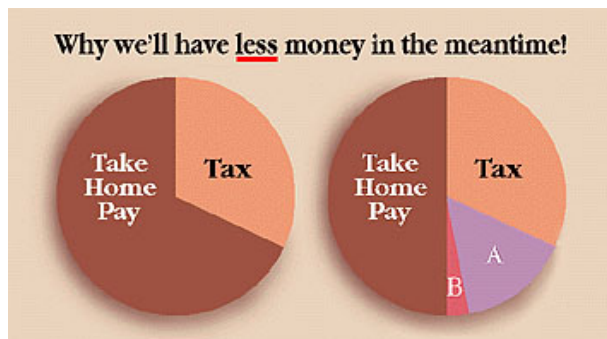


# Why you won't have enough money when you retire – *and why you don't have enough money right now!*





Add the impact of higher prices to support employer contributions (A), and added tax (B) and you begin to see the extent of the problem. And remember – that take home pay is smaller than ever to start with!



It wouldn't be so bad if that 9% would actually enable us to survive. But the government's own experts say that, to survive at the poverty line in retirement, **we need to save 18% of our total earnings... for the whole of our working lives!**

To make it worse, many workers are now discovering that their superannuation funds are being devoured by fund managers and their exorbitant fees – like putting Dracula in charge of the Blood Bank!.

#### Is there anything we can do about it?

At least you know now WHY it's a constant struggle to make ends meet. That's important. Until we know the *cause* of a problem, it's almost impossible to fix it. Too often, we wind up only *relieving the pain*, without actually *curing the disease*.

That pain, which causes us stress, and undermines our health and our relationships, is this:

- Not enough **MONEY**
- Not enough **TIME**

But the *real* problem is **distorted, lifelong conditioning**.

We're conditioned by *our upbringing, our education* and *our work experience* to be two very familiar things:

- **EMPLOYEES** – trading a fixed amount of time for a fixed amount of money
- **CONSUMERS (buyers)** – trading a fixed amount of money for goods and services of fixed value.

#### The **REAL** culprit

The cause of most of our stress – and our lack of free time and disposable income – is our *unwitting, conditioned reliance* on **RECIPROCAL INCOME**.

Reciprocal income is what we earn by trading one thing of fixed value for another thing of fixed value. Mostly, it comes from **trading our time for money**.

Time and money are our *mediums of exchange*. We use them to exchange for other things of value. It's their *only* usefulness to us, if you really think about it.

Trading a fixed amount of time for a fixed amount of money in a job limits the free time and disposable income we have, because it robs us of **leverage**.

This is even worse in a profession or self-employment, where we typically limit our income by charging for our

time by the hour. It puts an automatic limit on our earning potential.

#### **Reciprocal income has two important – but highly deceptive – benefits**

The benefits of reciprocal income are that it's usually...

- **immediate** – we don't have to wait long for it, and
- **predictable** – we know how much we'll be getting.

We're paid weekly, fortnightly or monthly. And that's important, because the bills keep piling up. We live, hand-to-mouth, from one pay packet to the next.

#### **But it's a dangerous snare for most people**

We stay chained to the reciprocal income treadmill, from 9-to-5 or longer, because we can't see any way to break free from "wage slavery."

It's even worse when we're "self-employed" because we tend to work longer and harder, for less money, less security, less satisfaction and less independence than our employees!

Today, most families are less than two pay packets away from technical bankruptcy. So we're locked in, firmly, by our *conditioned* need for reciprocal income, until we finally retire – with too much time and too little money.

#### **It doesn't have to be this way!**

It's *our conditioning* that keeps us on that treadmill, just like an elephant that can't move when its leg is chained or roped.

In India, as soon as a baby elephant can stand and walk on its own, it's roped or chained to a large tree. After about three weeks of trying in vain to break free, it finally comes to the conclusion that if its leg is roped or chained, it can't go anywhere.

After that, it really doesn't matter whether the other end of the chain or rope is fastened to a tree, pole or peg or not... because *it's no longer the rope or chain that prevents the elephant from moving*. It's kept in place by its **distorted, lifelong conditioning**.

Just like us.

Even when we break out and go into business for ourselves, *we take that conditioning with us*. When we're faced with a business decision that requires us to think and act like our two most critical business roles...

- an **innovator** or
- a **marketer**

*our distorted, lifelong conditioning takes over*, and we revert instead to thinking and acting in the only way we've been conditioned to think and act...

