

Living off the Smell of an Oily Rag

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Dedicated to Lillian Ratcliff and the late Harry Ratcliff (Muriel's mum and dad) for their loyalty to the practice and spirit of penny-pinching. Lillian is truly an expert in the art of low-cost culinary delights.



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Edited by Lesley Marshall.

Cover: "The backyard paradise". The cover sums up what living off the smell of an oily rag is all about. It's about having a happy, content, frugal lifestyle - people living in harmony with each other and with the resources they have available to them.

Books in the oily rag series:

Living off the Smell of an Oily Rag

Feasting off the Smell of an Oily Rag

A full list of Pursuit publications may be viewed at www.pursuit.co.nz.

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A big thank you goes to all those who have made an effort to share their tips and stories with others. This book is a tribute to their enthusiasm.

Thanks also to cartoonist, Bob Darroch, who has captured the spirit of living off the smell of an oily rag in his cover and text illustrations; and text editor, Lesley Marshall, who makes sure the i's are dotted and the t's are crossed.

Introduction

There are times in everyone's life when money is tight and living costs must be kept to a minimum. Young people, families with young children, the unemployed and many of the elderly need to make the most of the limited income they have. But they are not the only people who will benefit from a bit of oily rag attitude. There is something almost indescribably satisfying about living off the smell of an oily rag. It has a "feel-good" quality about it. Maybe it's because it's unpretentious and earthy. It is also very rewarding - savings soon add up to substantial sums that can be used to "spoil" oneself from time to time or to invest (but that's another story and another book).

By writing this book we hope to convince people that living off the smell of an oily rag is not a shameful exercise, it's good fun, good for your health, and great for your pocket! Everyone can enjoy it!

Living off the smell of an oily rag should be fun. So we have delivered the material in a no-nonsense, down-to-earth, easy-to-read way and with tummy-chuckling humour that is typical of an oily rag lifestyle. (For those who find the humour a little too subtle, it is generally tagged with an !).

We first wrote about living off the smell of an oily rag in 1991. Since then over 100,000 oily rag books have been sold, and oily rag tips and titillations have been printed in syndicated form in more than 30 publications in New Zealand, Norfolk Island and Australia.

We continue to receive letters from dedicated oily raggers almost daily. That tells me living off the smell of an oily rag is more than a passing fad - it's an ethic deeply embedded into our way of life.

In this edition of *Living off the Smell of an Oily Rag* the original content is built upon by cherry-picking the best (or most unusual!) tips from the huge number received

from oily rag enthusiasts since 1991. The contributions from readers appear as they have been submitted, any editing is of a grammatical nature only. Contributions have not been omitted because some sensitive souls may consider them unfashionable or not politically correct. If people take the time and trouble to send in their favourite tips, then that's good enough for us!

The first chapters of this book look at the major areas of expenditure: the house, car and clothing.

There is a chapter on budgeting. Budgeting is essential for those on a limited income. You must know where your money is coming from and where it's going. The budgeting system detailed is extremely simple to use and effective.

In addition to the hundreds of money-saving tips, there is a chapter on money-making ideas. Anyone can put these ideas into practice and make a few extra dollars. They require no capital and no particular skills - just some spare time and initiative.

We also thought it was about time we moved into the modern age by making oily rag hi-tech. Check out the oily rag internet - see it at www.oilyrag.co.nz. There are thousands of tips and stories on that site so you are sure to find something of interest or at least a little humorous. We have developed the website off the smell of an oily rag, so we thought we would add a new chapter on how to save money while surfing the internet.

People can live well, without great cost, if only they would see the possibilities. That's where this book comes in. It is full of ideas on how you can reduce living costs without sacrificing your standard of living. We have included a comprehensive index to make those money-saving gems easier to find!

For those who want to extend their oily rag habits to the kitchen, there is a sister publication to this book called *Feasting off the Smell of an Oily Rag*. There was simply too much material on that subject alone to combine all the material into a single book, without it becoming an obese tome! *Feasting..* also includes a weighty section about gardening off the smell on an oily rag, so what you grow is what you cook. That's how to cut thousands of dollars off your food bill.

Happy reading and don't forget to keep those tips coming.

Frank & Muriel Newman

August 2008

Chapter 1

Oily rag attitude

You don't need to be a rocket scientist to know that most of your weekly income disappears into a black hole known as living expenses. The hundreds - thousands - of ways of making that black hole a little smaller are explored in the pages that follow.

But before we disappear into the galaxy of savings, it is important to clear up a little fallacy about people who live off the smell of an oily rag.

