

VOTE *Transport*

Transport

Overview

Appropriations sought for Vote Transport in 2006/07 total \$2,174.104 million. This is intended to be utilised as follows:

- \$94.289 million (4.7% of the Vote) on purchasing services (mostly motor vehicle registry, road user charges and revenue management), plus \$0.185 million of a multi-year appropriation for a distress radio beacon campaign, from the Ministry of Transport.
- \$1,355.055 million (68.0% of the Vote) on purchasing road network maintenance, transport (maritime, aviation, rail and road) safety advice from transport Crown entities, and contributions toward the cost of the Auckland, Wellington and Bay of Plenty region's land transport strategies.
- \$4.235 million (0.2% of the Vote) on memberships of international organisations, a contribution towards the restoration costs of roading infrastructure following the floods of February 2004, and funding for public policy rail initiatives.
- \$52.885 million (2.6% of the Vote) on capital expenditure in the Maritime New Zealand, Joint Venture Airports, New Zealand Railways Corporation and Transit New Zealand, plus \$2.200 million on a multi-year appropriation for Joint Venture Airports.
- \$487.255 million (24.4% of the Vote) on the development of the State highway network, plus \$178 million on a multi-year appropriation for State highway networks.

The Ministry expects to collect \$993.901 million of Crown revenue in 2006/07, most of which is fees and charges paid by road users.

Details of how the appropriations are to be applied appear in Parts B, C, D and E of this Vote. Details of Crown revenue appear in Part F.

Terms and Definitions Used

ALPURT B2	Albany to Puhoi northern motorway extension
ARH	Auckland Regional Holdings
ARTA	Auckland Regional Transport Authority
AvSec	Aviation Security Service
CAA	Civil Aviation Authority
CI	Road Condition Index
CRSP	Community Road Safety Programme
FED	Fuel excise duty
HSE Act	Health and Safety in Employment Amendment Act 2002
ICAO	International Civil Aviation Organisation
IMO	International Maritime Organisation
Land Transport NZ	Land Transport New Zealand - formed on 1 December 2004 and includes most of the activities of two former Crown entities, Land Transport Safety Authority and Transfund New Zealand
LTSA	Land Transport Safety Authority - ceased to exist on 30 November 2004
LUT	Local User Terminal
MNZ	Maritime New Zealand
MVR	Motor vehicle registration and licensing
MVR & RM	Motor Vehicle Registry and Revenue Management business
NLTF	National Land Transport Fund
NLTP	National Land Transport Programme
NRA	National Roads Account
NRCC	National Rescue Co-ordination Centre
NZ SRR	New Zealand Search and Rescue Region
NZTS	New Zealand Transport Strategy
PII	Road Pavement Integrity Index
RC	Regional council
RCA	Road controlling authority
RCCNZ	Rescue Co-ordination Centre of New Zealand
RM	Revenue Management
RUC	Road user charges
SAP	Safety Administration Programme
SAR	Search and rescue
SOE	State-owned enterprise
STE	Smooth Traffic Index
TAIC	Transport Accident Investigation Commission
Transfund	Transfund New Zealand - ceased to exist on 30 November 2004

Footnotes

- Note 1** Expenses incurred pursuant to section 9 of the Land Transport Management Act 2003.
- Note 2** Expenses to be incurred pursuant to section 61(1) of the Public Finance Act 1989.

Minister Portfolio Table

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Transport

VOTE MINISTER: Minister of Transport

ADMINISTERING DEPARTMENT: Ministry of Transport

The Minister of Transport is the Responsible Minister for the Ministry of Transport

Part A - Statement of Objectives and Trends

Part A1 - Objectives for Vote

Related Government Goals

The appropriations for Vote Transport will make an important contribution towards attaining strategic objectives in the area of transport sustainability. They will resource a range of services and activities aimed at contributing to the achievement of the government priority of economic transformation. The particular sub-themes of this priority which will drive the appropriation work programme this year are:

- world class infrastructure
- an internationally competitive city – Auckland
- innovative and productive workplaces, underpinned by high standards in education, skills and research
- growing globally competitive firms, and
- environmental sustainability.

A number of government strategies identify transport as a key element in achieving the economic, social and environmental outcomes that government desires for New Zealand in the 21st century. These include *Growing an Innovative New Zealand, Sustainable Development Plan of Action, National Civil Defence Emergency Management Strategy, New Zealand Tourism Strategy, New Zealand Health Strategy, the New Zealand Disability Strategy, New Zealand Injury Prevention Strategy, Positive Ageing Strategy, National Energy Efficiency and Conservation Strategy, Climate Change Programme, Oceans Policy* and the *Bio-diversity Strategy*.

The primary focus of the Vote Transport appropriation is achieving the *New Zealand Transport Strategy* (NZTS) vision that by 2010 New Zealanders will have an affordable, integrated, safe, responsive and sustainable transport system.

New Zealand Transport Strategy objectives

The objectives developed to support the NZTS vision are:

- Assisting Economic Development.
- Assisting Safety and Personal Security.
- Improving Access and Mobility.
- Protecting and Promoting Public Health.
- Ensuring Environmental Sustainability.

The Minister of Transport is purchasing outputs in Vote Transport in order to contribute to a number of desired transport outcomes. The transport sector outcomes are:

- The efficiency of the transport system is continuing to improve.
- The effectiveness of the transport system is being maintained or improved.
- The negative impacts of land-use developments on the transport system are reducing.
- Growth and development are increasingly integrated with transport.
- Transport users increasingly understand and meet the costs they create.
- New Zealand's transport system is improving its international and domestic linkages including intermodal transfers.
- The transport system is improving its ability to recover quickly and effectively from adverse events.
- The transport system is increasingly providing affordable and reliable community access.
- New Zealand's transport system is increasingly safe and secure.
- Negative impacts of transport are reducing in terms of fatalities, injuries and harm to health.
- Negative impacts of transport are reducing in terms of the human and natural environments.
- The transport system is actively moving towards reducing the use of non-renewable resources and their replacement with renewable resources.

These describe the high level attributes of a transport system which is able to deliver on the objectives of the NZTS.

In support of the achievement of the government's transport sector outcomes, the appropriations will fund a wide range of activities, including:

Ministry of Transport

- Policy advice involving the development and maintenance of a framework for a transport system that achieves a balance between social and economic goals and environmental well-being in an integrated manner including the development and management of transport legislation and the provision of services to Ministers holding transport portfolio responsibilities.
- Motor vehicle register (MVR) and revenue management (RM), involving the collection and refund of road user charges (RUC), motor vehicle registration and licensing fees and fuel excise duty (FED).
- Management of the Ministry's aerodrome at Milford Sound/Piopirotahi.
- Co-ordinating planning across the government transport sector to align government transport agency work programmes and activity with the achievement of the New Zealand Transport Strategy objectives, monitoring transport Crown entity contribution to the achievement of these objectives, providing advice on the Crown's ownership interest in these entities, management on the Minister's behalf of contracts and agreements with transport sector Crown entities and other organisations, reporting on issues and risks with respect to the particular services purchased.
- Developing and implementing a four year national education campaign to ensure distress radio beacons used in the New Zealand operated search and rescue area are effective post 1 February 2009.

Activities purchased from transport Crown entities or state-owned enterprises (SOEs) are:

Maritime New Zealand (MNZ)

- Provision of policy advice on maritime safety, development of safety standards, promotion and auditing of maritime safety, review of legislation, administration of New Zealand's participation in International Maritime Organisation (IMO) and other international maritime safety and marine environment protection agreements.
- Administration and implementation of international maritime security arrangements in New Zealand, including port facility risk assessments, setting security levels, ship and port facility security plan approvals and liaison with port facility and ship operators.
- Provision of a national search and rescue (SAR) co-ordination service, including follow-up inquiries and reporting associated with Class III searches and rescues.
- Provision of safety services for recreational boating.

Civil Aviation Authority (CAA)

- Policy advice on aviation safety, development of safety standards, promotion and auditing of aviation safety, review of legislation and administration of New Zealand's participation in the International Civil Aviation Organisation (ICAO) and other safety-related agreements.

Aviation Security Service (AvSec)

- Provision of standby capacity and capability to provide searching and screening services should an International Ship and Port Security Code Level 2 or 3 be declared at New Zealand ports.

Land Transport New Zealand (Land Transport NZ)

- Promotion of land transport safety and sustainability and provision of information and advice to government and stakeholders on issues related to Land Transport NZ's functions.
- Delivery of regulatory services and investigation and review of accidents and incidents involving land transport.
- Provision of licensing and driver testing services, management of the system for payments related to storage of vehicles impounded by NZ Police and drug and alcohol assessments.
- Organisation and publication of land transport research and Land Transport NZ performance monitoring.
- Management of the National Land Transport Account including the development and administration of the National Land Transport Programme and the Safety (Administration) Programme, procurement procedures, policies and guidelines and performance agreements with approved organisations and audit activity relating to these agreements and assistance and advice to approved organisations.
- Funding initiatives that encourage the movement of freight by rail and coastal shipping (including barging) instead of by road.
- Funding initiatives to improve the management of land transport networks, travel behaviour change, and walking and cycling infrastructure.
- Funding of road, rail and ferry infrastructure and services.
- Funding for regional development land transport priorities including promotion, information and education, enhancing land transport infrastructure and services and transport demand management.
- Funding of the maintenance, construction and rehabilitation of State highways and local roads.

Transport Accident Investigation Commission (TAIC)

- Reporting on aircraft, rail and marine accident and incident investigations that occur in New Zealand.

Meteorological Service of New Zealand Ltd

- The collection of weather data in and around New Zealand and the processing of this data together with data from other countries to generate weather forecasts and warnings for New Zealand.

The Ministry of Transport is responsible for managing the various contracts between the Minister and the agencies that provide the above non-departmental outputs. These contracts and agreements ensure that the government’s ownership and purchase responsibilities are safeguarded, and resources are well managed. An important part of the performance accountability process is the inclusion of performance measures which:

- monitor financial management and viability
- confirm provision of services
- link services to results or outcomes sought
- assess value for money in terms of efficiency and effectiveness.

The links between the outputs to be purchased by the Crown and the government’s desired outcomes are shown below.

