

FSD'S AND OUR LIVES ABROAD

FOREIGN SERVICE PREMIUMS, POST DIFFERENTIAL ALLOWANCES, SALARY EQUALIZATION — the strange language of foreign service families

Chances are that you've heard these terms. In fact, chances are that you've heard them so often that you don't dare ask exactly what they mean. So, for all of us who need a refresher . . .

Foreign Service Premium is a tax free allowance that is given to encourage you to spend more time abroad. For each month abroad you accumulate 1 point (it used to be that hardship posts warranted more points but that was changed in 1982), then based on these points plus the size of your family and your salary, you could receive anywhere between \$2,513 and \$12,208 annually. (Charts specify the exact amounts.)

Post Differential Allowance is a payment that you receive when you are at a hardship post. It ranges from \$1,390 for a single person at a level I post to \$6,266 for a person with two or more dependants at a level IV post. These amounts are increased by 50% for continuous service at hardship posts in excess of 24 months.

Dip Doodles
by Vic Lotto



Honey . . . you'll get to love it . . . really. It's a perfect example of PRE-ADRANAC sculpture. We'll just have to move our livingroom wall out a little, back home and it will fit in perfectly.

Salary Equalization is paid in order that your disposable income has the same purchasing power as it would have in Ottawa. Each post has a *Post Index* which is a number that compares it to the 100 index of Ottawa. Thus a post with an index of 120 would have retail prices that are 20% higher. For a disposable income of \$16,500 at a post with an index of 120 you would receive an additional \$302.50 monthly.

HIGHLIGHTING FSD'S

It's posting time, so best we highlight a few FSD's that are relevant and particularly important at this time.

Usually a family travels together to a post, but there are various situations that might make it impossible for the family to do so. Should that be the case, family separation expenses (FSE) are available to assist an employee maintain two residences for a temporary period.

Family Separation Expenses (FSD 15.34) Situations that qualify for FSE include: where an employee must accept an assignment on an unaccompanied basis, where disruption of a dependant's education would occur, where a dependant is ill and where the dependant must remain to arrange for disposal of the employee's principle residence. It does not apply where there is a voluntary separation, where the dependant remains to dispose of income-producing property, when a dependant attending school was not living at home prior to the relocation or due to a dependant's employment.

Claimable expenses vary depending upon the situation involved as well as whether this occurs on relocation to, or from, a post. This is a somewhat complicated directive so it is suggested that those responsible for administering it (ABRR) and/or the FSD policy area (ABRA) be contacted before any final decision is taken.

Temporary Accommodation (FSD 15.33) You are entitled to two days in temporary accommodation at each of the old and new places of duty regardless of the type of accommodation occupied. This means that should your place be ready when you arrive, you can, if you wish, spend two days in a hotel with meal allowances rather than try to decipher the language and make yourself understood in the markets, or alternatively you may move directly into your place and claim meals for the first two days.

Foreign Service Leave (FSD 45) An employee accumulates leave credits at the rate of 5/6's of a day for each completed month of service at a post. When 10 days have been accumulated, you have three options: i) retain and use the leave credits, ii) receive cash payment for the 10 days and do whatever you wish with the money (this is taxable) iii) cash in the 10 days accrued leave credits for a transportation entitlement up to one full adult return air economy ticket between your post and your headquarter's city. Within this entitlement you may purchase as many tickets as you can and bring your whole family/friends to the post. The point of destination using this scenario must be the post. If you and/or your family decide to travel, then the point of departure must be the post.

Foreign Service Travel Assistance (FSD 50) Like the preceding FSD, most people are probably aware of this one, but due to its importance it will be reiterated. You are entitled to a return trip to Canada from a post at least once every three years. Should you be at a level I or II post, you may return once during a two year tour or twice during a three year tour, plus once for every additional year that you are there. From a level III or IV post you are entitled to a trip home every year. This assistance applies to all dependants including children who are being educated away from the post but not in Canada.

The Foreign Service Employees' Handbook (green book), has now been updated. On April 26, 1984, a memorandum was issued indicating the amendments that have been made to the FSD's. All spouses already on the Direct Communication With Spouses list will be receiving this handbook shortly.

SPOUSE'S TRAVEL EXPENSES

Spouses who must travel in order to receive training for a foreign assignment, will now have their travel expenses reimbursed. This was approved by Treasury Board on April 12, 1984 and is effective retroactive to April 1, 1983. This would pertain to spouses who are located in Canada but outside Ottawa, plus to those receiving training en route to post, or to those who had to report directly to post then later were sent to another centre for training.