Some (uninformed) people have a rather funny attitude about living off the smell of an oily rag. They seem to think that only those on the bones of their bottom live off the smell of an oily rag. Not so. After a great deal of research it has been established that most people living off the smell of an oily rag do not do so out of necessity. Extensive research into the oily rag psyche has revealed seven thrifty personality types.



The traditional oily ragger. This oily ragger comes from good solid stock. Their ancestors (immediate or distant) are probably English, quite likely Yorkshire. Prices are converted to a "one and six in the pound" currency system which usually precedes the expression "eh, by gum, isn't thart expensive?". The traditional oily ragger does things the way they were always done, and resists new technology - like using egg-beaters! A traditional oily ragger can turn a residential section into a Garden of Eden.

The nouveau oily ragger. Now this is a fairly new breed of oily ragger. More than likely their parents, grandparents or great-grandparents were of the traditional oily ragger category. The nouveau oily ragger is much more receptive to new technology in the kitchen. For example it is not unusual for them to have an automatic dishwasher or a food processor (in fact, almost all oily ragger types have a food processor nowadays). They also tend to buy ready-made ingredients and buy tinned foods rather than preserve their own as their forebears would have. Typically the nouveau oily ragger is a two-income family urban dweller, with many demands on their time. Despite these demands, the oily rag will run deep and undaunted. With the pace of change in society today it is not unusual to see the transformation from traditional oily ragger to nouveau oily ragger within a generation.



This phenomenon is known as “leaping the oily rag gap”.



The Scrooge McDuck oily ragger. This is the type of oily ragger you tend to read about in the newspapers that give people a false impression of oily raggars. Scrooge oily raggars scrimp and save because there's a few cents to extract out of every dollar (even though they may be swimming in money already). During our research it became obvious that the one thing a Scrooge McDuck oily ragger lacks (that all other oily ragger types have) is a sense of humour. To them living off the smell of an oily rag is a very serious business indeed - they have not seen the sense of fun in it.

The serious-saver oily ragger. This oily ragger knows exactly what they need to do to buy a home or build a nest egg - save. They realise that living off the smell of an oily rag leads to thrift and thrift leads to prosperity. They also know that a penny saved is a pound harvested and that dimes grow into dollars. This oily ragger is often seen with their nose deeply immersed in the pages of wealth and prosperity books.



The greenie oily ragger. The greenie oily ragger has emerged out of the green movement. They believe conserving the world's resources is a good thing to do, giving them that warm fuzzy feeling! These oily raggars tend to after coming into an inheritance! Despite this, greenie oily raggars do serve as

be “swinging” oily ragers, a little like swinging voters at election time. One year they will be devoted oily ragers; the next year they will be investing in a booming sharemarket, or driving a red sports car after coming into an inheritance! Despite this, greenie oily ragers do serve as valuable reminders that living off the smell of an oily rag is good for the environment.

The hate-waste oily ragger. This type of oily ragger does not go to the lengths that the traditional oily ragger would, but they do go out of their way to avoid waste (like getting the very last drop out of the tomato sauce container), and save a dollar or two in the process. They want to be sensible



about their money and are discerning about how they use it. The hate-waste oily ragger is very often the progeny of a traditional oily ragger marriage. They tend to be fully immersed in the complexities of modern life, but bring to it an oily rag attitude. This type of oily ragger is essential to the survival of the oily rag culture in newly developed housing suburbs.

The making-ends-meet oily ragger. This type of oily ragger is drawn to an oily rag lifestyle due to circumstances. For those not born into a oily rag family, this will be the entry point into their oily rag experience. But if equipped with a mentor, or one or both of the *Oily Rag* bibles, they should survive and indeed thrive on an oily rag type income, evolving into one of the other forms of oily ragger mentioned above.

From what you, our readers, have told us a third of all oily ragers are a little bit of every oily rag personality. Another 31% are making-ends-meet oily ragers, 14% hate-waste, 12% nouveau, 5% greenie oily ragers and 5% serious-saver oily ragers.

Non-oily-rag types have asked why bother making what may seem like small savings. They ask, is the penny-pinching really worth it? The answer is an unequivocal “too right”.

There is also another fallacy that needs to be cleared up early on. Some people (incorrectly) confuse being frugal with being mean-spirited. The two are quite different but those who don't understand the oily rag ethic sometimes fail to recognise the none-too-subtle subtleties.



It's a funny thing about wealth - you don't have to be a big income earner to become wealthy. In fact, most wealthy people didn't earn big incomes early on in their working life, but they saved heaps.

