
From:
Sent: Friday, 30 April 2010 3:14 PM
To:
Cc:
Subject: RE: Tobacco Projections |

Security Classification:

Thanks [Are the following edits fine - just for clarity?](#)

Treasury projects excise out to 2013-14, and assume beyond this period a zero growth rate in tobacco excise collections.

The basis of this assumption is:

- Population growth of 1.5-2%,
- CPI (Indexation) of 2-3%, and
- a decline in per capita consumption of tobacco of 3-4%.

Tobacco excise may increase or decrease in 2014-15 and beyond however the period modelled is confined to the forward estimates for accuracy. When the forecast period changes to include 2014-15, Treasury will reflect the latest available information at that time.

From:
Sent: Friday, 30 April 2010 3:01 PM
To:
Cc:
Subject: Tobacco Projections []

Hi ,

Out tax forecasting unit only projects excise out to 2013-14. We have assumed for beyond this period a zero growth rate in tobacco excise collections;

We justify this using

- Population growth of 1.5-2%,
- CPI (Indexation) of 2-3%, and
- a decline in per capita consumption of tobacco of 3-4%.

Tobacco excise may increase or decrease in 2014-15 and beyond, and indeed when the forecast period changes to include 2014-15, we will revise the numbers accordingly. At this stage, zero growth in excise collections is just a simplifying assumption.

Happy to discuss,

[Costing and Quantitative Analysis Unit](#)

[Department of Treasury](#)