Links between departmental output expenses and outcomes

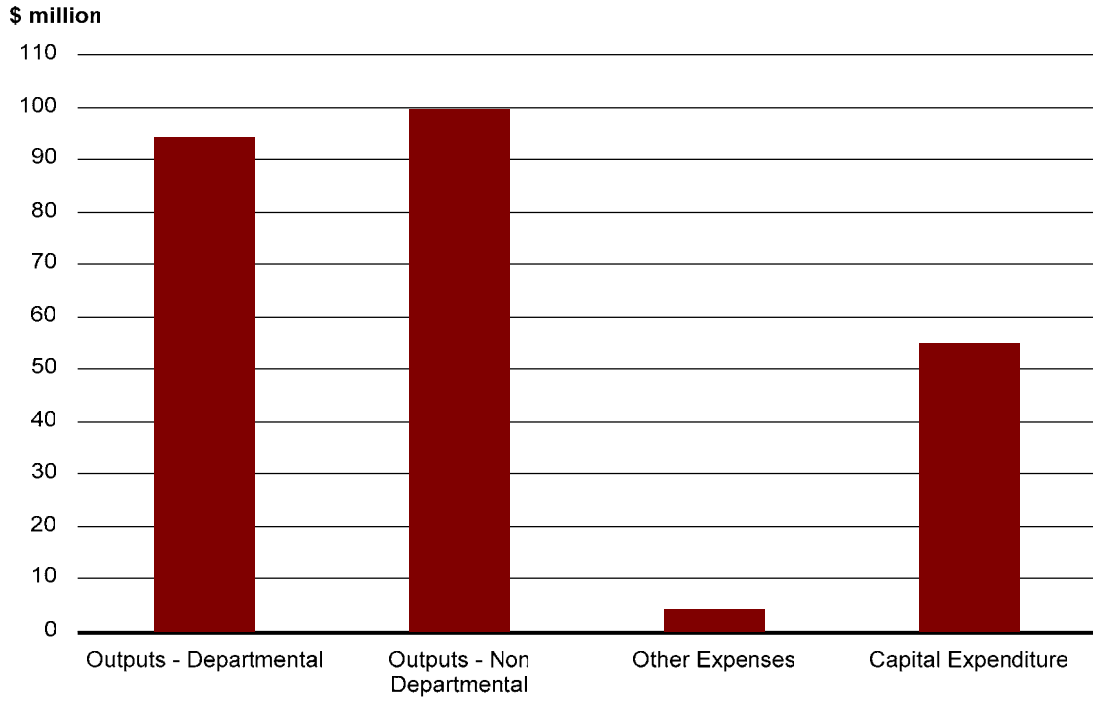
Departmental Output Expenses	Related Transport Sector Outcomes
<p>Policy Advice</p> <p>Under this output the Minister of Transport purchases strategic, objective and evidence based policy advice relating to all modes of transport to progress the achievement of NZTS objectives.</p>	<ul style="list-style-type: none"> • The efficiency of the transport system is continuing to improve. • The effectiveness of the transport system is being maintained or improved. • The negative impacts of land-use developments on the transport system are reducing. • Growth and development are increasingly integrated with transport. • Transport users increasingly understand and meet the costs they create. • New Zealand’s transport system is improving its international and domestic linkages including intermodal transfers. • The transport system is improving its ability to recover quickly and effectively from adverse events. • The transport system is increasingly providing affordable and reliable community access. • New Zealand’s transport system is increasingly safe and secure. • Negative impacts of transport are reducing in terms of fatalities, injuries and harm to health. • Negative impacts of transport are reducing in terms of the human and natural environments. • The transport system is actively moving towards reducing the use of non-renewable resources and their replacement with renewable resources.

Departmental Output Expenses	Related Transport Sector Outcomes
<p>Motor Vehicle Registry and Revenue Management</p> <p>This output manages the MVR & RM business to maximise the collection of Crown revenue that is properly due and take a proactive approach to debt management. The revenue collected funds transport infrastructure and activities that contribute to achieving NZTS objectives.</p>	<ul style="list-style-type: none"> • The efficiency of the transport system is continuing to improve. • The effectiveness of the transport system is being maintained or improved.
<p>Airport Operation and Administration</p> <p>This output covers the operation of Milford Sound/Piopiotahi aerodrome to provide a safe and efficient airport operation that contributes to the achievement of NZTS objectives.</p>	<ul style="list-style-type: none"> • Growth and development are increasingly integrated with transport.
<p>Sector Leadership and Support</p> <p>Under this output the Minister of Transport purchases services from the Ministry of Transport which includes co-ordinating planning across the government transport sector to align transport Crown entities work programmes to the achievement of the New Zealand Transport Strategy objectives, non-departmental output class management which includes management on the Minister's behalf of contracts and agreements with transport sector Crown entities and other organisations, reporting on issues and risks with respect to the particular services purchased, providing advice on the Crown's ownership interest in these entities and providing advice to Minister on transport sector statutory appointments.</p>	<ul style="list-style-type: none"> • The efficiency of the transport system is continuing to improve. • The effectiveness of the transport system is being maintained or improved. • New Zealand's transport system is increasingly safe and secure
<p>Distress Radio Beacons National Education Campaign</p> <p>This output provides for a campaign to ensure distress emergency beacons are upgraded to the post 1 February 2009 transmission frequency and encourage usage of these beacons in the search and rescue area monitored from New Zealand.</p>	<ul style="list-style-type: none"> • New Zealand's transport system is increasingly safe and secure.
Non-Departmental Output Expenses	Related Transport Sector Outcomes
<p>MNZ:</p> <ul style="list-style-type: none"> • Maritime Safety Regulation and Monitoring. <p>These outputs involve establishing safety standards and providing technical maritime safety advice and support; monitoring adherence to safety standards in respect of foreign ships; providing the Crown's contribution to safety support services for recreational boats; administering and implementing international maritime security measure for ships and port facilities; development and administration of marine pollution agreements and response plans.</p> <ul style="list-style-type: none"> • Search and Rescue Class III. <p>This output provides a national SAR co-ordination centre and funding SAR operations.</p>	<ul style="list-style-type: none"> • The transport system is increasingly safer and more secure • Negative impacts of transport are reducing in terms of the human and natural environment.
<p>CAA:</p> <ul style="list-style-type: none"> • Civil Aviation Policy Advice. <p>The services purchased under this output are establishing safety and security standards; providing technical aviation safety advice and support; ensuring the production and issue of aeronautical publications.</p> <ul style="list-style-type: none"> • Maritime Security <p>Provision of standby screening and searching services at ports.</p>	<ul style="list-style-type: none"> • The transport system is increasingly safer and more secure.

Non-Departmental Output Expenses	Related Transport Sector Outcomes
<p>Land Transport NZ:</p> <ul style="list-style-type: none"> • Research and Performance monitoring. • Promotion, information and education activities. • Regulatory implementation and enforcement. • Licensing activities. • Management of funding allocation system. • Rail and sea freight. • Transport demand management and walking and cycling. • Passenger transport services. • Regional land transport. • Auckland land transport. • Wellington land transport. • Bay of Plenty land transport • New and improved infrastructure for State highways. • Maintenance of State highways. • New and improved infrastructure for local roads. • Maintenance of local roads. <p>These outputs purchase the following services: promotion of land transport safety and sustainability; investigating and reviewing land transport accidents and incidents; maintaining the land transport licensing register and providing driver licensing services; providing information and advice; fostering education programmes and contributing to the cost of storing impounded vehicles and drug and alcohol assessments; development and management of the National Land Transport Account, funding for non-road movement of freight, regional land transport priorities, passenger transport services and infrastructure, walking and cycling infrastructure, travel behaviour change and transport demand management; determining broad requirements for maintenance, construction, safety etc for eligibility of funding for RCAs; undertaking reviews and audits of the activities; providing advice to local authorities in relation to the functions of Land Transport NZ.</p>	<ul style="list-style-type: none"> • Growth and development are increasingly integrated with transport. • New Zealand's transport system is increasingly safe and secure. • The transport system is increasingly providing affordable and reliable community access. • Negative impacts of transport are reducing in terms of fatalities, injuries and harm to health. • Negative impacts of transport are reducing in terms of the human and natural environments.
<p>TAIC:</p> <ul style="list-style-type: none"> • Reporting on Accident or Incident Investigations <p>Determining and reporting on the circumstances and causes of aviation, maritime and rail accidents and incidents.</p>	<ul style="list-style-type: none"> • The transport system is increasingly safer and more secure.
<p>Meteorological Service of New Zealand Ltd:</p> <ul style="list-style-type: none"> • Weather forecast and warnings <p>This output provides severe-weather warnings and a level of weather forecast services for land, coastal waters and oceanic areas for which New Zealand has international responsibility. This includes the provision of a weather observation data network in and around New Zealand sufficient to allow a sustainable level of accuracy in weather forecasting and sufficient to fulfil New Zealand's agreed responsibilities to the international community.</p>	<ul style="list-style-type: none"> • The transport system is increasingly safer and more secure.

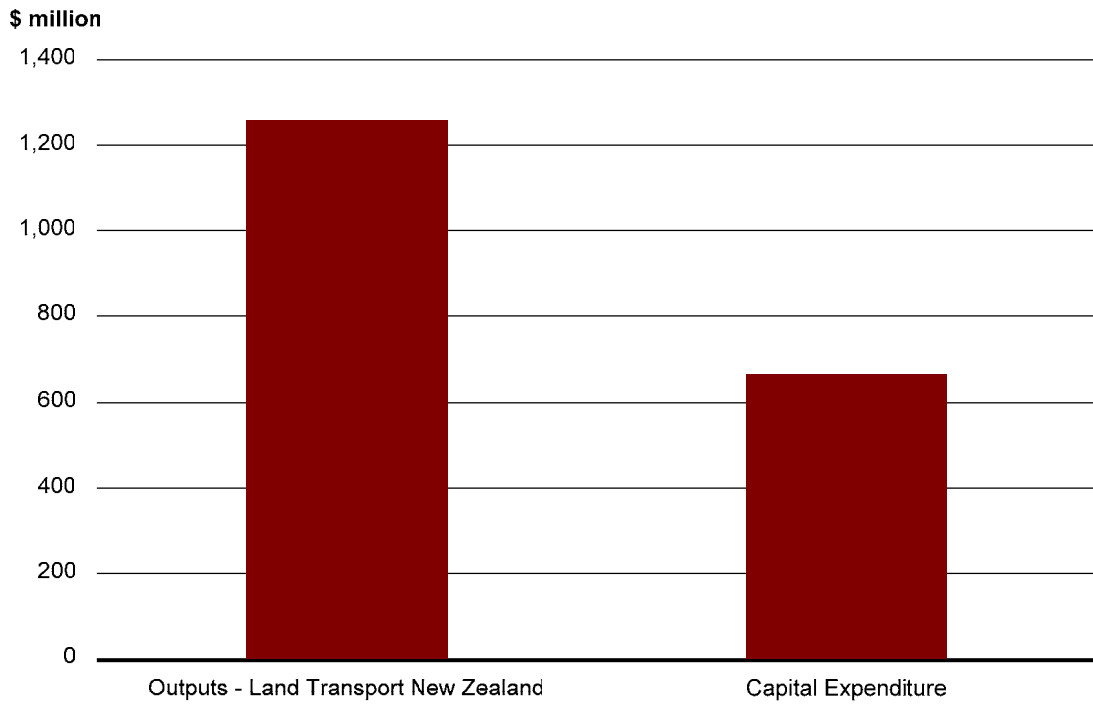
The structure of Vote Transport for the 2006/07 financial year, in terms of the magnitude of annual and other appropriations and the proportion of each output expense to the total of this appropriation type, is shown in the following figures (Figures 1-5).

