

YOUR MONEY

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Protecting A Most Important Asset

We all love Whistler for the thrilling sports that make it a playground in both winter and summer. After working hard all day at their jobs and businesses, Whistler residents are only minutes away from schussing down the slopes with the cold wind in their faces and the thrill of reaching their goal; getting to the end of the run safely with everything intact.

In summer what can possibly beat the exhilaration of racing down the mountain on a bike? With adrenaline surging at every twist in the terrain, you rush over rocks and berms with tree trunks narrowing the trail when you least expect it. In winter or summer, Whistler has activities where everyday cares are forgotten.

But, it can all be over in a flash. As John Lennon wrote, "Life is what happens to you while you're busy making other plans." It is the same with our financial plans. We set goals and use all our thinking and reasoning skills, hoping to reach our objectives with everything intact. But the 'tree trunk' on the financial trail can be something other than an accident.

With a quarter of Canadians destined for heart problems, and half of those under 65; or with the rising odds of contracting any number of debilitating diseases; it is imperative that we protect the asset that affects all our financial plans. That asset is our ability to continue earning an income, and the protection is disability insurance.

It's interesting that people are careful to protect their physical assets (cars, boats, homes) but don't think about protecting their ability to earn. Maybe it's because that asset is intangible. Maybe it's because disability protection is complicated and not easy to figure out. Or, perhaps it simply that no one has got them to think about it.

On the surface, disability insurance appears to be a basic concept - replacing your income if an accident or illness prevents you from earning it in your occupation. But is it that simple? Is the protection needed by a professional athlete the same as that needed by an electrician? Is the protection needed by either of them adequate for a business owner?

Determining your disability insurance need is further complicated by the fact that it is entirely unpredictable if, when, or how a disability will happen. When you add that unpredictability to the fact that your financial plans and your way of earning a living are not the same as everyone else, it becomes very clear that a disability insurance policy must be tailored to you. I firmly believe that your financial planning should ensure the right disability protections are in place.

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