

Crime, dole, family and children problems would shrink.

New Zealand's problems could be fixed in as long as it takes to write this, and without setting up committees and employing consultants, financiers, etc. Motivation is needed. There is none now for anyone except the wealthy on the band wagon.

Easy solutions that have worked in the past or are working now in some countries.

1. Fix interest rates at 4.5% for homes and businesses (farms), like it used to be in the 1950s when New Zealand boomed. The poor became home owners and the rich had acceptable incomes, not exorbitant, unjustified ones like now, much of which is made out of poorly paid staff. Our Australian owned banks borrow overseas at about 3% and are booming, while New Zealanders pay them double that and suffer.

2. Fix the exchange rate at 70 cents to the US\$. Imports will decrease, local manufacturing will increase, as will employment. China have their rate low, which is a bigger advantage than their cheap labour. Producing plastic goods takes very little labour. One person can operate several machines. A Hamilton plastic manufacturing company returned production from China to Hamilton, and the cost of each item went up by only 2%, with better quality control, and savings in our overseas funds.

3. Remove GST from milk, meat, eggs, raw fruit and vegetables.

4. Remove GST from all health costs. To remove the body-poisoning mercury in amalgam costs up to \$12,000, of which \$1,800 goes to the government in GST.

5. Make the first \$10,000 of all earnings tax free, as in Australia. Why tax the poor and then help them with money channelled through government and local body bureaucratic systems that use some of it, which is wasted forever. The net government cost will be zero. If not, increase the top tax rate to what it was in the 'no rich and no poor' days.

6. Don't allow 'consultants' of any type to earn commissions or percentages. It is prohibited in Australia. Finance consultants often recommended investing with the finance company that paid them the highest commission, not the one that was the safest. Some farm consultants recommend the fertiliser that pays the highest commission, not the one that is best for the farmer, soil and animals. The result is that health-giving highly productive agricultural lime at \$18 to \$26 a tonne is not recommended, while phosphate (a major pollutant with surpluses in our soils that lime makes available) at \$400 a tonne, and potassium at \$900 a tonne, are recommended. Greed and corruption in all quarters are ruining New Zealand.

7. Tax urea at 50% and use it all to subsidise agricultural lime. This will reduce pollution, improve soils and increase farmer profits.

8. Help New Zealand owned banks to grow until the three big Australian ones no longer exist. Our dairy farmers' total overseas earnings of eleven billion dollars in 2009 was the same as what left New Zealand in bank profits of the three Australian banks. So all dairy farmers, their staff and dairy towns worked for the Australian banks, for no reward to our country.

9. Halve the number of politicians. We have many more per head of population than in other countries. Rent the then empty space in parliament to earn income to pay the remaining politicians and all their costs. Our governments have required that Kiwi Bank and other organisations be self supporting. Why can't parliament be self supporting?

10. Future trade deals with all countries should be on the basis that, if their products sell here at retail prices, so do ours in their countries.

The costs of 3, 4 and 5 and any others would come from reduced dole and increased taxes from the extra numbers employed, and from the profitable farming which will occur.

Farming now is being killed by -

a. The artificially high exchange rate, ironically, strong because of the solid stability farming gives New Zealand.

b. Farmers' multi million dollar mortgages, which have increased partly because of lifestyle properties exponentially gobbling up land and artificially increasing its value to beyond the return it gives. This disaster is not allowed in most countries. Bare dairy farm land in Japan is the same cost as here - \$35,000 per hectare. Japanese, farmer interest rates are government subsidised down to 1%. Milk is four times higher than ours.

An interesting side effect is that 75% of dairy farms in Tasmania are now owned by New Zealanders, and 20% in Victoria. The next newsletter will be from one.

Despite the above farmer hardships, those who read and keep up with unbiased profit making systems are thriving, as shown in the testimonials in the eBook in <http://www.grazinginfo.com> which guided a 340 cow farmer from a quarter million dollar loss, to a third of a million dollar profit in three years - with a lower payout.

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Came from South Africa in 1954 at age 23, worked on dairy farms then bought a runoff and improved it.

Ex dairy farmer, a Fieldays founder, property developer and its first manager for 7 years, Gallagher marketing director, taking sales from \$3 m to \$23 m in five years, then DeLaval marketing manager increasing sales during the ACT downturn, now writing the worlds' largest farming book of 200 chapters with 60 software items that help increase farmer profits.

A five page CV is in <http://www.farmingsuccesses.info>

Footnote -

The above is not sour grapes. At age 81 we have everything we need and more, and give more to charities than some people earn. It was all earned.

My wife and I are extremely grateful to and love New Zealand.

Vaughan Jones
GrazingInfo Ltd