Figure 1 - Annual Appropriations



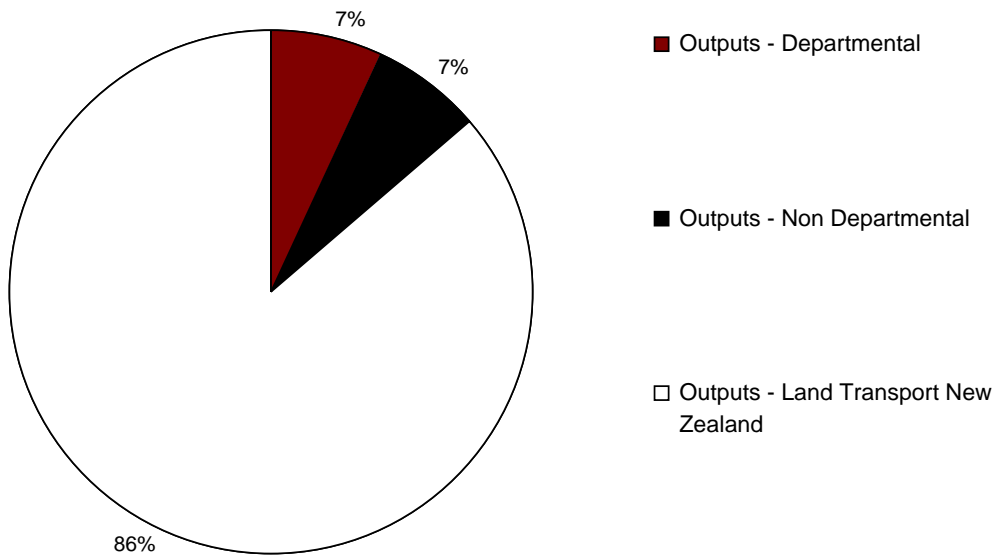
Source: Ministry of Transport

Figure 2 - Other Appropriations



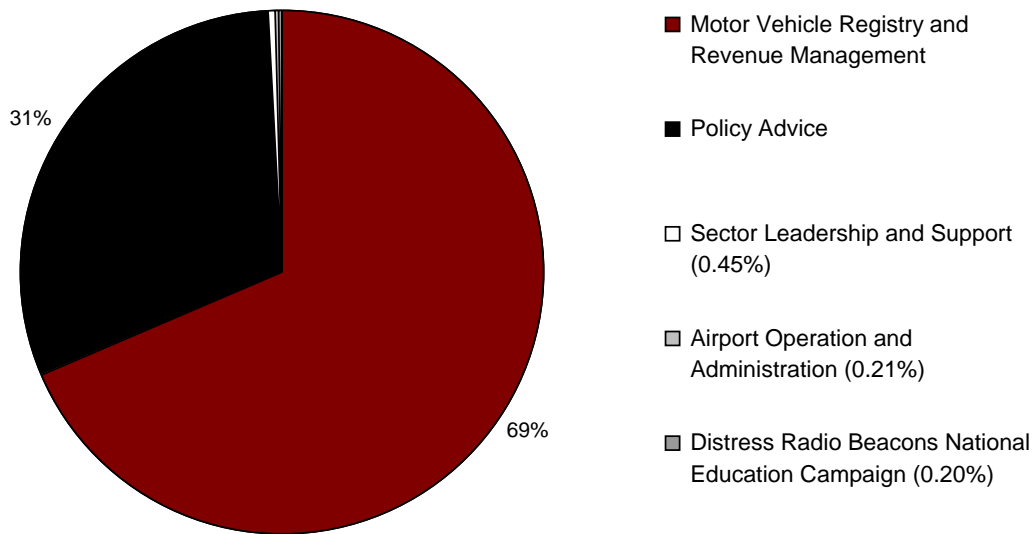
Source: Ministry of Transport

Figure 3 - Outputs - Vote Transport

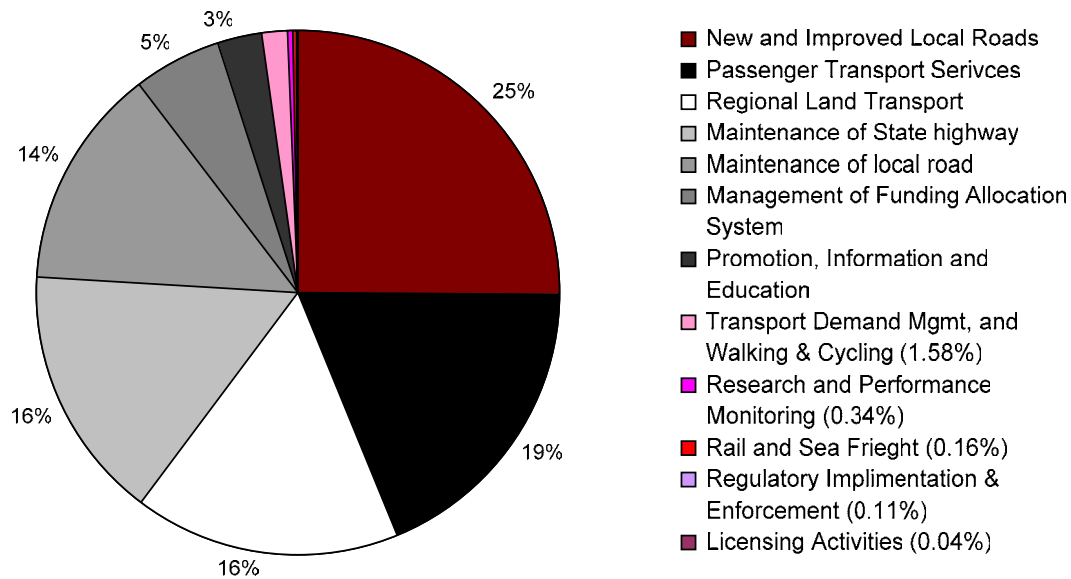


Source: Ministry of Transport

Figure 4 - Outputs - Departmental



Source: Ministry of Transport

Figure 5 - Outputs - Land Transport New Zealand

Source: Ministry of Transport

Part A2 - Trends in Vote

The time series of departmental and Crown appropriations and Crown revenue and receipts flows is detailed in the table appearing later titled "Trends in Vote Transport - Summary of Financial Activity". That table shows that:

- total appropriations increased between 2001/02 and 2006/07
- Crown revenue and receipts have been increasing since 2001/02.

Output Trends: 2001/02 to 2006/07

	2001/02 Actual \$000	2002/03 Actual \$000	2003/04 Actual \$000	2004/05 Actual \$000	2005/06 Budget \$000	2006/07 Budget \$000
Departmental Outputs	66,370	68,800	73,724	85,964	95,983	94,289
Non-Departmental Outputs	737,698	845,182	840,809	959,193	1,233,350	1,355,055
Total Outputs	804,068	913,982	914,533	1,045,157	1,329,333	1,449,344

Departmental output expenses

- The increase in appropriations between 2001/02 and 2002/03 was to enable the Ministry to develop its policy capability and continue its work on environmental issues and on land transport management policy.
- The increase in appropriations between 2002/03 and 2003/04 was to enable the Ministry to develop its capability, increase its work on environmental issues, and pay the increasing costs of collecting revenue for the NLTF.
- The increase in appropriations between 2003/04 and 2004/05 is to enable the Ministry to continue to develop its policy capability including the transfer of policy functions from LTSA and Transfund (for part of 2004/05), increase its work on vehicle emissions, provide advice on road pricing and implementation, and cover the increasing costs of collecting revenue for the NLTF.

- The increase in appropriations between 2004/05 and 2005/06 enables the Ministry to increase its policy capability including through the transfer of policy functions from the LTSA and Transfund to the Ministry, to cover the increasing costs of collecting revenue for the NLTF, and to undertake further work on Auckland Road Pricing.
- The change in appropriations between 2005/06 and 2006/07 includes funding for the Ministry to improve its information technology infrastructure. Funding for road pricing work in 2005/06 has not been carried over to 2006/07 at present as it is contingent on work undertaken in 2005/06.

Non-Departmental Output Trends: 2001/02 to 2006/07

	2001/02 Actual \$000	2002/03 Actual \$000	2003/04 Actual \$000	2004/05 Actual \$000	2005/06 Budget \$000	2006/07 Budget \$000
Establishment of ARTA and ARH	-	-	2,222	-	-	-
Aviation Security Service	-	356	169	145	145	145
MNZ	2,500	2,611	3,705	4,190	4,631	4,742
Search and Rescue Class III	1,289	1,289	2,690	2,404	3,884	3,274
CAA	1,320	1,320	1,719	1,761	1,761	1,761
Transport Accident Investigation Commission	1,683	1,758	2,172	2,422	2,617	2,617
Meteorological Service of New Zealand	13,028	13,028	13,028	14,792	14,796	14,796
Auckland Land Transport	-	-	-	47,111	50,667	50,000
Wellington Land Transport	-	-	-	-	9,889	15,000
Bay of Plenty Land Transport	-	-	-	-	-	5,000
LTSA	30,548	42,219	44,423	30,620	-	-
Transfund New Zealand	687,330	782,601	770,681	855,748	-	-
Land Transport New Zealand	-	-	-	-	1,144,960	1,257,720
Total Non-Departmental Outputs	737,698	845,182	840,809	959,193	1,233,350	1,355,055

Non-departmental output expenses

The government provided funding in 2003/04 only as a contribution towards the establishment costs of ARTA and ARH.

The MNZ appropriation was increased in 2003/04 and 2004/05 for the implementation of international ship and port security obligations, and implementation of the HSE requirements. The increase in 2005/06 is to cover a forecast operating deficit. The increase in 2006/07 is to provide sustainable funding for MNZ operations.

The increase in funding for Search and Rescue Class III in 2003/04 was to enable the National Rescue Co-ordination Centre (NRCC) to be resourced on a twenty four hour seven days a week basis and be co-located with the Maritime Operations Centre, and to fund increased search costs for 2003/04 only for the search and rescue operation. The increase in 2005/06 is to cover the full costs of operating the Rescue Co-ordination Centre of New Zealand (RCCNZ), which replaced the NRCC, and includes some one-off costs. 2006/07 funding reflects ongoing costs of operating the RCCNZ.

The increases in appropriation to the CAA in 2003/04 enabled the Authority to implement the HSE Act requirements for the aviation sector.

The increases in appropriations to the TAIC in 2003/04 and 2005/06 enables TAIC to increase capability.

During 2004/05 the government agreed to contribute \$900 million over 10 years toward the costs of the Auckland regional land transport strategy. The contributions commenced during 2004/05 and were increased in 2005/06 to \$50.667 million and 2006/07 to \$100 million. \$50 million of rail funding has been transferred to Vote Finance.

One appropriation was created in 2005/06. The government has agreed to contribute \$9.889 million in 2005/06 to Wellington region land transport as part of a \$225 million 10 year commitment.

