

Submission-

NZ- Cash poor, land rich.

An alternative to providing long term social services/welfare at huge cost to society.

NZ has a population of approx. 4.5 million. It has an approx. area of 66.5 million acres.

Every single citizen could be allocated 1 acre and there would still be more than 60 million acres left over.

On 1 acre of (decent) land, it is more than possible to grow enough food for subsistence living for 1-4 people.

On 1 acre it is easy to house one person simply, sustainably and healthily. Combine with streamlining of rural building consent processes to include 'low impact dwelling' and similar projects, plus a community service/volunteer/sponsored apprenticeship building program to provide cheap labour, housing provided for less than 80k. Could also be combined with subsidised solar energy or other decentralised energy projects.

When the govt spends 34 billion per year on social services the cost of purchase of land shouldn't be a major block to implementation.

Based on current land costs in non-urban and low-demand areas, several acres can be purchase for approx. \$100k. Let's say for easy of calculation that you can buy 5 acres for 100k(not including fees, tax etc), that's 20k per person.

Case 1-Pensions

Annual cost of pension per person- approx 20k. Life expectancy is 81 years.

Therefore average Lifetime cost of pension per person = 320k.

Recommended action- offer 1acre land deals in exchange for reduced pension payout. "the lifestyle you've always wanted"

Conditions-On death, Land is not for general resale, but can only be passed down to a single relative, or returned to govt for reallocation.

Ongoing benefits-

Land costs 20k one off payment for govt per person. Pension payouts can probably be reduced significantly- shall we say to 200k for the lifetime of the person? Saves 100k per person. That's the potential to save 30% of the pensions budget every year...That then enables more spending in social services, paying of govt debt or cutting tax rates, etc.

[Could potentially offer a 'more land for less pension' scheme? Eg each additional acre reduces pension by further 30%- 3 acres maximum?]

Reduction of housing crisis/infrastructure issues and population density issues in urbanised areas

Job creation in rural areas providing support for retirees and their land.

Land passes down to future generations, reducing NZer's debt profile in the process.

Ongoing negatives-

Requirement for more rural infrastructure might be costly, eg more rural roading, access, etc.

Greater requirement for mobile health services and ambulance to access remoter areas.

Case 2-Unemployed

<https://www.msd.govt.nz/about-msd-and-our-work/newsroom/media-releases/2013/taylor-fry-welfare-valuation.html>

Sole parent 15.8 years on benefit lifetime cost = 234k

Youth 18.9 years on benefit lifetime cost = 239k

Land cost per person= 20k

Solution - allocate land to every unemployed sole parent or youth and reduce benefit by 100k.

Ongoing Benefits-

Save 80k per beneficiary lifetime. (or more?)

Encourage self sufficiency, healthy eating and potentially through a land selection process, extract at risk people from unhealthy environments-moving away from negative life influences.

Possibly in conjunction with Case 1 – pensions, jobs become available for this group providing services to elderly.

Case 3-General population-families

The above 2 plans might be seen as cutting out middle nz. As mentioned above there should be more than adequate land to provide 1 acre for every NZer. Supply shouldn't be an issue. Main issue is cost. However, with savings made from pensions and beneficiary cases 1 & 2. Funds could be allocated to 'en-land' some middle income earning families. This could be conditional on such things as-

1/ Citizenship,

2/ No parent/relative already in the pension scheme above

3/ income dependent

And could also be done via a lottery process.

Current avg income in NZ approx 55k.

Making a 1 child family is eligible for \$60 per week through working for families, until the child is 15 years old.

That's a cost of approx. 50k for the lifetime (15 years)

As mentioned 1 acre of land costs approx. 20k. and should be able to adequately subsist a family and provide a location for a home. Main weekly costs for any family are food/groceries and rent/mortgage. Owning own land, and growing on it dramatically reduces these costs to the family.

By removing the working for families tax credit for an average income of 55k, and providing 1 acre of land instead, the govt saves approx. 30k per applicant over the 15 year lifetime.

Ongoing Benefits-

More and more NZers able to be freehold owners of their own land. Reducing cycle of debt and poverty. Stimulating the economy as income is freed up for investing, consuming and entrepreneurship.

Govt costs reduced by 30k per family of average income (55k)

Possibility to protect waterways with strategic land acquisition program.

Stimulus for rural economies and communities with younger people with children living and working locally. similar reductions in the infrastructure issues in urban areas.

Land ownership supports (local) residential construction industry as money goes towards building rather than debt financing/mortgage/rent.

Ongoing negatives-

Increased requirements for rural infrastructure and investment in schools and health services.

Movement of workforce away from traditional job centres.

Social Benefits-

Healthier lifestyle for pensioners, families and unemployed through combination of outdoor activity, food growing and eating, and reduced stress caused by financial struggle of having to pay mortgages/rent/try to survive at a base level should also see a reduction in the costs of other more direct social services such as health care, chronic illness treatment, mental health issues, and financial services.

Creating healthier rural communities with a diverse age range and financial freedom to contribute to local economies.

Reduced strain on urban infrastructure and services.

Reduced levels of debt (for the population and potentially for govt) fuels economic activity, investment, entrepreneurship and makes for a wealthier all round society.