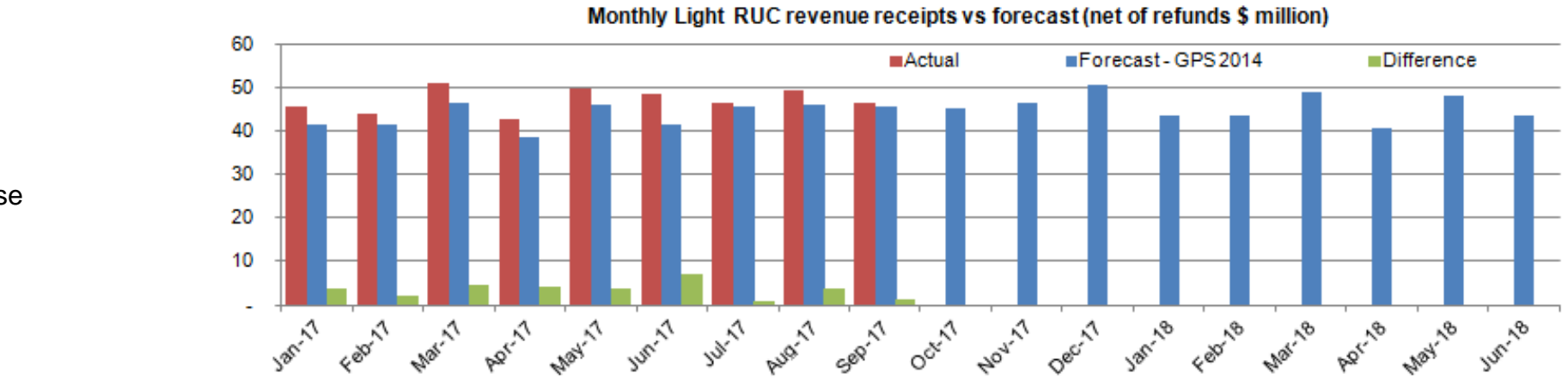
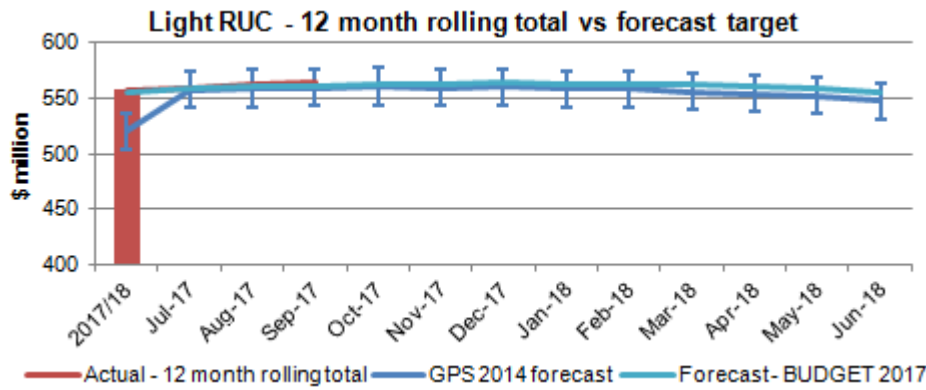
- GPS forecasts for Heavy RUC in 2017/18 require growth of 7.6% on 2016/17 actuals. With no increase in Heavy RUC rates in 2017/18, growth will need to come from volume grow (Heavy RUC kms purchased).