One appropriation was created in 2006/07. The government has agreed to contribute \$5 million in 2006/07 to Bay of Plenty land transport as part of a \$150 million 9 year commitment.

A new Crown entity, Land Transport New Zealand was created on 1 November 2004. Appropriations previously approved for the LTSA and Transfund are now made to Land Transport NZ.

The increases in appropriation to the LTSA in 2002/03 and 2003/04 were part of the government's Land Transport Package (February 2002) commitment to road safety. Appropriations decreased in 2004/05 as a consequence of the government's transport sector review which resulted in some policy functions transferring to the Ministry of Transport, and also because some pilot road safety programmes authorised for 2002/03 and 2003/04 came to an end in 2003/04.

The increased appropriations in 2005/06 and 2006/07 for Land Transport NZ (when compared with 2004/05 for LTSA and Transfund) reflect the government's commitment to increased funding of regional land transport initiatives, including passenger transport services, maintenance of State highways and new and improved local roads.

Trends in Appropriations for Land Transport NZ: 2001/02 to 2006/07

	2001/02 Actual \$000	2002/03 Actual \$000	2003/04 Actual \$000	2004/05 Actual \$000	2005/06 Budget \$000	2006/07 Budget \$000
Non-Departmental Outputs	713,856	824,820	815,103	886,365	1,144,960	1,257,720
Additional Capital Appropriation for Land Transport.	-	-	-	-	95,000	225,000
Multi-year capital appropriation to ensure purchase of State Highway improvements specified in the NLTP.	-	-	-	-	-	178,000
Capital expense appropriation for New and Improved Infrastructure for State Highways	298,790	346,226	447,584	417,585	318,753	262,255
Total Appropriations	1,012,646	1,171,046	1,262,687	1,303,950	1,558,713	1,922,975

Over 92% of non-departmental outputs will be supplied by Land Transport NZ in 2006/07.

Increases in dedicated roading revenues have enabled the total appropriations for Land Transport NZ to be increased.

Non-departmental output appropriations increased between 2001/02 and 2002/03 to reflect the government's commitments within the February 2002 Land Transport Package to passenger transport, walking and cycling, alternatives to roading and regional development assistance.

The increase in output appropriations in 2005/06 is due to increased funding of Regional Land Transport including passenger transport appropriations.

The increase in output appropriations in 2006/07 is in line with increased NLTF forecast revenue and corresponding NLTP activities.

Capital appropriations increased between 2002/03 and 2003/04 reflecting the government's commitment within the February 2002 Land Transport Package to land transport. Funding was decreased in 2004/05 as NLTP expenditures were redirected to outputs delivered by Transfund.

The decrease in capital appropriations in 2005/06 is to allow increased funding to regional transport initiatives, and a transfer of funding to Vote Police for road safety.

The decrease in capital appropriations in 2006/07 reflects the impact of reduced NLTF revenue growth forecasts.

Decreases in 2005/06 and 2006/07 are offset by additional appropriations for capital works. The Government has contributed \$500 million over 4 years from 2005/06 (\$95 million in 2005/06 and \$125 million on 2006/07), \$300 million over 3 years from 2006/07 (\$100 million per year) and a further \$862 million over 5 years from 2006/07 (\$178 million in 2006/07).

Crown Expenditure and Revenue Trends: 2001/02 to 2006/07

Variations in non-departmental expenses tend to reflect one-off rather than ongoing transactions. The major categories are:

Other Crown expenses

In 2003/04 to 2006/07 the Crown provided a contribution to affected territorial local authorities to restore damaged roading infrastructure, following the floods of February 2004.

Capital expenditure

This item principally represents the Crown's investment in the State highway network. Increases in dedicated roading revenue have resulted in additional funding being available for capital projects.

In 2004/05 and 2005/06 capital contributions to the Aviation Security Service are for the acquisition of new hold baggage screening equipment required from January 2006.

In 2005/06 and 2006/07 capital contributions to Joint Venture airports are to contribute towards past losses incurred by three of the seven airports for which the government holds a 50% interest.

Crown revenue and receipts

These are largely receipts of RUC and MVR fees and have shown a steady increase since 2001/02.

Analysis by Appropriation Type: 2006/07 and 2005/06 Compared

Departmental output expenses

Annual appropriations for the purchase of departmental outputs are budgeted to decrease by \$1,694,000 (1.8%) for 2006/07 relative to 2005/06.

Major trends in departmental output classes are outlined below (see Part B1 for details).

Policy Advice

In the 2006 Budget the Ministry's appropriation for policy advice outputs was decreased for 2006/07. Funding for Auckland Road Pricing work received in 2005/06 has not been carried over to 2006/07 at present as it is contingent on work undertaken in 2005/06. This is offset by an increase of \$939,000 to improve the Ministry's information technology infrastructure and \$350,000 for Resource Management Act and Coastal Marine Act initiatives.

Motor Vehicle Registry and Revenue Management

There has been a steady increase in the volume of RUC transactions and in the volume of MVR licence transactions since 2001/02. In 2006/07 additional funding is required to cover forecast increases in transaction volumes mainly as the result of the continuing shift to shorter licensing periods.

Distress Radio Beacons National Education Campaign

In the 2005 Budget the Government provided the Ministry with a multi-year appropriation for the development and implementation of a national education campaign. The appropriation covers a four year period commencing in 2005/06.

Non-departmental output expenses

Major trends in non-departmental output expenses are outlined below (see Part B1 for details).

Maritime Safety Regulation and Monitoring

This appropriation is increased by \$1.0 million in 2006/07 to provide sustainable funding for Maritime NZ's operations.

Search and Rescue Class III

The appropriation was increased in the 2005 Budget to cover the operating costs of the RCCNZ. 2005/06 was increased by \$1,010,000 and 2006/07 and outyears by \$400,000.

Auckland Land Transport

In 2004/05 the government agreed to contribute \$900 million over 10 years towards the costs of the Auckland region land transport strategy. From 2006/07 the rail funding component of this funding has been transferred to Vote Finance.

Wellington Land Transport

In 2004/05 the government agreed to contribute \$225 million over 10 years towards the costs of retaining passenger transport mode share, addressing congestion and improving access to the Wellington region. This was increased by a further contribution approved during 2005/06 of \$660 million over 9 years, commencing from 2007/08.

Bay of Plenty Land Transport

In 2005/06 the government agreed to contribute \$150 million over 9 years towards the costs of implementing the Bay of Plenty transport package.

Regional Land Transport

In 2004/05 the government agreed to contribute \$2.07 billion over 10 years to support regional land transport initiatives. The amount appropriated for 2006/07 is \$205.5 million, an increase of \$4.5 million over 2005/06.

Land Transport NZ outputs

The Land Transport NZ appropriations increased in 2006/07 relative to 2005/06. The main increases are the result of increased funding for regional land and passenger transport initiatives and maintenance of State highways and new and improved local roads.

Other expenses

The Crown pays the membership costs of four international transport organisations.

The Crown is contributing funds in 2003/04 to 2006/07 to assist with the restoration of roading infrastructure in the lower North Island following the floods of February 2004.

The Crown is purchasing services from the NZ Railways Corporation in both 2005/06 and 2006/07 for the development and implementation of public policy initiatives.

Capital expenditure

In 2005/06 the Aviation Security Service received a capital injection totalling \$10 million to fund the purchase of equipment to enable the introduction of hold baggage screening by 1 January 2006.

In 2005/06 a capital injection of \$1,300,000 was made to Maritime NZ to restore its capital base following the establishment of the Research Co-ordination Centre of NZ. Further capital injections are being made in 2006/07 through 2009/10 to fund upgrades of information technology systems.

Impact on the Crown's Financial Performance and Position

The nature of the impact of flows in Vote Transport on the Crown's financial performance and position is outlined below.

Statement of financial performance

Operating flows consist of appropriations for outputs and other expenses. Those costs are partly offset by tax revenues and non-tax revenues, details of which appear in Part F. The Crown statement of financial performance is also affected by the level of operating surplus paid by transport Crown entities. Details of entities for which the Minister of Transport is the responsible (ownership) Minister are provided in Part E2.

Statement of financial position

The main influence on the statement of financial position is the development of the State highway network.

Statement of cash flows

The statement of cash flows reveals the cash impact arising from operating, investing and financing activities (excluding non-cash expenses such as depreciation).

New Policy Initiatives by Appropriation

Initiative	Appropriation as shown in Part B	\$'000 increase/(decrease)				
		2005/06	2006/07	2007/08	2008/09	2009/10
Information and Technology initiatives	Departmental Output Expense - Policy Advice	-	939	1,081	1,081	1,081
Capital Injection for Information and Technology initiatives	Departmental Capital Expense	-	853	-	-	-
Auckland Road Pricing: Scheme Refinement and Consultation	Departmental Output Expense - Policy Advice	2,000	-	-	-	-
Resource Management Act/Coastal Marine Act Initiatives	Departmental Output Expense - Policy Advice	-	150	150	150	150
Scoping a National Environmental Standard for Storm-Water Run-Off	Departmental Output Expense - Policy Advice	-	200	-	-	-
Package of New Zealand Railways Corporation Initiatives	Non-Departmental Output Expense - New Zealand Railways Corporation	-	3,000	3,000	3,000	3,000
Ongoing Management and Support of Heritage Train Operators and Support of Heritage Trust	Non-Departmental Output Expense - New Zealand Railways Corporation	550	270	270	270	270
Waikato Land Transport	Non-Departmental Output Expense - Waikato Land Transport	-	-	14,000	17,000	17,000
Waikato Rail Funding	Non-Departmental Output Expense - Waikato Rail Funding	-	-	3,000	5,000	5,000
Providing Sustainable Funding for Maritime New Zealand	Non-Departmental Output Expense - Maritime New Zealand	-	1,000	1,500	2,000	2,000
Capital injection for package of New Zealand Railways Corporation Initiatives	Capital Expenditure - New Zealand Railways Corporation	-	500	500	500	500
Capital Injection to fund information technology upgrades in Maritime New Zealand	Capital Expenditure - Maritime New Zealand	-	2,385	2,000	1,000	-
Harbour Link: Savings from tolling infrastructure that is no longer required	Capital Expenditure - Tauranga Harbour Link	-	-	-	(21,900)	-
Total Initiatives		2,550	8,797	25,001	7,601	28,501
Multi-year appropriation						
Joint Venture Airports Funding	Capital Expenditure - Crown Contribution to Joint Venture Airports			3,598		
Additional funding for National Land Transport Programme	Capital Expenditure - New and Improved Infrastructure for State Highways	-		862,000		

