

Figure 6

1	ALLOWANCES PAYABLE/PERMISE D'INDICENTES								
	2	3	4	5	6	7	8	9	10
Labelled (FSD) and Unlabelled (FSD) Codes	Allowance Description in Canadian Dollars	Rate (\$/hr.) to which entitled	Maximum per month	Other Notes	Rate (\$/hr.)	Rate	Maximum per month	Rate (\$/hr.) to which entitled	Maximum per month

## 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 ABD.

## 2.8 Post Differential Allowance (FSD 58)

The Post Differential Allowance (PDA) which is also tax-free, is designed to encourage you to serve at Hardship Missions. It provides you with monetary compensation for undesirable local conditions which, for the most part, cannot be alleviated. After 24 months of continuous service at one or more Hardship Missions, you are entitled to begin receiving a 50 per cent increase in the applicable PDA. If you go from a hardship to a non-hardship posting, your 50 per cent bonus ceases. If you return to another hardship mission, then your points start accruing all over again from the beginning of that posting. However, Ottawa is not considered to be a break in continuous service for payment of the 50 per cent bonus. So, if you return to Ottawa from a hardship mission where you received the 50 per cent bonus and then are posted to another hardship mission after Ottawa, your 50 per cent bonus is reinstated.

Every so often, missions are asked to complete a special Rating Form which allows "hardships" to be described in terms of Isolation, Local Conditions, Climate and Environment, Health, Medical Care, Violence and Hostility. These forms are then sent to Ottawa where they are carefully assessed by an Inter-departmental Hardship Post Committee. Based on relative numerical ratings, missions are designated in one of five hardship levels – Level I indicating the least significant hardship and Level V, the most difficult. (Non-hardship missions are referred to as A-level missions.) A complete and up-to-date listing of hardship missions and PDA Table is contained in the *Schedules to Foreign Service Directives and Meal Rates*, revised and distributed monthly by ABD.

Like the Foreign Service Premium, the PDA Table will be updated on April 1st of each year by the average percentage increase in Federal Public Service salaries during the preceding calendar year. Please note that Hardship Levels may change at any time during a posting. The Post Differential Allowances are adjusted according, usually on the first day of the following month.

## 2.9 Post Index and Salary Equalization

The most common misconception about this Directive is that Salary Equalization is an allowance like the Foreign Service Premium or the Post Differential Allowance. In reality, it is an adjustment to your disposable income designed to maintain your purchasing power at more or less the same level as that of