- Sluggish growth in 2016/17, and a static first quarter of 2017/18, suggests revenue growth closer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

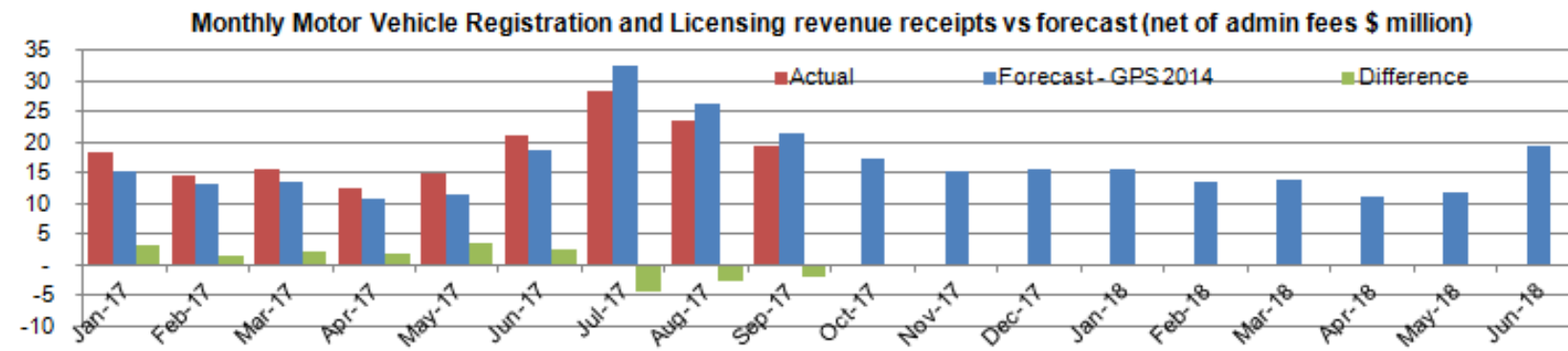
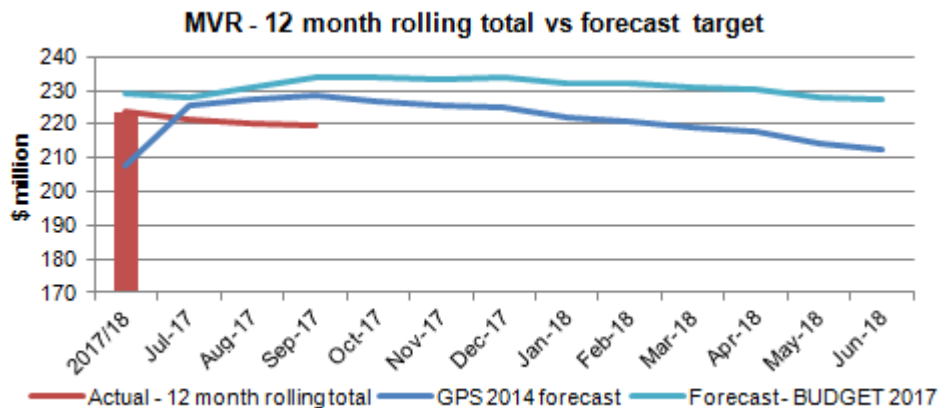


	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	YTD
<b>\$ million Actual</b>	45	44	51	42	50	48	46	49	47	-	-	-	-	-	-	-	-	-	142
<b>Forecast - GPS 2014</b>	41	41	46	38	46	41	45	46	45	45	47	51	44	44	49	40	48	43	137
<b>Difference \$</b>	3.9	2.3	4.5	4.1	3.8	7.0	0.8	4	1										5.4
<b>Difference %</b>	9.5%	5.4%	9.7%	10.6%	8.4%	17.0%	1.8%	0	0										4.0%
<b>GPS 2014 Low</b>	40	40	45	37	45	40	44	45	44	44	45	49	42	42	47	39	47	42	133
<b>GPS 2014 High</b>	43	43	48	40	47	42	47	47	47	47	48	52	45	45	50	42	50	45	141
<b>Forecast - BUDGET 2015</b>	40	40	45	37	45	40	45	45	45	45	46	50	43	43	48	40	48	43	135
<b>Forecast - BUDGET 2016</b>	40	40	45	37	44	40	44	45	44	44	45	49	42	42	47	39	47	42	133
<b>Forecast - BUDGET 2017</b>	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
<b>\$ million Actual</b>	18	15	16	12	15	21	28	23	19	-	-	-	-	-	-	-	-	-	71
<b>Forecast - GPS 2014</b>	15	13	13	11	11	19	33	26	21	17	15	15	15	13	14	11	12	19	80
<b>Difference \$</b>	3.3	1.5	2.2	1.8	3.5	2.4	-4.3	-2.6	-1.9										-8.8
<b>Difference %</b>	21.6%	11.4%	16.8%	16.8%	30.5%	12.6%	-13.1%	-10.0%	-9.1%										-11.0%
<b>Forecast - BUDGET 2015</b>	14	12	13	10	11	18	30	24	20	16	14	14	14	13	13	10	11	18	74
<b>Forecast - BUDGET 2016</b>	16	14	14	11	12	20	34	27	22	18	16	16	16	14	14	11	12	20	83
<b>Forecast - BUDGET 2017</b>	17	15	15	12	13	21	35	28	23	19	16	16	17	14	15	12	12	21	86