Part B - Statement of Appropriations

Summary of Financial Activity

	2001/02	2002/03	2003/04	2004/05	2005/06		2006/07 Appropriations to be Used				2007/08	2008/09	2009/10	
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Budget \$000	Estimated Actual \$000	By the Department Administering the Vote		For Non-Departmental Transactions		Total \$000	Estimated \$000	Estimated \$000	Estimated \$000
							Annual \$000	Other \$000	Annual \$000	Other \$000				
Appropriations														
Output Expenses	804,068	913,982	914,533	1,045,157	1,329,333	1,329,333	94,289	-	99,538	1,255,517	1,449,344	1,574,179	1,655,603	1,696,621
Benefits and Other Unrequited Expenses	-	-	-	-	-	-	N/A	N/A	-	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	N/A	N/A	-	-	-	-	-	-
Other Expenses	714	654	528	4,949	4,458	4,458	-	-	4,235	-	4,235	4,013	4,013	4,013
Capital Expenditure	302,012	346,226	444,678	685,495	426,353	426,353	N/A	N/A	277,885	262,255	540,140	685,099	698,873	456,218
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	-	N/A	N/A	-	-	-	-
Total Appropriations	1,106,794	1,260,862	1,359,739	1,735,601	1,760,144	1,760,144	94,289	-	381,658	1,517,772	1,993,719	2,263,291	2,358,489	2,156,852
Crown Revenue and Receipts														
Tax Revenue	743,120	790,014	849,766	893,062	944,711	944,711	N/A	N/A	N/A	N/A	983,391	1,036,291	1,100,634	1,158,167
Non-Tax Revenue	8,498	10,774	11,394	12,828	10,510	10,510	N/A	N/A	N/A	N/A	10,510	10,510	10,510	10,510
Capital Receipts	-	1,103	900	253,219	10,000	10,000	N/A	N/A	N/A	N/A	-	-	-	-
Total Crown Revenue and Receipts	751,618	801,891	862,060	1,159,109	965,221	965,221	N/A	N/A	N/A	N/A	993,901	1,046,801	1,111,144	1,168,677

Part B1 - Details of Appropriations

	2005/06				2006/07		Scope of 2006/07 Appropriations
	Budget		Estimated Actual		Vote		
	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
Appropriations							
Departmental Output Expenses (General)							
Airport Operation and Administration (M72)	200	-	200	-	200	-	- Operation of Milford Sound/Piopirotahi aerodrome to provide a safe and efficient airport operation that contributes to the achievement of NZTS objectives.
Motor Vehicle Registry and Revenue Management (M72)	64,137	-	64,137	-	64,821	-	- Management of the Motor Vehicle Registry and Revenue Management business to maximise the collection of Crown revenue that is properly due and take a proactive approach to debt management. Reason for Change: additional funding is provided in 2006/07 to cover forecast increases in MVR transaction volumes.
Policy Advice (M72)	30,917	-	30,917	-	28,844	-	- Purchase of strategic, objective and evidence based policy advice relating to all modes of transport to progress the achievement of NZTS objectives. Reason for Change: New initiatives including Auckland Road Pricing Evaluation Study and information technology.
Sector Leadership and Support (M72)	729	-	729	-	424	-	- Co-ordinating planning across the government transport sector to align government transport agency work programmes with the objectives of the NZTS. Reason for Change: The appropriation for 2005/06 was increased by an expense transfer from 2004/05 and the re-allocation of resources from the policy advice output expense.
Total Departmental Output Expenses (General)	95,983	-	95,983	-	94,289	-	
Non-Departmental Output Expenses							
Auckland Land Transport (M72)	50,667	-	50,667	-	50,000	-	- Contribution to meet the costs of the Auckland region's land transport strategy. Reason for Change: increase as per funding profile agreed by Cabinet, less transfer of rail funding to Vote Finance.
Bay of Plenty Transport (M72)	-	-	-	-	5,000	-	- Contribution to address congestion and improve access and safety through investment in strategic roading, passenger transport, transport demand management and walking and cycling.
Civil Aviation Policy Advice (M72)	1,761	-	1,761	-	1,761	-	- Provision of policy advice on civil aviation safety, development of safety standards, promotion and auditing of aviation security, review of legislation, and administration of New Zealand's participation in ICAO and other safety related agreements.
Licensing Activities (M72)	1,655	444	1,655	444	1,655	444	Purchase of land transport licensing services, including driver licensing, not met by user fees.

Appropriations	2005/06				2006/07		Scope of 2006/07 Appropriations
	Budget		Estimated Actual		Vote		
	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
Maintenance of Local Roads (M72)	-	162,180	-	162,180	-	171,911	Purchase of the maintenance of local roads. Reason for Change: the appropriation increases in 2006/07 in line with forecast increases in NLTF funds available for roading works.
Maintenance of State Highways (M72)	-	181,260	-	181,260	-	197,553	Purchase of the maintenance of State highways as specified in the NLTP, including the expensed rehabilitation and construction of State highways with local authorities. Reason for Change: the appropriation increased in 2006/07 in line with forecast increases in NLTF funds available for roading works.
Management of Funding Allocation System (M72)	-	64,000	-	64,000	-	68,601	Purchase of the management of the NLTP funding allocation system, including preparation of the NLTP. Reason for Change: increased costs of management of funds allocation.
Maritime Safety Regulation and Monitoring (M72)	4,631	-	4,631	-	4,742	-	Provision of policy advice on maritime safety, development of safety standards, promotion and auditing of maritime safety, and the review of legislation. Reason for Change: New initiative.
Maritime Security (M72)	145	-	145	-	145	-	Provision of standby screening and searching services at ports.
New and Improved Infrastructure for Local Roads (M72)	-	295,820	-	295,820	-	314,549	Purchase of improved and new local roads as specified in the NLTP. Reason for Change: the appropriation increases in 2006/07 in line with forecast increases in NLTF funding available for roading works.
Passenger Transport Services (M72)	-	189,000	-	189,000	-	235,753	Purchase of non-commercial road, rail and ferry passenger services. Reason for Change: the appropriation increases in 2006/07 in line with forecast increases in NLTF funds available for passenger transport works.
Promotion, Information and Education (M72)	-	31,676	-	31,676	-	33,826	Promotion of land transport safety, including publications and educational resource materials, and the promotion of land transport safety by the use of advertising and publicity. Reason for Change: increased funding in 2006/07 in line with NLTP, including increases for advertising maintenance and walking and cycling programmes.
Rail and Sea Freight (M72)	-	2,000	-	2,000	-	2,000	Purchase of rail and sea freight solutions, including infrastructure as specified in the NLTP.
Regional Land Transport (M72)	-	201,000	-	201,000	-	205,500	Regional allocation of a dedicated increase in FED and light vehicle RUC (see Note 1). Reason for Change: increase as per funding profile agreed by Cabinet.
Regulatory Implementation and Enforcement (M72)	548	1,335	548	1,335	548	1,335	Purchase of land transport regulatory implementation services and specialist land transport enforcement for services not met by user fees.

	2005/06				2006/07		Scope of 2006/07 Appropriations
	Budget		Estimated Actual		Vote		
	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
Appropriations							
Reporting on Accident or Incident Investigations (M72)	2,617	-	2,617	-	2,617	-	Investigation and reporting on aviation, rail and marine accidents and incidents in New Zealand and the waters over which it has jurisdiction.
Research and Performance Monitoring (M72)	-	4,000	-	4,000	-	4,244	Purchase of specialist research on land transport, and monitoring of service delivery by approved organisations. Reason for Change: increase as per funding profile agreed by Cabinet.
Search and Rescue Class III (M72)	3,884	-	3,884	-	3,274	-	Purchase of a search and rescue coordination service, including follow-up inquiries and reporting, associated with Class III searches and rescues undertaken. Reason for Change: Increase as per new initiative funding profile.
Transport Demand Management, and Walking and Cycling (M72)	-	10,042	-	10,042	-	19,801	Purchase of transport demand management, and improved access for walking and cycling. Reason for Change: increase in line with forecast of NLTP.
Weather Forecasts and Warnings (M72)	14,796	-	14,796	-	14,796	-	Purchase of severe-weather warnings and a level of weather forecast services for land, coastal waters and oceanic areas for which New Zealand has international responsibility.
Wellington Land Transport (M72)	9,889	-	9,889	-	15,000	-	Contribution to meet the costs of the Wellington region's land transport strategy. Reason for Change: Increase as per funding profile agreed by Cabinet.
Total Non-Departmental Output Expenses	90,593	1,142,757	90,593	1,142,757	99,538	1,255,517	
Other Expenses to be Incurred by the Crown							
Contribution to Local Share of Restoration Following February 2004 Event (M72)	498	-	498	-	222	-	Assistance to affected territorial local authorities to restore damaged roading infrastructure, following the floods of February 2004 in the lower North Island. Reason for Change: infrastructure repair projects are nearly complete in this area and the allocation for 2006/07 is smaller than the previous year.
International Memberships (M72)	743	-	743	-	743	-	Membership subscription to: International Civil Aviation Organisation, International Maritime Organisation, and World Meteorological Organisation.
New Zealand Railways Corporation- Public Policy Projects (M72)	3,217	-	3,217	-	3,270	-	Expenditure is for public policy rail initiatives. Reason for Change: New initiative funding agreed for 06/07 is higher than funding received in 05/06.
Total Other Expenses to be Incurred by the Crown	4,458	-	4,458	-	4,235	-	

	2005/06				2006/07		Scope of 2006/07 Appropriations
	Budget		Estimated Actual		Vote		
Appropriations	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
Capital Expenditure							
Aviation Security Service (M72)	10,000	-	10,000	-	-	-	- Purchase of additional baggage screening outputs for domestic air services. Reason for Change: capital injection was for 2005/06 only.
Contributions to Joint Venture Airports (M72)	1,300	-	1,300	-	-	-	- Capital injection to meet historical operating losses at Wanganui, Westport and Taupo airports to 30 June 2004 and improve airport facilities and runways. Reason for Change: funding was for 2005/06 only.
Maritime New Zealand (M72)	-	-	-	-	2,385	-	- Capital injection to fund the capital component of an information technology upgrade and the asset management costs of Maritime New Zealand.
Maritime Safety Authority (M72)	1,300	-	1,300	-	-	-	- Capital injection in 2005/06 for restoration of the asset base, after the establishment of the RCCNZ, disestablishment of the NRCC and relocation of the LUT aerals, and for the purchase of replacement satellite receiving equipment.
New and Improved Infrastructure for State Highways (M72)	95,000	318,753	95,000	318,753	225,000	262,255	Purchase of State highway improvements as specified in the NLTP. Reason for Change: Annual appropriation increase in line with cabinet approvals, other appropriation reduced due to revised NLTF revenue forecast.
New Zealand Railway Corporation (M72)	-	-	-	-	500	-	- Capital injection for New Zealand Railways Corporation to undertake public safety works.
Tauranga Harbour Link Project (M72)	-	-	-	-	50,000	-	- Capital injection to part fund the construction of a harbour bridge in Tauranga (Harbour Link).
Total Capital Expenditure	107,600	318,753	107,600	318,753	277,885	262,255	
Total Appropriations	298,634	1,461,510	298,634	1,461,510	475,947	1,517,772	