- an **employee**
- a **consumer/buyer**

#### **We have to learn a new mindset – a new perspective – if we want to break free from our conditioning**

This is the real challenge. We have to stop thinking in terms of **reciprocal** income – of trading a fixed amount of time for a fixed amount of money – and start

thinking in terms of **residual income**, where we cut all connection between our time and our money.

**Residual income** is what we get when we do something once, then receive payment for it over and over again, year after year.

Songwriters, novelists, playwrights, recording artists and inventors are common examples of people who earn residual income from their efforts. They earn ongoing royalties from every sale or performance of their work.

Investors in properties and shares receive rental income and dividends from profits from their investments.

Franchisors receive royalties and fees from the turnover of every franchise they sell.

These are all examples of **RESIDUAL income**, where the money we receive has no connection to the time it takes us to perform the work that creates it. Residual income allows us to do the *only* thing we can never do when we're locked into **reciprocal income**:

### Work less and earn more.

In other words, we have more time, more money – and more freedom to enjoy them both. We also enjoy...

- Less stress.
- Better health.
- Better relationships.
- More happiness and enjoyment of life.

Wouldn't you rather live this way? (I know. Dumb question. Who *wouldn't* prefer to live like this?)

### Our dilemma

But even if we take the plunge into business, as property investors, share traders, franchise operators or small business owners, we still face a major dilemma.

- **90%** of property investors LOSE money.
- **90%** of share traders LOSE money.
- **90%** of franchise operators either LOSE money or regret their decision (because of loss of freedom).
- **90%** of small business owners FAIL.

They fail for the same basic reason. They don't know...

### The Law of Success

The **Law of Success** is very simple: "**Do only the right things, for only the right reasons.**"

If you do this, you cannot fail. It's simply not possible.

The *real* dilemma, of course, is this...

- **What are the right things to do?**
- **What are the right reasons for doing them?**

We either **KNOW** them or we don't. There's no point guessing – we have less than a 50% chance at best of being right – and, when we know that 90% FAIL, doing what everyone else is doing is nothing short of a sure-fire recipe for *failure*.

Of course, finding another job (if you can find one at all) isn't a solution – especially when we already have no time – and we want *more* free time anyway.

So what IS the solution to our dilemma? Is there one?

### Yes – there *is* a solution!

Despite the bleak picture painted here, we can still overcome the challenges presented by our distorted conditioning and our ignorance of the right things to do (and the right reasons for doing them).

But note that I said "**overcome.**" I did *not* say "avoid," "run away from" or "pretend they don't exist."

**That means learning new perspectives, new knowledge, new attitudes and new skills. And that takes time, effort and discipline. It means catching a clear vision of the future you want, then sharing that vision with others whose help you'll need to realise it.**

But it can be done... as long as you learn the right things to do, and the right reasons for doing them, *from those who actually KNOW them.*

So let's review what we need to consider in choosing our future, so we can avoid mistakes and head in the right direction from the start.

- We need **residual** income, so we can work less (more free time) and earn more (more disposable income).
- We need to be **in business for ourselves**, since this is the only way for us to create residual income.
- We also need **reciprocal** income – in the short term at least, while we build our income, because those bills still have to be paid, and reciprocal income is *immediate* and *predictable*. So any business we choose must offer *both* types of income.
- We need a business that's **part-time, home-based**, with a **minimal start-up investment**.
- We need a business with **simple, built-in systems** that deliver the fresh perspectives, knowledge, attitudes and skills we need to do only the right things for only the right reasons.
- We need a business with powerful **leverage** that allows us to **duplicate our efforts** over and over.
- We need a business that involves **little or no risk** – to our money, our time or efforts, our integrity, our relationships, our reputations or our current jobs. (We still need that reciprocal income to survive!)

But where can we find businesses like this? Do they even exist? Can we be sure of success, even if they do?

The answer is yes. They do exist. And yes, we can be successful. *But only if we're coachable... if we can overcome our lifelong conditioning and learn to do the right things for the right reasons.*

In **Special Report No. 2** we'll explore how to properly analyse and evaluate home-based business opportunities like these.

For your complimentary copy, please contact the person who gave you this Report.

This Special Report is based on material from "**Work Less. Earn More. Start Now!**" by John Counsel (*The Profit Clinic*, 2002). Learn more about it here... [www.profitclinic.com/bookstore](http://www.profitclinic.com/bookstore)

