

had been liquidated at that time - hence the need for keeping records of purchase costs. (Trust Companies are ready to give guidance).

There also appears to be an anomaly that should be looked into and corrected in the case of Old Age Security payments to wives of employees under certain circumstances, and possibly also to employees should they decide to retire abroad before reaching pensionable age (65). The Department of National Health and Welfare has described the legislation as follows:

The legislation provides that certain absences from Canada of a resident of Canada shall not interrupt his residence in Canada. One of these is an absence from Canada of a resident of Canada while employed by the Government of Canada provided he returned to Canada at the end of such employment or he attained pensionable age while so employed. The residence of a married woman who was a resident of Canada and accompanied her husband while employed outside Canada by the Government of Canada shall not be interrupted if she returned to Canada before or at the end of such period of employment by her husband or she reached pensionable age while her husband was so employed. I might point out that one of the critical aspects of this provision is that the wife must have been a resident of Canada when she accompanied her husband outside Canada.

Apparently this legislation provides for no discretionary powers to anyone so that it is possible some grave injustice and even some hardship could arise in the case of an employee who chooses or who may be forced for health reasons (or any other reason) to retire abroad before reaching the age of 65. If he has married while en poste, his wife may not have been a resident of Canada before he was posted abroad. In both cases, to compel the employee and his wife to return to Canada (presumably by return is meant to establish residence) in order to qualify for the Old Age Pension may not be possible for health reasons and, in any case, it would put him to an unnecessary and possibly insupportable expense.

This is a strange proviso in the legislation that seems hard to justify. The employee while serving abroad has paid Canadian income tax as if he were a resident of Canada. In fact, he and his wife are regarded as residents for all tax purposes when posted abroad -