Part B2 - Details of Multi-Year Appropriations

Appropriations	Current Appropriation \$000	Description of Appropriations
Departmental Output Expense		
Distress Radio Beacons National Education Campaign (M72)		Funding for a national education campaign informing owners and users of distress radio beacons of the need to upgrade transmission frequency before 1 February 2009.
Original Appropriation	888	
Commences	1/07/2005	
Expires	30/06/2009	
Adjustments 2005/06	-	
Appropriation	888	
Estimated Actual to 2005/06 Year End	290	
Estimated Actual to 2006/07 Year End	475	
Capital Expenditure		
Crown Contribution to Joint Venture Airports (M72)		To provide capital for enhancements to airport terminals and runways and to cover the Crown's share of operating losses for the year ended June 2005 and an estimate of the losses for the year ended June 2006.
Original Appropriation	3,598	
Commences	1/07/2005	
Expires	30/06/2010	
Adjustments 2005/06	-	
Appropriation	3,598	
Estimated Actual to 2005/06 Year End	543	
Estimated Actual to 2006/07 Year End	2,743	
New and improved Infrastructure for State Highways (M72)		To ensure the Purchase of State Highway improvements as specified in the NLTP.
Original Appropriation	862,000	
Commences	1/07/2006	
Expires	30/06/2011	
Adjustments 2005/06	-	
Appropriation	862,000	
Estimated Actual to 2005/06 Year End	N/A	
Estimated Actual to 2006/07 Year End	178,000	

Part C - Explanation of Appropriations for Output Expenses

Part C1 - Departmental Output Expenses

The outputs to be purchased relate to the Crown's recognition of the importance of the transport sector to the economy of New Zealand. The advice and support given to the government by the Ministry of Transport reflect this perspective.

Policy Advice

Under this output the Minister of Transport purchases strategic, objective and evidence based policy advice relating to all modes of transport to progress the achievement of NZTS objectives.

This involves the following outputs:

- Transport sustainability.
- Ministerial services.

Results sought

- The efficiency of the transport system is continuing to improve.
- The effectiveness of the transport system is being maintained or improved.
- The negative impacts of land-use developments on the transport system are reducing.
- Growth and development are increasingly integrated with transport.
- Transport users increasingly understand and meet the costs they create.
- New Zealand's transport system is improving its international and domestic linkages including intermodal transfers.
- The transport system is improving its ability to recover quickly and effectively from adverse events.
- The transport system is increasingly providing affordable and reliable community access.
- New Zealand's transport system is increasingly safe and secure.
- Negative impacts of transport are reducing in terms of fatalities, injuries and harm to health.
- Negative impacts of transport are reducing in terms of the human and natural environments.
- The transport system is actively moving towards reducing the use of non-renewable resources and their replacement with renewable resources

Motor Vehicle Registry and Revenue Management

This output manages the Motor Vehicle Registry and Revenue Management business to maximise the collection of Crown revenue that is properly due and take a proactive approach to debt management, including the investigation of new technologies in the recording and collection of Crown revenue. The revenue collected funds transport infrastructure and activities that contribute to achieving NZTS objectives.

Results sought

- The efficiency of the transport system is continuing to improve.
- The effectiveness of the transport system is being maintained or improved.

Airport Operation and Administration

This output covers the operation of Milford Sound/Piopiotahi aerodrome to provide a safe and efficient airport operation that contributes to the achievement of NZTS objectives.

Results sought

- Growth and development are increasingly integrated with transport.

Sector Leadership and Support

This output includes co-ordinating planning across the government transport sector that aligns government agency work programmes and activity to the achievement of the New Zealand Transport Strategy objectives, non-departmental output expenses management which includes management on the Minister's behalf of contracts and agreements with transport sector Crown entities and other organisations, reporting on issues and risks with respect to the particular services purchased, providing advice on the Crown's ownership interest in these entities and providing advice to Minister on transport sector statutory appointments.

Results sought

- The efficiency of the transport system is continuing to improve.
- The effectiveness of the transport system is being maintained or improved.
- New Zealand's transport system is increasingly safe and secure

Distress Radio Beacons National Education Campaign

This output provides for the development and implementation of a four year national education campaign:

- to inform owners and users of the types of distress radio beacon that transmit on 121.5 MHz frequency that these beacons will become inoperable when changes to the global satellite receiving system come into effect on 1 February 2009 and they need to upgrade to a beacon transmitting on the 406 MHz frequency
- to promote the ownership and appropriate use of distress radio beacons in the areas covered by New Zealand search and rescue services.

Results sought

- New Zealand's transport system is increasingly safe and secure.

Part C2 - Non-Departmental Output Expenses

Maritime Safety Regulation and Monitoring

Under this output the Minister of Transport purchases the following services:

- advice to the Minister of Transport on maritime safety and security and marine environment protection
- administration and implementation of international maritime security arrangements in New Zealand, including port facility risk assessments, setting security levels, ship and port facility security plan approvals and liaison with port facility and ship operators
- a range of activities in relation to the Health and Safety in Employment Act 1992, including inspections and audits, investigations and prosecutions, policy advice and general information

- administration of New Zealand’s obligations under international maritime safety and security, maritime labour and marine pollution conventions, including international liaison
- services on behalf of recreational boats involving the provision of coastal navigation aids, distress and safety radio communications, marine safety information and small boat safety education, and investigations and prosecutions in relation to recreational boating
- development and administration of maritime safety and marine pollution agreements with other countries and international agencies
- advice on maritime transport in the event of a civil defence emergency
- government relations, governance and ministerial servicing

Performance measures

The Minister of Transport expects the following:

Performance Measure	Standard/Target 2006/07	Standard/Target 2005/06
Quantity		
Replies to ministerial correspondence	30 - 40	30 - 40
Reports to the Minister	60 - 70	60 - 70
Number of active strategic partnership groups	8	8
Number of proactive workplace interventions conducted (e.g. visits)	750	750
Number of navigation aids’ inspections/audits	142	142
Number of ships risk profiled	700 - 800	700 - 800
Quality		
Percentage of draft replies to Ministerial correspondence and answers to parliamentary questions accepted by the Ministry of Transport on first submission	100%	95%
Percentage of people who recall boating safety advertisements (as gauged by survey)	75%	75%
Availability levels for all lighthouses and light beacons	99.8%	99.8%
Availability levels for day beacons and buoys	97%	97%
Availability levels of distress and safety radio service	Level of downtime: BCL sites: less than 207 hours p.a. in total Maritime NZ sites: less than 400 hours p.a. in total	Level of downtime: BCL sites: less than 207 hours p.a. in total Maritime NZ sites: less than 400 hours p.a. in total
Percentage of non-compliances with maritime security legislation, arising from inspections, closed out within agreed timeframes	100%	100%
Timeliness		
Percentage of reports and/or correspondence received by the Minister/Ministry within the agreed timeframe of:		
• ministerial correspondence 10 business days	100%	90%
• reports to the Minister and parliamentary questions within the agreed timeframe.	100%	100%

Cost

	2005/06 \$000	2006/07 \$000
Total output class expenses	\$4,631	\$4,742
Total output class revenues	-	-

Provider

MNZ.

Search and Rescue Class III

Under this output the Minister of Transport purchases Class III SAR services and the maintenance and operation of the Rescue Co-ordination Centre of New Zealand (RCCNZ). The services provided include search and rescue co-ordination services for national and international search and rescue operations for persons in distress or in need of assistance within the New Zealand Search and Rescue Region (NZ SRR), and the co-ordination of all persons, organisations and government departments as necessary to provide the required national and international Search and Rescue operations. It also involves the maintenance of a Local User Terminal system capable of detecting emergency locator transmitters in the NZ SRR and providing the rapid resolution of any detections.

Performance measures

The Minister of Transport expects the following:

Performance Measure	Standard/Target 2006/07	Standard/Target 2005/06
Quantity		
Number of SAR incidents responded to	600 - 900	600 - 900
Number of table-top SAR exercises conducted	2	2
Quality		
Percentage of SAR operations carried out in accordance with operating procedures	100%	100%
Minimum of one fully trained Search and Rescue Officer in the Operations Room	100% of 24 hours/7 days	100% of 24 hours/7 days
Timeliness		
Percentage availability levels of Local User Terminal	95%	95%
Percentage availability of RCCNZ electronic systems	99%	99%

Cost

	2005/06 \$000	2006/07 \$000
Total output class expenses	\$3,884	\$3,274
Total output class revenues	-	-

Provider

MNZ.

Civil Aviation Policy Advice

Under this output the Minister of Transport purchases advice on matters relating to civil aviation, including:

- advice on civil aviation safety and security
- the administration of New Zealand's responsibilities as a member of ICAO with respect to civil aviation safety and security
- advising on and implementing government policy in relation to the recovery of the costs of regulating civil aviation safety and security in New Zealand
- developing and administering civil aviation safety and security agreements with other countries and with international agencies
- the development and review of civil aviation safety and security legislation, and technical safety policy for the regulation of New Zealand civil aviation.

All international responsibilities between the CAA and the Minister of Transport will be fulfilled in accordance with the conditions set out in a Performance Agreement.

Performance measures

The Minister of Transport expects the following:

Performance Measure	Standard/Target 2006/07	Standard/Target 2005/06
Quantity		
Priority work contained in the policy advice and technical safety policy development programmes is completed as agreed, or as subsequently amended by agreement between the Minister and the CAA during the financial period	Completion of agreed work programme	Completion of agreed work programme
Review ICAO decisions notified to New Zealand, including amendments to Annexes, and file acceptances or differences as necessary	10-15 assessments	0-15 assessments
Draft responses to ministerial correspondence	20 - 50	20 - 50
Provide reports and briefings to Minister	30 - 50	70 - 90
Draft responses to parliamentary questions	15 - 50	30 - 100
Provide reports and responses to Select Committees	4 - 8	4 - 8
Quality and Timeliness		
The Minister and the Secretary for Transport will be formally requested, at least every six months, to indicate their level of satisfaction with the overall quality and timeliness of CAA safety and security policy advice, the development of technical safety policy, and correspondence reports	Achieve a minimum rating of good	Achieve a minimum rating of good
Percentage of Ministerial correspondence responded to within 10 working days	100%	90%
Draft responses to Ministerial correspondence and to Parliamentary questions accepted by the Minister's advisers	Min. of 95%	Min of 95%
Percentage of replies to Parliamentary questions supplied within the required time frame	100%	100%
Completion of agreed programme set out in Annex A of CAA's SOI	Complete by due dates	Complete by due dates

Cost

	2005/06 \$000	2006/07 \$000
Total output class expenses	\$1,761	\$1,761
Total output class revenues	-	-

Provider

CAA.

Maritime Security

Under this output the Minister of Transport purchases international passenger cargo and crew screening and searching services capacity which is available to be activated when an International Ship and Port Security Code Level 2 or 3 has been declared at New Zealand ports.

Performance measures

The Minister of Transport expects that the Aviation Security Service will have the stand-by capacity and capability to provide searching and screening services at ports.

