

The seven thin cows should not eat up the seven fat cows

The story in the Old Testament of the Bible of Joseph interpreting the pharaoh's dream of the seven fat and seven thin cows, how the seven thin cows ate up the seven fat cows and how food was stored according to the interpretation of the dream so that even Joseph's relatives who betrayed and sold him could come and buy that food from him in Egypt illustrates the importance of saving on a long-term basis for a time when there won't be sufficient resources to cover one's expenses or to live on or the resources that there are and that have been gathered over a long period of time will not be able to be replenished.

It is this principle that underpins income protection.

There could come a time in your life where you will be unemployed due to illness or an accident and will not be able to earn a salary due to permanent or temporary disability but you will still have expenses to pay during that time any person who ever starts to earn money should consider income protection.

An income protector policy is a long-term insurance policy that you take out to protect you financially for the time or a time period that you are unemployed due to an accident or illness, but it does not apply to a retrenchment. It has strict terms and conditions. You have to be in the labour force for two years and had to have worked in the service of your current employer for a minimum of one year. There is a waiting period applied to the processing and payout of claims of up to six months before the policy is taken out and one month after you became unemployed. A capital amount or a monthly payout equal to an amount equal to 60% of your monthly income is paid out. The amount paid out monthly is capped at R30000. The cover is only for six months of unemployment.

The group insurance that the employees of a bigger company belong to normally has an income protection component. While you

are a salaried worker you possibly already have access to these benefits as a contributor to the group insurance.

If you are a single parent, have growing children and you become unemployed because of an accident or illness your mortgage on your home or the rent you pay your landlord for your rented home will still need to be paid, your children will still need food, larger-sized clothes and shoes, school clothes and shoes and expenses related to their education paid despite their parents being unemployed. Even a single person with no children or parents or relatives that they need to look after who becomes unemployed or unable to earn a salary for a time still has to cover the costs related to their home, like levies if they live in a sectional title property development or complex, the repayment amounts on their mortgages, cell phone account, water and electricity and other municipal services and the cost of groceries and medical care and the payment of the installments of your car financing.

Without an income they could lose their home or that of their children, parents or relatives, car (that they might use to transport their children to school or university) and lifestyle if they incur a great amount of debt to cover their expenses, just like the symbolic seven thin cows in the pharao's dream ate up the seven fat cows.