There is no reason why the average family can't save 30 to 50% of their income if they practise the art of living off the smell of an oily rag. One oily ragger proudly reminisces about the time when he had his first job. Despite earning well below the average wage he saved 75% of his after-tax income. While his workmates were buying cars (usually on hire purchase!) he biked everywhere. The point is he saved, they didn't. He used the savings to buy a few shares, then some more shares, a house, then a second house, and so on. Nowadays the oily ragger still abides by the rule of saving at least 10% of his income, but he is happily extravagant and eccentric with the remaining 90%!

The trouble is, most people don't even save the 10%! They should, and if they need to live off the smell of an oily rag to save, then that is what they must do.

Another common question asked is, can you ever take living off the smell of an oily rag too far? The answer is yes and no. Yes, if you get mean-spirited about living off the smell of an oily rag; or if you let it get in the way of good health and happy living - that would be ridiculous. And no, because the more you save the more you will accumulate.

So why live off the smell of an oily rag? There are lots of really really good reasons. Here are just some of them:

1. It's fun!
2. You can save heaps of money, which means you can save more, which means you have more for investment, which means you will have more money when you put your feet up and retire!
3. Waste not, want not!
4. It's good for the environment! (okay, we know that's very PC!)
5. Avoiding waste means you will have money for the things that are really important!

Living off the smell of an oily rag is not about hardship or deprivation. You do not need to be poor to enjoy living off the smell of an oily rag - the well-off can enjoy it too!

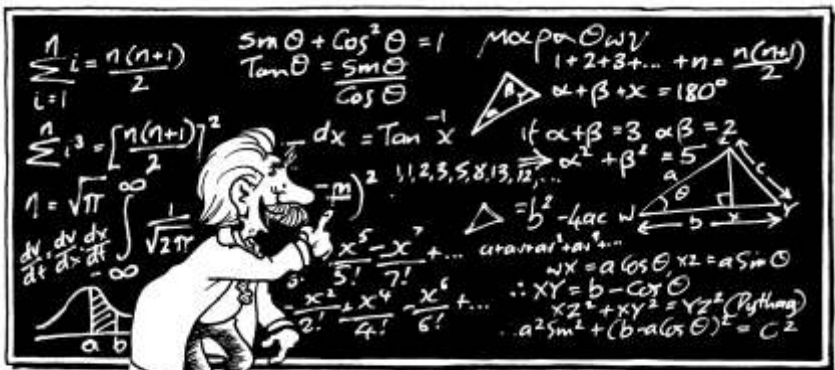
If you remain unconvinced about adopting the very virtuous oily rag attitude then maybe some priceless penny-pinching comments from readers will persuade you.

"I was a toll operator for eight years and did as much overtime as I could. I lived with my parents for years paying cheap board and biked everywhere. I saved 80% of my income. At the age of 25, I had everything freehold including a \$100,000 home, \$30,000 worth of furniture, \$22,000 car and \$35,000 in the bank. My 'secret' has been frugality, simplicity in my thinking, clear goals and no temptations to buy worthless things."

"I've never had a problem accumulating wealth. My difficulty now at 73 years old is learning how to spend money, for I live simply, want for nothing, and find it impossible to change the habits of a lifetime and suddenly become a Big Spender. Being a widower for over ten years now and living alone contributes to the dilemma, which is unfortunate. If my dear wife were still alive there'd be no problem because she always knew how to spend money!"

"It is very refreshing to read...that there are more people who pinch their pennies, and out of choice! This world is too materialistic!"

"I get a lot of enjoyment out of using things other people class as rubbish and if I save money by doing so, it's even better. For years I was on a small wage and I still managed to pay off a \$10,000 loan in 3 years. I'm proud of myself and think I am a real 'oily rag' person!"



"Yah! Living off zee smell of an oily rag does compute!" - Albert Einstein

“I am just a beginner but find penny-pinching a rewarding and satisfying experience.”

“I live off the smell of an oily rag because I think it’s the right thing to do. I am not driven by necessity. I have lots of money, but I think it is better to be frugal than wasteful. I actually give quite a lot away to charity. In other words, I am frugal so that I may be generous.”

“Greetings from a small island in the Cook Islands. I am here for two years on a teaching contract, along with my husband and three-year-old son. We were oily ragers a bit before we came here, but now we are ‘devotees’ through necessity. Where we live there is only a very limited, expensive range of groceries. Although we order groceries every few weeks from Rarotonga we have learnt to stretch our \$ and ‘make do’ on less. We are enjoying the savings.”

“I have just started work and have a low income. Because I am living cheaply I can save heaps. I am building up savings which I will be putting into investments.”

And now, let’s go into that galaxy of savings...