Cost

	2005/06 \$000	2006/07 \$000
Total output class expenses	\$145	\$145
Total output class revenues	-	-

Provider

Aviation Security Service

Research and Performance Monitoring

Under this output the Minister of Transport purchases services relating in the organisation and publication of research and monitoring of land transport inputs, outputs, impacts and consequences.

Performance measures

The Minister of Transport expects the following:

Performance Measure	Standard/Target 2006/07	Standard/Target 2005/06
Quantity		
Land transport statistics report delivered	1	New
Published research programme delivered with percentage funding allocation (by theme):		
Asset management	30 - 40%	30 - 40%
Natural hazard risk management	1 - 5%	1 - 5%
Safety and personal security	5 - 15%	5 - 15%
Environmental effects	15 - 20%	15 - 20%
Travel behaviour change	10 - 20%	10 - 20%
Traffic management	5 - 15%	5 - 15%
Sustainable land transport	10 - 25%	10 - 25%

Performance Measure	Standard/Target 2006/07	Standard/Target 2005/06
Quality and Timeliness		
Percentage of approved organisations and relevant transport industry representatives that agree that Land Transport NZ's research programme adds value to the land transport industry	≥80%	≥80%
Percentage of approved organisations and relevant transport industry representatives that agree that performance monitoring adds value to the land transport industry	≥80%	≥80%

Cost

	2005/06 \$000	2006/07 \$000
Total output class expenses	\$4,000	\$4,244
Total output class revenues	-	-

Provider

Land Transport NZ.

Promotion, Information and Education Activities

Under this output the Minister of Transport purchases activities which promote land transport sustainability, safe land transport and the provision of information and advice to the Minister of Transport and other stakeholders.

Performance measures

The Minister of Transport expects the following:

Performance Measure	Standard/Target 2006/07	Standard/Target 2005/06
Quantity		
Number of contracts for the delivery of the Community Road Safety Programme (CRSP)	150-180	150-180
Number of schools participating in the Road Safety Education Programme	930	1,000
Number of publications issued or updated	132	132
Road safety advertising package – number of Targeted Audience Rating Points (TARPs) purchased	8000 TARPs	666 TARPs
Quality		
Percentage of Community Road Safety Programme (CRSP) providers who rate Land Transport NZ assistance and advice as 'good' or better based on independent surveys against agreed criteria.	≥75%	New
Percentage of survey respondents who rate publications as useful or better	≥75%	New
Percentage of total unprompted recall by the target audience of road safety television commercials, tested quarterly and averaged over 12 months	≤70%	New
Percentage relevance of road safety television commercials to the target audience, tested quarterly and averaged over 12 months	60%	New

Cost

	2005/06 \$000	2006/07 \$000
Total output class expenses	\$31,676	\$33,826
Total output class revenues	-	-

Provider

Land Transport NZ.

Regulatory Implementation and Enforcement

Under this output the Minister of Transport purchases the Crowns share of the cost of providing regulatory services and enforcement within the Land Transport sector.

Performance measures

The Minister of Transport expects the following:

Performance Measure	Standard/Target 2006/07	Standard/Target 2005/06
Quantity		
Agreed Rules development programme delivered	1	New
Agreed audit programme delivered, covering: <ul style="list-style-type: none"> regulatory compliance of rail licence holders and licensed transport operators (including passenger services (e.g. taxis) and goods services) agent service delivery (including driver testing, licence administration, and vehicle certification services) 	1	New
Quality		
Rules programme meets the quality and timeliness requirements in the 2006/07 agreement for Rules development services	Yes	New
Audits of regulatory compliance and agent service delivery carried out according to agreed standards	100%	New
Percentage of driver tests that comply with the Land Transport NZ's <i>Driver Testing Officers Manual</i> (as determined by audit)	95%	95%
Standard of service supplied by agents providing vehicle certification services - Certification Performance Indicator (scale 0 - 3)	2.5	New
Percentage of reported rail accidents and incidents addressed in accordance with the Railways Act 2005 and Land Transport NZ's procedures	100%	New

Cost

	2005/06 \$000	2006/07 \$000
Total output class expenses	\$1,883	\$1,883
Total output class revenues	-	-

Provider

Land Transport NZ.

Licensing Activities

Under this output the Minister of Transport purchases the Crown's share of the cost of providing driver licensing and testing services for the land transport sector, the payment to storage providers for unclaimed vehicles impounded by the NZ Police, and drug and alcohol assessments as required under section 65 of the Land Transport Act 1998.

Performance measures

The Minister of Transport expects the following:

Performance Measure	Standard/Target 2006/07	Standard/Target 2005/06
Quantity		
Number of driver licenses issued (including new, renewals, endorsements, conversions and upgrades)	604,000	700,000
Transport services licenses issued	2,500 - 3,500	New
Number of theory and practical driver tests conducted	381,000	410,000
Quality and Timeliness		
Percentage of calls for driver licensing activities answered by the call centre within 30 seconds	80%	New
Percentage of call centre and agent services for licensing activities that meet customers' expectations, as measured by independent survey	≥85%	New

Cost

	2005/06 \$000	2006/07 \$000
Total output class expenses	\$2,099	\$2,099
Total output class revenues	-	-

Provider

Land Transport NZ.

Management of Funding Allocation System

Under this output the Minister of Transport purchases Land Transport NZ's:

- management of the National Land Transport Account. This includes the development and administration of:
 - the NLTP and the Authority's Land Transport Programme
 - associated procurement procedures, policies, and guidelines
 - performance agreements with approved organisations funded through the NLTP
- assistance and advice to approved organisations
- audit of approved organisations' performance

A large part of this output includes administration payments to Transit NZ and local authorities.

Performance measures

The Minister of Transport expects the following:

Performance Measure	Standard/Target 2006/07	Standard/Target 2005/06
Quantity		
Performance monitoring audit programme(s) delivered	1	New
Development and delivery of a NLTP	1	New
Management of the funding allocation system	1	New
Quality		
Generally applied funding priority threshold:		New
<ul style="list-style-type: none"> • Seriousness and Urgency of the problem 	Medium	
<ul style="list-style-type: none"> • Effectiveness of the solution 	Medium	
<ul style="list-style-type: none"> • Efficiency of the solution 	High	
Percentage of relevant stakeholders who rate the way in which Land Transport NZ assists and advises stakeholders to formulate proposed activities and procurement procedures as 'good' or better based on independent surveys against agreed criteria.	>75%	New
Percentage of relevant stakeholders who rate the way in which Land Transport NZ processes and administers funding applications and procurement procedures as 'good' or better based on independent surveys against agreed criteria	>75%	New
Percentage of relevant stakeholders who rate the way in which Land Transport NZ undertakes its auditing activities as 'good' or better based on independent surveys against agreed criteria.	>75%	New
Publication of the NLTP for the following financial year no later than 30 June	Yes	Yes
Performance of agreements with approved organisations that are in place by 31 July.	100%	100%
Efficiency of new works in the NLTP as measured by benefit / cost ratio (average for applicable approved activities)	>2	>2

Cost

	2005/06 \$000	2006/07 \$000
Total output class expenses	\$64,000	\$68,601
Total output class revenues	-	-

Provider

Land Transport NZ.

Rail and Sea Freight

Under this output the Minister of Transport will purchase initiatives that encourage the movement of freight by rail and coastal shipping (including barging) instead of by road.

Performance measures

The Minister of Transport expects the following:

Performance Measure	Standard/Target 2006/07	Standard/Target 2005/06
Quantity		
Number of currently funded initiatives	5	New
Quality		
Forecast efficiency ratio (average for approved new activities)	>1	New

Cost

	2005/06 \$000	2006/07 \$000
Total output class expenses	\$2,000	\$2,000
Total output class revenues	-	-

Provider

Land Transport NZ.

Transport Demand Management, and Walking and Cycling

Under this output the Minister of Transport will purchase initiatives that:

- improve the management of land transport networks
- change travel behaviour
- enhance walking and cycling infrastructure.

Performance measures

The Minister of Transport expects the following:

Performance Measure	Standard/Target 2006/07	Standard/Target 2005/06
Quantity		
Number of school travel plans funded	120	100
Number of work place travel plans funded	80	40
Length of walkway/cycleway funded (km)	120	100
Length of dedicated bus-lane funded (km)	5	4
Quantity		
Forecast benefit / cost ratio (average for approved new activities)	>1	New

Cost

	2005/06 \$000	2006/07 \$000
Total output class expenses	\$10,042	\$19,801
Total output class revenues	-	-

Provider

Land Transport NZ.

Passenger Transport Services

Under this output the Minister of Transport purchases non-commercial road, rail, and ferry infrastructure and services.

Output class measures

The Minister of Transport expects the following:

Performance Measure	Standard/Target 2006/07	Standard/Target 2005/06
Quantity		
Total boardings on buses	95.0 million	92.0 million
Total boardings on ferries	4.2 million	4.0 million
Total boardings on rail	17.0 million	15.0 million
Total mobility boardings	1.8 million	1.9 million
Quality		
Percentage of users who rate passenger transport services as 'good or better' by an annual independent survey	≥75%	New
Percentage of users who rate total mobility services as 'good or better' by an annual independent survey	≥75%	≥75%
Land Transport NZ subsidy per passenger boarding on buses	\$0.93	\$0.90
Land Transport NZ subsidy per passenger boarding on ferries	\$0.46	\$0.39
Land Transport NZ subsidy per passenger boarding on rail	\$2.66	\$2.73

Cost

	2005/06 \$000	2006/07 \$000
Total output class expenses	\$189,000	\$235,753
Total output class revenues	-	-

Provider

Land Transport NZ.

*Regional Land Transport***Description**

Under this output the Minister of Transport purchases regional land transport priority activities.

Performance measures

The Minister of Transport expects that in any one year all allocated funds are spent and that the following allocation of funding to regions will occur over the ten year period 2004/05 to 2013/14:

Regions	Estimated ten year regional allocation \$ million (GST exclusive)
Northland	73.5
Auckland	724.5
Waikato	189.6
Bay of Plenty	135.6
Gisborne	21.4
Hawke's Bay	71.2
Taranaki	49.0
Manawatu/Wanganui	11.0
Wellington	222.2
Nelson/Marlborough/Tasman	67.2
West Coast	14.2
Canterbury	255.3
Otago	94.2
Southland	42.0
Total	1970.9

The total above is the ten year allocation. The annual appropriation is one tenth of that allocation.

Cost

	2005/06 \$000	2006/07 \$000
Total output class expenses	\$201,000	\$205,500
Total output class revenues	-	-

Provider

Land Transport NZ.

*Auckland Land Transport***Description**

Under this output, the Minister of Transport will use Crown funding to purchase activities that support the increased integration of transport and land use in the Auckland region.

