

## 2.6 Pay, Allowances and Leave

Now, we'll discuss some matters that are very close to most hearts — money and time off. Compensation Services (SBP) is responsible for administering pay and leave. Your salary cheques and pay stubs are actually prepared by Public Works and Government Services Canada (PWGSC) and then sent to Foreign Affairs for distribution.

When you join the foreign service, PWGSC is given basic data concerning your salary level, tax-withholding status and checkoffs. Any alterations to your deductions caused by changes in your classification or family composition are similarly provided. Salary revisions arising from contract settlements are normally reflected in your pay cheque within three months. The awarding of Acting Pay and Performance Pay is a more time-consuming process because authorization must first come from the Human Resources Development Bureau (SPD) before Compensation Services (SBP) can requisition a cheque from PWGSC.

Before you begin your posting, the Services Centre (SERV) will give you an Estimate of Foreign Service Allowances which has been completed according to your entitlements at that time. Keep the estimate in a safe place.

While you are abroad, your pay and allowances will be deposited into the bank account you have designated for that purpose. Only one account is allowed for both salary and allowances. To accomplish this, you should ensure that you fill out form DSS-8432-13 — *Enrolment for Direct Deposit* (this is mandatory). Salary is deposited by electronic transfer every two weeks and allowances are deposited monthly. Supplementary cheques are manually deposited when received, and are generally delivered "by hand" (messenger service) to banks in central Ottawa and Hull, and mailed to outlying branches. Cheque stubs, Allowance Information statements and copies of bank deposit slips are normally sent to the mission once a month for distribution. When you examine these forms, take note that Posting Loans are recovered from your salary.

Two of the FSDs provide benefits based wholly or partially on the incentive-inducement principle. These are the Foreign Service Premium (FSD 56) and the Post Differential Allowance (FSD 58). The Foreign Service Premium and the Post Differential Allowance are payable for the duration of your overseas assignment, except that the Foreign Service Premium is limited to a maximum of seven years at the same mission. Payments may cease or be modified by temporary absences from duty, changes in the size of your family at the mission, changes in salary or length of service at a mission. You and your Mission Management have the joint responsibility to keep SBM informed of any prolonged absences or changes in family status. This should ensure that you continue to receive the proper amount each month and are not inconvenienced by the employer's need to recover any over-payments.

## 2.7 Foreign Service Premium (FSD 56)

The Foreign Service Premium (FSP) — FSD 56 — is the major incentive provided by the employer to induce you to work abroad. It is a tax-free allowance which varies according to your salary, family configuration and the length of your service outside Canada.

Progression from Step to Step in the FSP Table depends on the number of "points" you have accumulated for eligible service abroad. It is designed to encourage the rotationality of employees. The Premium is increased on April 1 of each year by the average percentage increase in federal public service salaries as a whole during the preceding calendar year.

**Note —** For up-to-date Foreign Service Premium tables, refer to the *Schedules to Foreign Service Directives and Meal Rates* published monthly by SBM.