

MacKay on money

BY FINANCIAL PLANNER CHRIS MACKAY

My wish list for 2008:

1. Someone needs to sort out the problems on State Highway 1 on the Kapiti Coast. After a lovely day at Waitarere over the holidays, we must have waited 20 to 30 minutes in a queue just on the north side of Otaki by that dreaded roundabout. As soon as we were through it, it was clear sailing. There must be something someone can do.
2. I would like to see more Police in the central business district in Lower Hutt. The building I work in overlooks the bus stop area in Bunny Street and there often seem to be youths yelling

out obscenities, fighting and behaving unacceptably. We very rarely see a Police car patrolling this area. What would be so wrong with a Policeman/woman patrolling the area on a pushbike or one of those quad bikes I have seen overseas? Recruit more Police and have them on the beat is on my wish list.

3. The Hutt should start thinking about innovative solutions to water conservation. Over the Christmas break, I became aware of a leaking tap at the bach where we were staying. I called a local plumber but

they told me I would have to wait until they got back to work so I asked them to give me a call when they returned. No-one ever called back (unlike the efficient guys at Duncan McGregor in Lower Hutt!).

Anyway I was listening to the local Kapiti radio station and they had an information bulletin which said if someone had a leaking tap, to call the Kapiti Coast District Council and they would send their own contracted plumber around. I rang on a Friday and the next working day a plumber arrived and fixed what turned out to be three leaking taps, all for free! "How



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A disclosure statement is available on request and free of charge.

did they justify that?" I asked him. He said the amount of water they had saved by having this free service was unbelievable. Hundreds of thousands of litres, possibly millions of litres. He told me of one house where he could hear the toilet cistern leaking from the street. He asked the lady how they managed to sleep and she told him they used to turn off the water at night. The point is thousands of litres of water was going down the dunny, literally. She would not pay for it to be fixed herself but when it was free she made use of the service.

The other local plumbers do not mind because they are too busy doing other work. The council does not get involved in replacing taps or anything; basically only fixing washers and the like.

So, third on my wish list is for Council to bring in a similar free service in Lower Hutt.

4. Along with the water conservation idea, the Kapiti Coast District Council has also brought in the mandatory requirement for new houses to have separate storage tanks installed to collect both rain water off the roof and grey water from the shower, bath, laundry and kitchen. The toilet waste goes straight into the sewers as normal.

This storage water is then used for irrigation and washing the car etc. The water that goes into the house is trickle-fed which apparently means a household in effect only gets a certain amount of water every day and once it is used up, that's all there is. But it does mean water is conserved.

I thought this was a brilliant idea and apparently the Kapiti's population has grown by some double digit figure but the water usage has actually decreased over the past couple of years by a similar percentage.

I asked about water metering, and it appears there are so many problems plus it is too expensive trying to establish water meters in existing properties and properties on cross leases, that it's simply not worth it.

What about Council or central Government considering subsidising the installation of water tanks for existing properties as well, even if it is simply for collection of rain water?

5. In the past, I have lobbied the Government to increase the tax

deductible level for donations to charitable institutions. It worked! Peter Dunne did a great job in getting the donation levels massively increased so this is great news. From April 1, 2008, instead of having a cap of around \$1,800 per annum, individuals will be able to donate way more than this and get some tax perks.

So one of my wishes is for the generous and good people of Lower and Upper Hutt to support my two favourite charities, the Te Omanga Trust and the Te Omanga Foundation, by donating even more.

6. I have written before about private Medical insurance. I believe people having their own private Medical insurance take the pressure off the public system for operations and the like. The health system is fantastic in many areas but certain operations can have large waiting lists and private Medical insurance must save the country millions of dollars. Southern Cross, the country's largest Medical insurer, pays out over 2,000 claims worth over \$1m PER DAY! I am not sure how many of these relate to GP's visits, but the percentage going to pay for procedures and operations must be huge.

My contention is the Government should make the premiums on Medical insurance tax deductible or able to be lumped in with charitable donations to give an effective 33 per cent tax refund. It should also be non FBTable for companies who subsidise their staff, just like ACC is non FBTable. Hopefully both major parties will take this on board as an election promise.

7. Sir Edmund Hillary was a great man. I once heard him speak at a book launch at the Park Royal and he was fantastic. I was lucky enough to get him to sign a \$5 bill before he died and I will always treasure it. Like most Kiwis, I was absolutely amazed that the Royal Family did not send a representative to his funeral. Maybe it's time we looked at the whole Republic idea again. Maybe we should change the first Monday in June from the Queen's birthday holiday to the Ed Hillary day.

8. I would like to see supermarkets charge \$1 per plastic bag. This \$1 would be a tax and given to local Councils for conservation purposes or something similar. Customers would soon get the

idea to bring their own bags or to buy reusable bags. We use millions and millions of plastic bags each year and it is simply no good.

9. Council should encourage local businesses to recycle paper, bottles and plastic. How they do it without creating problems at the CBD curbside I'm not quite sure.

10. KiwiSaver seems to be going pretty well. A few investors will have got a little nervous when the share markets all went haywire in January. However investors need to realise superannuation is a long term investment and the benefit one receives for volatility is theoretically a better long term return than simply having one's money in fixed interest type investments. My suggestion is for KiwiSaver investors to talk to an investment adviser about the best scheme for them.

11. Also it would be great if the initial contribution level for KiwiSaver could be as low as one per cent so as to encourage some people who are struggling to make ends meet to start contributing.

12. My next wish is for the Government to give the same KiwiSaver tax perks which are currently available to self employed people paying tax through the PAYE system to self employed people who are not paying tax through the PAYE system. There's no justification for one lot of people to be advantaged and the other lot to be disadvantaged.

13. If the Hutt is serious about getting people to cycle then they need to spend some money on decent cycle tracks. Plus a few cycle racks scattered throughout the CBD would be good too.

14. Another wish is for Hutt Valley High School, my alma mater, to sort its problems out. It is so big and unwieldy now (over 1,700 kids) you have got to wonder how bright it was to merge with Hutt Valley Memorial Technical College (Petone Tech when I was a lad) a few years ago. Who was the Minister of Education then I wonder?

15. Oh yes, world peace would be nice too. ■