Performance measures

The Minister of Transport expects the following:

Performance Measure	Standard/Target 2006/07	Standard/Target 2005/06
Quantity Percentage of funds allocated to output classes: <ul style="list-style-type: none"> • transport demand management, walking and cycling • passenger transport services • new and improved State highways • new and improved local roads 	100%	100%
Quality <i>NB – performance reported within the measures for those other output classes</i>		

Cost

	2005/06 \$000	2006/07 \$000
Total output class expenses	\$50,667	\$50,000
Total output class revenues	-	-

Provider

Land Transport NZ.

*Wellington Land Transport***Description**

Under this output, the Minister of Transport will use Crown funding to purchase activities that retain passenger transport mode share, address congestion and improve access to Wellington region.

Performance measures

The Minister of Transport expects the following:

Performance Measure	Standard/Target 2006/07	Standard/Target 2005/06
Quantity		
Percentage of funds allocated to other output classes:		
<ul style="list-style-type: none"> transport demand management, walking and cycling 	13	13
<ul style="list-style-type: none"> passenger transport services 	42	42
<ul style="list-style-type: none"> new and improved State highways 	30	30
<ul style="list-style-type: none"> new and improved local roads 	15	15
Quality		
<i>NB – other specifics of performance reported within other output classes</i>		

Cost

	2005/06 \$000	2006/07 \$000
Total output class expenses	\$9,889	\$15,000
Total output class revenues	-	-

Provider

Land Transport NZ.

Bay of Plenty Land Transport

Description

Under this output, the Minister of Transport will use Crown funding to purchase activities that retain passenger transport mode share, address congestion, and improve access to the Bay of Plenty region.

Performance measures

The Minister of Transport expects the following:

Performance Measure	Standard/Target 2006/07	Standard Target 2005/06
Quantity		
Percentage of funds allocated to output classes:		
<ul style="list-style-type: none"> new and improved State highways 	50	new
<ul style="list-style-type: none"> new and improved local roads 	50	new
Quality		
<i>NB – performance reported within the measures for those other output classes</i>		

Cost

	2005/06 \$000	2006/07 \$000
Total output class expenses	-	\$5,000
Total output class revenues	-	-

Provider

Land Transport NZ.

Maintenance of Local Roads

Under this output the Minister of Transport purchases the Crown's share of the routine and periodic maintenance of local roads infrastructure.

Performance measures

The Minister of Transport expects the following:

Performance Measure	Standard/Target 2006/07	Standard/Target 2005/06
Quantity		
Local road maintenance programme* delivered	1	New
Quality		
Cost of routine and periodic maintenance per network-km is within policy parameters set by Land Transport NZ.	Yes	New

*The detail of the approved activities are contained in the NLTP published in June 2006

Cost

	2005/06 \$000	2006/07 \$000
Total output class expenses	\$162,180	\$171,911
Total output class revenues	-	-

Provider

Land Transport NZ.

New and Improved Infrastructure for Local Roads

Under this output the Minister of Transport purchases the Crown's share of local roads capital improvements.

Performance measures

The Minister of Transport expects the following:

Performance Measure	Standard/Target 2006/07	Standard/Target 2005/06
Quantity		
Delivery of a local road improvement programme	1	New
Quality		
Forecast benefit / cost ratio (average for approved activities)	≥ 4	New

Cost

	2005/06 \$000	2006/07 \$000
Total output class expenses	\$295,820	\$314,549
Total output class revenues	-	-

Provider

Land Transport NZ.

Maintenance of State Highways

Under this output the Minister of Transport purchases the routine and periodic maintenance of State highways.

Performance measures

The Minister of Transport expects the following:

Performance Measure	Standard/Target 2006/07	Standard/Target 2005/06
Quantity		
Delivery of a state highway maintenance programme	1	New
Quality		
Cost of routine and periodic maintenance per network-km is within policy parameters set by Land Transport NZ.	Yes	New

Cost

	2005/06 \$000	2006/07 \$000
Total output class expenses	\$181,260	\$197,553
Total output class revenues	-	-

Reporting on Accident or Incident Investigations

Under this output the Minister of Transport purchases independent investigation and reporting on aviation, rail and marine accidents and incidents in New Zealand and the waters over which it has jurisdiction. The investigations are to determine the circumstances and causes of accidents and incidents having significant implications for transport safety, with a view to avoiding similar occurrences in the future, rather than to ascribe blame to any person. The output includes promulgating safety recommendations and reporting the implementation status of the Commission's safety recommendations. The output class also funds international co-operation and exchange of accident information with similar safety investigation bodies overseas. The output is provided independently of the transport regulatory authorities and reports may include comment on the performance of the regulatory authorities in relation to any accident or incident.

Performance measures

The time taken to complete reports varies according to their complexity, the degree of international involvement, any extension to the consultation period afforded to interested parties and the distribution of accidents over time.

The Minister of Transport expects the following:

Performance Measure	Standard/Target 2006/07	Standard/Target 2004/05
Quantity		
Number of new investigations initiated:		
• Aviation	15	15
• Rail	20	20
• Marine	20	20
Timeliness		
Issue of preliminary report on a major accident	Within 12 months of accident occurring	Within 12 months of accident occurring
Percentage of final reports on other occurrences approved for publication by the Commission within nine months of the initiation of the investigation	90%	90%
Availability of investigators	24 hours per day, 365 days per year	24 hours per day, 365 days per year

Cost

	2005/06 \$000	2006/07 \$000
Total output class expenses	\$2,617	\$2,617
Total output class revenues	-	-

Provider

Transport Accident Investigation Commission.

Weather Forecasts and Warnings

Under this output the Minister of Transport purchases severe-weather warnings and a level of weather forecast services for land, coastal waters and oceanic areas for which New Zealand has international responsibility. This includes the provision of a weather observation data network in and around New Zealand sufficient to allow a sustainable level of accuracy in weather forecasting and sufficient to fulfil New Zealand's agreed responsibilities to the international community.

Performance measures

The Minister of Transport expects the following:

Performance Measure	Standard/Target 2006/07	Standard/Target 2005/06
Quantity		
Provision of agreed services	As per contract	As per contract
Quality		
Minimum percentage of forecasts of severe-weather events which successfully predicted the event (probability of detection)	75%	75%
Maximum percentage of forecasts of severe-weather events which are subsequently found to be false alarms (false alarm ratio)	40%	40%
Quality standard for systems and procedures	ISO9001	ISO9001

A record shall be kept of all written correspondence and press coverage directly related to the accuracy and timeliness of the weather forecasts, and this will be reviewed by the Ministry of Transport to assess the general level of public satisfaction with the service.

Cost

	2005/06 \$000	2006/07 \$000
Total output class expenses	\$14,796	\$14,796
Total output class revenues	-	-

Provider

Meteorological Service of New Zealand Ltd.

Part D - Explanation of Appropriations for Other Operating Flows

Part D3 - Other Expenses

Contribution to Local Share of Restoration Following February 2004 Event

Following the floods of February 2004 in the lower North Island, the Crown has agreed to increase the assistance available to affected territorial local authorities to restore damaged roading infrastructure. The assistance with roading costs will give local authorities flexibility to repair damage to other community owned assets according to local priorities, and allow the use of existing administrative mechanisms which should not involve local authorities in extra administrative work.

Cost

	2005/06 \$000	2006/07 \$000
Total output class expenses	\$489	\$222
Total output class revenue	-	-

Part E - Explanation of Capital Flows

Part E1 - Explanation of Movements in Departmental Net Asset Schedules

Details of Net Asset Schedule for Ministry of Transport	Estimated Actual 2005/06 \$000	Projected 2006/07 \$000	Explanation of Projected Movements in 2006/07
Opening Balance	9,360	9,360	
Capital Injections	-	853	The Ministry of Transport will receive a capital injection to enable provision of an Information Technology infrastructure which will continue to meet the strategic direction of the Ministry.
Capital Withdrawals	-	-	
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
Closing Balance	9,360	10,213	

Part E2 - Statement of Estimated and Forecast Net Worth of Entities Owned

The Minister of Transport is responsible for the government's ownership interest in certain agencies and organisations. The estimated net worth (total assets less total liabilities) of these bodies is listed in the table below.

Data for these organisations are based on forecasts provided for inclusion in the 2006 Budget.

	Balance Date	Estimated Net Worth 2006 \$000	Forecast Net Worth 2007 \$000
Aviation Security Service	30 June	14,748	15,000
CAA	30 June	6,040	6,040
Land Transport NZ	30 June	42,932	36,439
Maritime NZ	30 June	5,825	5,625
Road Safety Trust	30 June	4,003	4,524
Transit NZ	30 June	15,454,843	16,028,269
TAIC	30 June	386	444

The decrease in the net worth of Land Transport NZ is due to the forecast run down of the balance of the NLTF as projects are completed.

The increase in net worth of Transit NZ is due to the forecast increase in the value of the State highway network.

Part E3 - Explanation of Appropriations for Capital Expenditure

Tauranga Harbour Link Project

The government is providing a capital injection to part fund the Tauranga harbour bridge duplication project.

Cost

2006/07	Total Crown capital assets to be provided within	\$50,000
2005/06	Total Crown capital assets to be provided within	-

New and improved infrastructure for State highways

The Minister of Transport is purchasing State highway capital improvements.

Performance measures

The Minister of Transport expects the following:

Performance Measure	Standard/Target 2006/07	Standard/Target 2005/06
Quantity		
Delivery of a state highway improvement programme	1	1
Quality		
Forecast benefit / cost ratio (average for approved activities)	≥ 4	≥ 4

Cost

2006/07	Total Crown capital assets to be provided within	\$487,255
2005/06	Total Crown capital assets to be provided within	\$413,753

Provider

Land Transport NZ.

Part F - Crown Revenue and Receipts

Part F1 - Current and Capital Revenue and Capital Receipts

	2005/06		2006/07	Description of 2006/07 Crown Revenue
	Budgeted \$000	Estimated Actual \$000	Budget \$000	
Tax Revenue				
Fuel Excise Duty Refunds	(32,950)	(32,950)	(32,950)	Refunds of fuel excise duty for off-road usage.
Motor Vehicle Registration	221,420	221,420	223,420	Fees based on vehicle ownership; types of vehicles include cars, trucks, and trailers.
Road User Charges	756,241	756,241	792,921	Usage-based charges levied on operators of heavy trucks, and vehicles using fuels other than petrol, CNG and LPG.
Total Tax Revenue	944,711	944,711	983,391	
Non-Tax Revenue				
Infringements	10	10	10	Money collected from the enforcement of road user regulations, in particular trucks found to be carrying too heavy a load; and from the enforcement of civil aviation rules.
Motor Vehicle Registration Recoveries	10,500	10,500	10,500	Sale of duplicate MVR certificates and associated information.
Total Non-Tax Revenue	10,510	10,510	10,510	
Capital Receipts				
Repayment of Capital from Crown Entities	10,000	10,000	-	Repayment by the Aviation Security Service of the working capital injection received during 2005/06.
Total Capital Receipts	10,000	10,000	-	
Total Crown Revenue and Receipts	965,221	965,221	993,901	